Center for Connected Health Policy

THE NATIONAL TELEHEALTH POLICY RESOURCE CENTER

Telehealth Policies and Federally Qualified Health Centers

FQHC FACT SHEET | Spring 2023

Supported through funding from the National Association of Community Health Centers (NACHC), in the Fall of 2022 the Center for Connected Health Policy's (CCHP) Policy Finder tool and accompanying telehealth summary report began including a new category dedicated to telehealth Medicaid fee-for-service policies of federally qualified health centers (FQHCs). CCHP has continued to maintain the FQHC category in its policy finder, and has provided updated information and examples of policy trends below for Spring 2023. The focus on Medicaid policies pertaining to FQHCs is driven by the intricate criteria and requirements that FQHCs must adhere to. The category aims to capture this information in a consolidated way to help FQHCs navigate telehealth Medicaid policy across the United States.

Methodology

- State Medicaid manuals, administrative codes, and manuals for fee-for-service policies were reviewed between January and March 2023.
- CCHP only counts states as providing reimbursement if official and explicit Medicaid documentation was found confirming they are reimbursing FQHCs specifically for a certain modality. A broad statement that all providers are reimbursed or any originating site is eligible without an explicit reference to FQHCs was insufficient.
- COVID-19 emergency policies are not included in CCHP's reporting. Only permanent policies are accounted for.
- A state Medicaid program was counted as reimbursing FQHCs even if they do so in a very limited way, such as only for mental health.

Key Findings

Definition of Encounter/Visit & Same Day Encounters

While it is common for Medicaid programs to define a FQHC "encounter" or "visit" as an in-person or face-to-face interaction, it is worth noting that telehealth, particularly through live video consultations, can also be considered a valid form of "face-to-face" interaction in many states. In fact, some Medicaid programs explicitly acknowledge this by including telehealth as a qualifying modality in their definition of an encounter or visit. Thus, the designation of an encounter or visit as "face-to-face" does not necessarily preclude the use of telehealth, as it can be recognized and accommodated by certain Medicaid programs.

Example:

INDIANA defines a valid FQHC or RHC encounter as a face-to-face visit (either in-person or via telehealth) between an Indiana Medicaid member and a qualifying practitioner at an FQHC, RHC or other qualifying nonhospital setting.

CALIFORNIA'S definition of a visit also includes audio-only synchronous interaction as well as asynchronous store-and-forward for certain FQHC providers.

Note that the case of California is rare, and most states limit their definitions to either live video telehealth or don't explicitly reference telehealth modalities at all.

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CCHP examined each state Medicaid program's policy on 'same day encounters/visits'. In numerous states, there are constraints on FQHCs when it comes to claiming multiple encounters in a single day for a single patient. This limitation is often perceived as an obstacle in the context of telehealth, as it is not uncommon for patients to seek primary care at an FQHC and subsequently require specialized services, such as mental health care, upon examination. While telehealth could be a feasible solution to connect patients with the appropriate providers on the same day, the lack of reimbursement for such encounters may deter FQHC staff from being able to offer this option to their patients. Through its research, CCHP observed that most state Medicaid programs do indeed have limitations around same day encounters, particularly if the services occur at the same location and are both considered the same type of encounter (for example, a medical encounter). However, there are often allowances for multiple encounters if the service is considered a different type of encounter, for example a mental health encounter.

Eligible as Originating & Distant Sites

- **Originating sites:** 35 states and DC explicitly allow FQHCs to serve as originating sites for telehealth-delivered services. This information was often found in state Medicaid manuals or regulatory lists of eligible originating sites, where FQHCs were one of the sites listed. If a state does reimburse a facility fee, it is common for FQHCs to be eligible to collect the fee, however not every state Medicaid program reimburses the facility fee.

- **Distant sites:** 34 states and DC explicitly allow FQHCs to be distant site providers. This was often stated in Medicaid manuals or regulations as a clarification so that there would be no confusion about their eligibility for reimbursement. In some cases, policy also addressed whether or not they would be eligible for the prospective payment system (PPS) rate.
    - o 22 state Medicaid programs and DC explicitly clarify that FQHCs are eligible for the PPS rate when serving as distant site providers.

Store-and-Forward Reimbursement

The vast majority of states did not specify or excluded store-and-forward from an eligible service FQHCs could be reimbursed for.

- 5 state Medicaid programs explicitly reimburse FQHCs for store-and-forward.

Example:

ALASKA Medicaid considers a dental or mental health diagnosis or treatment as a separate encounter from a medical diagnosis or treatment that occurs on the same day at a single location.

Example:

TEXAS Medicaid specifies that FQHCs may be reimbursed as distant site providers and reimbursed the PPS rate. They also state that FQHC practitioners may be either employees of the FQHC or contracted with the FQHC. Texas Medicaid also reimburses a facility fee and allows FQHCs to bill the fee when applicable.

Example:

NORTH CAROLINA reimburses FQHCs and RHCs for specific virtual patient communication codes, which may include store-and-forward elements such as asynchronously sending patient information. This is considered store-and-forward through communication technology-based services (CTBS) and reimbursement is limited to these codes.

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Example:

OREGON Medicaid allows telephone encounters to qualify as a valid encounter for FQHCs for services related to maternity case management and tobacco cessation. The manual notes that telephone encounters must include all the same components of the service as if provided face-to-face.

Example:

WASHINGTON Medicaid covers RPM setup code 99453 for FQHCs, however other RPM procedure codes are not FQHC-encounter eligible.

Example:

MONTANA Medicaid specifies that FQHC services are covered when provided to a member in an outpatient setting, including the FQHC, other medical facility or a member's place of residence, which may be a nursing facility or other institution.

Audio-Only Reimbursement

Most states do not specify or exclude audio-only services from being reimbursed for FQHCs. Because most definitions of an encounter require a face-to-face interaction, this can implicitly limit the ability of audio-only services.

- 10 state Medicaid programs explicitly allow reimbursement for audio-only services to FQHCs. In some cases, services are only reimbursed through communication technology-based codes (CTBS), or have other restrictions (such as limitations around the service type) limiting its use.

Remote Patient Monitoring Reimbursement

Although the majority of states did not explicitly specify the eligibility of FQHCs for remote patient monitoring reimbursement, CCHP identified a few instances where RPM is permitted for FQHCs. However, it's worth noting that in these cases, the reimbursement was often separate from the FQHC's core services or encounter rate.

Services Outside the Four Walls

In the past, FQHC regulations sometimes restrict the delivery of services beyond the confines of their physical facilities. This can pose a hurdle in the context of telehealth encounters, where patients may be located at home while connecting with FQHC providers. CCHP observed that Medicaid policies often did not explicitly address this situation, although some policies made provisions for visiting nurse services in patients' homes. However, even when FQHC services to the home were permitted, these policies often did not explicitly address telehealth, leaving it ambiguous whether this model of care is allowed.

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CALIFORNIA Medicaid is unique in having limitations around establishing a patient provider relationship via store-and-forward and audio-only modalities.

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KEY

✓ = FQHCs are eligible
✗ = FQHCs are not eligible OR no explicit reference found.

- **Originating site:** FQHC eligible for originating site live video reimbursement
- **Distant site:** FQHC eligible for distant site live video reimbursement
- **S&F:** FQHC eligible for store and forward reimbursement
- **Audio Only:** FQHC eligible for audio only reimbursement
- **PPS:** FQHC eligible for Prospective Payment System (PPS) rate for telehealth services

Medicaid Telehealth Reimbursement for FQHCs

STATE	ORIGINATING SITE	DISTANT SITE	S&F	AUDIO ONLY	PPS
Alabama	✓	✗	✗	✗	✗
Alaska	✓	✓	✓	✓	✗
Arizona	✗	✓	✗	✗	✗
Arkansas	✓	✗	✗	✗	✗
California	✓	✓	✓	✓	✓
Colorado	✓	✓	✗	✗	✓
Connecticut	✓	✓	✗	✗	✓
Delaware	✓	✗	✗	✗	✗
District of Columbia	✓	✓	✗	✗	✓
Florida	✗	✗	✗	✗	✗
Georgia	✓	✓	✗	✓*	✗
Hawaii	✓	✓	✗	✗	✓
Idaho	✗	✓	✗	✗	✗
Illinois	✓	✓	✗	✗	✓
Indiana	✓	✓	✗	✓	✓
Iowa	✓	✓	✓	✗	✗
Kansas	✓	✓	✗	✗	✗
Kentucky	✓	✓	✗	✗	✓[1]
Louisiana	✗	✓	✗	✓	✓
Maine	✓	✓	✗	✗	✓
Maryland	✓	✓	✗	✗	✗
Massachusetts	✗	✓	✗	✗	✗
Michigan	✓	✓	✗	✓	✓
Minnesota	✓	✓	✗	✗	✗

[1] A supplemental reimbursement is paid by Medicaid to make up any difference in reimbursement from the amount paid by a Medicaid managed care organization.

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STATE	ORIGINATING SITE	DISTANT SITE	S&F	AUDIO ONLY	PPS
Mississippi	✓	✓	✗	✗	✓
Missouri	✗	✗	✗	✗	✗
Montana	✓	✗	✗	✗	✗
Nebraska	✗	✓	✗	✗	✗
Nevada	✓	✓	✗	✗	✗
New Hampshire	✓	✗	✗	✗	✗
New Jersey	✓	✗	✗	✗	✗
New Mexico	✓	✗	✗	✗	✗
New York	✓	✓	✓	✗	✓
North Carolina	✓	✓	✓*	✓	✓
North Dakota	✗	✗	✗	✗	✗
Ohio	✗	✓	✗	✗	✓
Oklahoma	✗	✗	✗	✗	✗
Oregon	✗	✓	✗	✓	✗
Pennsylvania	✗	✓	✗	✗	✓
Puerto Rico	✗	✗	✗	✗	✗
Rhode Island	✗	✗	✗	✗	✗
South Carolina	✓	✓	✗	✗	✓
South Dakota	✓	✓	✗	✓	✓
Tennessee	✓	✗	✗	✗	✗
Texas	✓	✓	✗	✗	✓
Utah	✗	✗	✗	✗	✗
Vermont	✗	✗	✗	✗	✗
Virgin Islands	✗	✗	✗	✗	✗
Virginia	✓	✓	✗	✗	✓
Washington	✓	✓	✗	✓	✓
West Virginia	✓	✓	✗	✗	✓
Wisconsin	✓	✓	✗	✗	✓
Wyoming	✓	✗	✗	✗	✗

* Reimbursement is limited exclusively to codes reimbursed by the Centers for Medicare and Medicaid Services (CMS) as communication technology-based services (CTBS), interprofessional consultations or remote physiologic monitoring.

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