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### **CHAPTER 22: FEDERALLY QUALIFIED HEALTH CENTERS**

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## PROVIDER REQUIREMENTS

### Location

Each FQHC that receives Public Health Service (PHS) 330 grant funding must be located, as appropriate, to make services accessible to the residents of a designated medically underserved area or medically underserved population.

### **Shortage Area Designation**

In order for FQHCs to be eligible for a Health Professional Shortage Area (HPSA) facility designation, the center shall:

- Not deny requested health care services, and shall not discriminate in the provision of services to an individual who is unable to pay for services or whose services are paid by Medicare, Medicaid, or the Children's Health Insurance Program,
- Prepare a schedule of fees consistent with locally prevailing rates or charges,
- Prepare a corresponding schedule of discounts (including waivers) to be applied to such fees or payments, with adjustments made on the basis of the patient's ability to pay,
- Make every reasonable effort to secure from patients the fees and payments for services, and fees should be sufficiently discounted in accordance with the established schedule of discounts.
- Enter into agreements with the State Medicaid agency to ensure coverage of beneficiaries, and
- Take reasonable and appropriate steps to collect all payments due for services.

**NOTE:** Location in an HPSA alone or government designated shortage area does not meet the shortage area requirement for the FQHC program.

# **Staffing**

FQHCs are required to have a core staff of full time providers where core staff is defined to be a level of staff sufficient to provide the services essential to the operation of the center and within the center's scope of service. It is recommended that each FQHC maintain a staffing level for

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each full-time health care provider equal to the staffing level required by the Centers for Medicare and Medicaid Services (CMS).

#### **Medicaid Enrollment Criteria**

To be eligible for enrollment in the Louisiana Medicaid Program, the FQHC must be an entity receiving a Public Health Service grant under the following:

• The Consolidated Health Center Programs (Community Health Center (CHC), Migrant Health Center (MHC), Health Care for the Homeless (HCH), Public Housing Primary Care (PHPC) and Healthy Schools, Healthy Communities (HSHC) Programs authorized under Section 330 of the Public Health Service (PHS) Act as amended.

OR

• Be designated by the U.S. Department of Health and Human Services (DHHS) to meet the requirements to be receiving such a grant as a "look-a-like" entity.

The entity must provide a copy of the Health Resources and Services Administration (HRSA) Notice Grant Award designating the center as a grantee under the applicable section of the Public Health Services Act or the CMS notification letter designating the FQHC look-a-like with its enrollment packet. Only the entity designated as the grantee on the Notice of Grant Award/CMS notification letter may enroll in Louisiana Medicaid as a FQHC.

All practitioners providing patient services must be enrolled with the fiscal intermediary's (FI) provider enrollment unit and be linked to the FQHC at the time of enrollment in order for the facility to receive reimbursement.

Since the grant awards are time-limited by budget years, the Medicaid provider agreement is time-limited, depending on the approval periods.

After enrollment, the FQHC must provide a copy of the current Notice of Grant Award each year to the Bureau of Health Services Financing. Failure to supply the notice within 30 calendar days from the effective date of the renewal of the grant will result in termination of the center's enrollment as a provider of Medicaid services. (See Appendix A for contact information)

NOTE: The effective date of enrollment shall not be prior to the date of receipt of the completed enrollment packet.

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#### **Satellite Clinics**

A satellite clinic must enter into a separate provider agreement from the parent center and obtain its own provider number for billing and reimbursement purposes.

#### **Mobile Clinics**

An FQHC is prohibited from enrolling a mobile clinic in the Louisiana Medicaid program. Services rendered at the mobile clinic must be billed using the main center's provider number.

## **Out of State FQHCs in Trade Areas**

An FQHC located in the trade areas designated by the Department that wishes to enroll in the Louisiana Medicaid program, must meet all the provider enrollment requirements of an FQHC located in Louisiana and include a letter from the FQHCs home state verifying its reimbursement rate.

## **Changes**

FQHCs are required to notify Medicaid in writing within seven working days of any of the following changes:

- Loss of FQHC status,
- Changes in dates of the FQHC grant budget period,
- Opening(s) and/or closing(s) of any satellite center(s), or
- Addition or termination of providers.

## **Change in Ownership**

When there is a change in ownership, Medicaid must be notified within 30 calendar days of the date of the FQHC ownership change. The new owner is required to enter into a new provider agreement with the Louisiana Medicaid program. Failure to enter into a new provider agreement following a change in ownership will result the center's termination as a Louisiana Medicaid provider.

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# **Cost Reports**

FQHCs are required to submit cost reports with all requests for change in scope. Cost reports will not be accepted for rate changes without a change in scope of service. For more information on adjustment of rate for a change in scope, refer to Section 22.4.