

Federally Qualified Health Center Basic Billing and Reimbursement

2/20/2025

Closed Captioning: *Auto-generated closed captioning is enabled in this course and is at best 70-90% accurate. Words prone to error include specialized terminology, proper names and acronyms.*



Disclaimer

National Government Services, Inc. has produced this material as an informational reference for providers furnishing services in our contract jurisdiction. National Government Services employees, agents, and staff make no representation, warranty, or guarantee that this compilation of Medicare information is error-free and will bear no responsibility or liability for the results or consequences of the use of this material. Although every reasonable effort has been made to assure the accuracy of the information within these pages at the time of publication, the Medicare Program is constantly changing, and it is the responsibility of each provider to remain abreast of the Medicare Program requirements. Any regulations, policies and/or guidelines cited in this publication are subject to change without further notice. Current Medicare regulations can be found on the [CMS website](#).



Recording

Attendees/providers are never permitted to record (tape record or any other method) our educational events. This applies to webinars, teleconferences, live events and any other type of National Government Services educational events.

Objective

To provide the basic billing and coverage requirements for Federally Qualified Health Centers

Today's Presenter

- Provider Outreach and Education Consultant
 - Mimi Vier
 - Michael Dorris





Agenda

- FQHC Program Basics
- FQHC PPS Billing and Reimbursement
- Billing and Reimbursement Examples
- Other FQHC Services
- Billing and Payment for Preventive Services
- References and Resources
- Questions & Answers

FQHC Program Basics

Who's Your A/B MAC?

- National Government Services (NGS)
 - J6: WI, MN, IL
 - JK: NY, CT, RI, ME, MA, VT, NH
 - NGS services FQHCs in 44 states
- FQHCs located in other states
 - New FQHCs will be under the A/B MAC assigned to their state
 - Out of jurisdiction providers (OJP) may have NGS as their A/B MAC for FQHC claims but another MAC that processes Part B claims (CMS 1500 form)
 - Billed through WI region
- Check [Provider Enrollment Chain Ownership System \(PECOS\)](#) enrollment



FQHC Encounters



Encounters defined

Medically necessary, face-to-face interaction between patient and core practitioner during which FQHC covered service is performed



FQHC Reimbursement per Day

Encounters with more than one health professional on same day = one encounter



FQHC Core Practitioner

Physician, Nurse Practitioner (NP), Physician Assistant (PA), Certified Nurse Midwife (CNM), Clinical Psychologist (CP), Clinical Social Worker (CSW), Marriage and Family Counselors (MFT), Mental Health Counselors (MHC)

FQHC Encounters

- Exceptions to one FQHC PPS payment per day
 - After initial encounter the patient suffers an illness or injury requiring additional diagnosis or treatment
 - Two FQHC PPS payments may be made
 - Patient receives a medical encounter and a mental health encounter on the same day
 - Two FQHC PPS payments may be made



Visiting Nurse

- Skilled nursing services may be covered if all criteria met:
 - Patient is homebound
 - FQHC located in home health shortage area
 - Services provided under plan of treatment by NP, PA, CNM, CP, CSW
 - Furnished on intermittent basis

Non-FQHC Services

- Medicare exclusions
- Group information/education/medical activities
- Services covered under Part B that are not FQHC services
 - EKG/EEG/ECG services (technical component)
 - Laboratory Services
 - DME
 - Ambulance services
 - Prosthetic devices
 - Body braces
 - Technical components of diagnostic tests

Non-FQHC Services continued

- Technical component of preventive services
 - Screening pap smears and screening pelvic exams
 - Prostate cancer screening
 - Colorectal cancer screening tests
 - Screening mammography
 - Bone mass measurements
 - Glaucoma screening

FQHC PPS Billing and Reimbursement

FQHC Billing

- Bill Types (77X)
 - 770 = nonpayment/zero claim
 - 771 = admit through discharge
 - 777 = claim adjustment
 - 778 = claim cancel
- DOS
 - Cannot overlap calendar years
 - Billing periods that overlap calendar years should be split into two claims

FQHC Revenue Codes

Revenue code	Description
0519	Supplemental MAO Payment
0521	Clinic encounter
0522	Home encounter
0524	Encounter for beneficiary in covered Part A SNF stay
0525	Encounter for beneficiary in noncovered Part A stay (or other residential facility)
0527	Visiting nurse service at beneficiary's home when in home health shortage area
0528	Encounter at other non-FQHC site (scene of accident)
0900	Mental health services provided by CP, CSW

Reporting Incident-To Services

- Report all services provided during encounter
- All valid revenue codes may be used except:

Revenue Code	Revenue Code
002x-024x	065x
029x	067x-072x
045x	080x-088x
054x	093x
056x	096x-310x
060x	

FQHC Payment Codes

- Identify each billable encounter using the appropriate FQHC G-code
 - G0466 – medical encounter, new patient
 - G0467 – medical encounter, established patient
 - G0468 – IPPE or AWW
 - G0469 – mental health encounter, new patient
 - G0470 – mental health encounter, established patient
- Report with billable encounter revenue code
 - 052X (medical encounter)
 - 0900 (mental health encounter)
 - 0519 (supplemental MAO payment)

Report Charges

- Set your charge for each payment code (G code)
 - Identify typical bundle of services furnished during encounter
 - Determine normal charges for those services
 - Sum of normal charges = facility charge for payment code
 - Reported in TOTAL CHARGE field of payment code line
 - Charges must be same for all patients

Billable Encounter

- Line one represents billable encounter
 - Billable encounter revenue code
 - 052X (medical encounter)
 - 0900 (mental health encounter)
 - Payment code in HCPCS field
 - G0466
 - G0467
 - G0468
 - G0469
 - G0470
 - One (1) unit
 - Payment code charge

Qualifying Visit

- Qualifying visit is reported on line two
 - Same billable encounter revenue code
 - Qualifying visit HCPCS code in HCPCS field
 - One (1) unit
 - Charges

Subsequent Claim Lines

- Incident-to services
 - Appropriate revenue code for the HCPCS code
 - Appropriate CPT/HCPCS code in the HCPCS code field
 - One (1) unit
 - Charges
 - Revenue code 001 = Total of all charges on claim (ensure calculated properly)

Billing and Reimbursement Examples

Billing Example Disclaimer

- HCPCS codes and associated charges are used for illustration purposes only
- Charges represented are not reflective of actual charges and should not be used as guidelines for setting rates
- PPS rate adjustment and payment examples reflect fictional provider in Wisconsin (AAA Healthcare)
- GAF rates posted on [CMS' website](#) for your region

Claim Example: Established Patient Medical Encounter

Rev Code	Description	HCPCS	Service Date	Service Units	Total Charges
0521	FQHC visit, established patient	G0467 Payment code	010125	1	\$150.00 payment code charge
0521	Office/outpatient visit, established patient	99213 Qualifying visit	010125	1	\$135.00
0300	Incident-to service	XXXXX	010125	1	\$35.00
0001	Total				\$320.00

FQHC PPS Reimbursement

- Based on lesser of
 - FQHC's charge for billed payment code, or
 - Adjusted PPS rate
 - [PPS base rate for 01/01/2025 through 12/31/2025](#) = \$202.65, subject to
 - GAF adjustment
 - New patient/IPPE/AWV adjustment
 - Annual increase
- Medicare reimbursement = lesser amount x 80%
- Part B coinsurance = lesser amount x 20%
 - Coinsurance waived for certain preventive services

Calculating Adjusted FQHC PPS Rates

- Apply GAF adjustment
 - Multiply PPS base rate (\$202.65) by GAF
- Example: Wisconsin FQHC GAF adjustment
 - PPS base rate $\$202.65 \times .98$ (WI GAF) = \$198.60

Calculating Other Payment Adjustments

- New Patient
- IPPE
- AWW (Initial or subsequent)
- Multiply GAF-adjusted PPS base rate by 1.3416 (34%)
 - Accounts for greater intensity and resource use
- Example: Wisconsin FQHC New Patient/IPPE/AWW adjustment
 - Wisconsin GAF-adjusted rate \$198.60 x 1.3416 (new patient adjustment) = \$266.44

Payment Example: Established Patient Medical Encounter

- Medical encounter generates PPS payment
 - FQHC payment code G0467 charge = \$150.00
 - Adjusted PPS rate = \$198.60
 - Reimbursement based on lesser amount = \$150.00
 - Medicare payment = 80% x \$150.00 = \$120.00
 - Coinsurance = 20% x \$150.00 = \$30.00

Rev Code	Description	HCPCS	Service Date	Service Units	Total Charges
0521	FQHC visit, established patient	G0467 Payment code	010125	1	\$150.00 payment code charge
0521	Office/outpatient visit, established patient	99213 Qualifying visit	010125	1	\$135.00
0300	Incident-to service	XXXXX	010125	1	\$35.00
0001	Total				\$320.00

Claim Example: New Patient Medical Encounter

Rev Code	Description	HCPCS	Service Date	Service Units	Total Charges
0521	FQHC visit, new patient	G0466	010125	1	\$250.00
0521	Office/outpatient visit, new patient	99202	010125	1	\$190.00
0001	Total				\$440.00

Definition of New Patient

- Beneficiary who
 - Has not received any professional medical or mental health services from any site or from any practitioner within FQHC organization within three years prior to DOS
 - Changes FQHC facilities
 - Transfers to new FQHC facility with practitioner

Payment Example: New Patient Medical Encounter

- Medical encounter generates PPS payment
 - FQHC payment code G0466 charge = \$270.00
 - Adjusted PPS rate = \$266.44
 - Reimbursement based on lesser amount = \$266.44
 - Medicare payment = $80\% \times \$266.44 = \213.15
 - Coinsurance = $20\% \times \$266.44 = \53.29

Rev Code	Description	HCPCS	Service Date	Service Units	Total Charges
0521	FQHC visit, new patient	G0466	010125	1	\$270.00
0521	Office/outpatient visit, new patient	99202	010125	1	\$190.00
0001	Total				\$440.00

Multiple Encounters on Same DOS

- May only be reported under these scenarios
 - Medical encounter and mental health encounter on same day
 - Patient suffers illness/injury that requires additional diagnosis/treatment on same day
- Report medical encounter on same DOS as IPPE/AWV as incident-to IPPE/AWV

Reporting Multiple Billable Encounters on Same DOS

- Patient has medical and mental health encounter on same DOS
 - Report second encounter on additional claim lines
 - Payment code line
 - Corresponding qualifying visit HCPCS code line
- Patient has two medical encounters on same DOS
 - Report second encounter on additional claim lines
 - Payment code line with modifier 59
 - Corresponding qualifying visit HCPCS code lines

Claim Example: Medical and Mental Health Encounter

Rev Code	Description	HCPCS	Service Date	Service Units	Total Charges
0521	FQHC visit, established patient	G0467	010125	1	\$150.00
0521	Office/outpatient visit, established patient	99213	010125	1	\$135.00
0900	FQHC visit, mental health established patient	G0470	010125	1	\$175.00
0900	Psych evaluation	90791	010125	1	\$140.00
0001	Total				\$600.00

Payment Example Part One: Medical Encounter

- Medical encounter generates PPS payment
 - FQHC payment code charge of \$150.00 (G0467) less than the adjusted PPS rate of \$198.60
 - Medicare payment = $80\% \times \$150.00 = \120.00
 - Coinsurance = $20\% \times \$150.00 = \30.00

Rev Code	Description	HCPCS	Service Date	Service Units	Total Charges
0521	FQHC visit, established patient	G0467	010125	1	\$150.00

Payment Example Part Two: Mental Health Encounter

- Mental health encounter generates PPS payment
 - FQHC payment code charge of \$175.00 (G0470) less than adjusted PPS rate of \$198.60
 - Medicare payment = $80\% \times 175.00 = \$140.00$
 - Coinsurance = $20\% \times \$175 = \35

Rev Code	Description	HCPCS	Service Date	Service Units	Total Charges
0900	FQHC visit, mental health established patient	G0470	010125	1	\$175.00

Claim Example: Established Patient, Two Unrelated Medical Encounters

Rev code	Description	HCPCS	Service Date	Service Units	Total Charges
0521	FQHC visit, established patient	G0467	010125	1	\$150.00
0521	Office visit, established patient	99214	010125	1	\$135.00
0472	Remove impacted ear wax	69210	010125	1	\$30.00
0521	FQHC visit, established patient	G0467 59	010125	1	\$150.00
0521	Office visit, established patient	99213	010125	1	\$100.00
0001	Total Charges				\$565.00

Payment Example: Each Medical Encounter

- *Each* medical encounter generates PPS payment
 - FQHC payment code charge of \$150.00 (G0467) less than adjusted PPS rate of \$198.60
 - Medicare payment = $80\% \times \$150.00 = \120.00×2 or \$240.00
 - Coinsurance = $20\% \times \$150.00 = \30.00×2 or \$60

Rev Code	Description	HCPCS	Service Date	Service Units	Total Charges
0521	FQHC visit, established patient	G0467	010125	1	\$150.00
0521	FQHC visit, established patient	G0467 59	010125	1	\$150.00

Other FQHC Services

Diabetes Self Management Training (DSMT)

- G0108 (Qualifying visit)
- One-on-one/face-to-face encounter
- All [program requirements](#) met and accredited
- Diabetes counseling or medical nutrition services provided by registered dietician may be considered as incident-to visit with FQHC practitioner
- Conducted by certified DSMT practitioner
- Coinsurance applied
- Not separately paid if provided on same day as another medical visit

Medical Nutrition Therapy (MNT)

- 97802/97803 (Qualifying visit)
- One-on-one/face-to-face encounter
- All program requirements met
- Diabetes counseling or medical nutrition services provided by registered dietician may be considered as incident-to visit with FQHC practitioner
- Provided by registered dietician or nutrition professional
- Not separately paid if provided on same day as another medical visit
- Coinsurance waived

Care Coordination Services - 2025

- Advanced primary care management services (APCMS)
- Transitional care management (TCM)
- Chronic care management (CCM)
- Principal care management (PCM)
- Chronic pain management (CPM)
- General behavioral health integration (BHI)
- Remote physiologic monitoring (RPM)
- Remote therapeutic monitoring (RTM)
- Community health integration (CHI)
- Principal illness navigation (PIN)
- Principal illness navigation peer-support (PIN-PS)

Billing Care Coordination Services

- Effective 1/1/2025
- Report individual CPT/HCPCS codes base codes and add-on codes
 - Alone or with other FQHC payable services
 - Replaces G0511
 - May continue to bill G0511 until 7/1/2025
 - Bill either G0511 or individual CPT/HCPCS until 7/1/2025
- Paid at national non-facility PFS rates in addition to FQHC PPS

Telehealth

- [List of Telehealth Services for Calendar Year 2025](#)
 - Bill HCPCS G2025
- FQHC is originating site (where beneficiary located)
 - Service billed separately, no other visit reported
 - Subject to Part B deductible and coinsurance
- FQHC not authorized to serve as distant site (where provider located, including their home)
 - Exception
 - Distant site telehealth services may be furnished by FQHCs through March 31, 2025

Telehealth Billing – Originating Site

- Revenue Code 0780
- HCPCS Q3014
- Subject to Part B deductible
- FQHC G-code not required
- Qualifying visit HCPCS code not required

Telehealth: Mental Health via Telecommunications

- Mental health visits using interactive, real-time telecommunications technology
 - Report and receive payment in same way as in-person, including audio-only visits
 - In-person mental health services requirement delayed until 1/1/2026

[Telehealth FAQ Calendar Year 2025](#)

Telehealth: Mental Health Example

- Revenue Code 0900
- HCPCS G0469 or G0470 with modifier
 - 95 – audio-video
 - FQ or 93 – audio only
- FQHC qualifying mental health visit code

Virtual Communication Services

- At least five minutes of communication technology-based or remote evaluation services
- Patient had at least one face-to-face billable visit within previous year
- Medical discussion or remote evaluation must meet both of the following requirements
 - Condition not related to FQHC service provided within last seven days
 - Does not lead to FQHC visit within next 24 hours or soonest available appointment

Virtual Communication Services

- HCPCS G0071
- HCPCS G2012 or G2010 required
- Revenue code 52X
- Can be billed alone or with other payable services
- FQHC face-to-face requirement waived
- Coinsurance applied
- [Virtual Communication Services in Rural Health Clinics \(RHCs\) and Federally Qualified Health Centers \(FQHCs\) Frequently Asked Questions](#)

Billing and Payment for Preventive Services

Billing Preventive Services

- If preventive service is only service provided, bill encounter
 - Payment code (G code) and charge,
 - Billable encounter revenue code (52X)
 - Qualifying visit HCPCS code with preventive service charge
- If performed on same day as billable encounter, report as incident-to services
 - Report preventive service on separate line
 - Appropriate revenue code (not 52X), HCPCS code and associated charges

Payment for Preventive Services

- If only service provided is preventive service exempt from coinsurance, reimbursement lesser of facility payment code charge or adjusted PPS rate
 - Medicare payment = 100%
 - Part B coinsurance = 0%
- Coinsurance waived for most preventive services
 - Prostate cancer screening, colorectal cancer screening, and DSMT are subject to 20% beneficiary coinsurance

Claim Example: Preventive Only Service

- Established patient comes to FQHC only for screening pelvic examination

Rev Code	Description	HCPCS	Service Date	Service Units	Total Charges
0521	FQHC visit, established patient	G0467	010125	1	\$150.00
0521	Screening pelvic exam	G0101	010125	1	\$52.00
0001	Total				\$202.00

Payment Example: Preventive Only Service

- Stand-alone encounter (preventive service) generates PPS payment
 - FQHC payment code charge of \$150.00 (G0467) less than PPS rate of \$198.60
 - Medicare payment = 100% x \$150.00 = \$150.00
 - Coinsurance = \$0.00

Rev Code	Description	HCPCS	Service Date	Service Units	Total Charges
0521	FQHC visit, established patient	G0467	010125	1	\$150.00

Payment for Preventive Services

- Reimbursement for preventive service exempt from coinsurance and reported as incident-to billable encounter
 - 100% total line-item charges for preventive services and
 - Lesser of FQHC payment code charge or adjusted PPS rate
 - Minus total line-item charges for preventive services
 - Medicare payment = 80%
 - Part B coinsurance = 20%
 - Coinsurance will not apply to preventive service charge

Influenza, Pneumococcal, Hepatitis B, COVID-19 Vaccines

- 1/1/2025: Hepatitis B vaccines and administration paid 100% reasonable cost
- 7/1/2025: Vaccines and administration billed and paid at the time of service
- If performed on same day as billable encounter, report as incident-to services
 - Report A6 Condition Code
 - Coinsurance/deductible waived
 - Report on cost report

Reference and Resources

CMS References and Resources

- [Federally Qualified Health Centers \(FQHC\) Center](#)
 - [FQHC GAFs 1/1/25-12/31/25](#)
 - [CY 2025 Payment Rates Update to the FQHC PPS](#)
 - [FQHC PPS Payment Specific Codes](#)
 - [FQHC PPS Frequently Asked Questions](#)
 - [Telehealth FAQ Calendar Year 2025](#)
 - [FQHC Preventive Services](#)
- MLN[®] Booklet: [*Federally Qualified Health Center* \(MLN006397\)](#)
- CMS IOMs
 - [Publication 100-02, Medicare Benefit Policy Manual, Chapter 13 – Rural Health Clinic \(RHC\) and Federally Qualified Health Center \(FQHC\) Services](#)
 - [Publication 100-04, Medicare Claims Processing Manual, Chapter 9 – Rural Health Clinics/Federally Qualified Health Centers](#)

CMS References and Resources

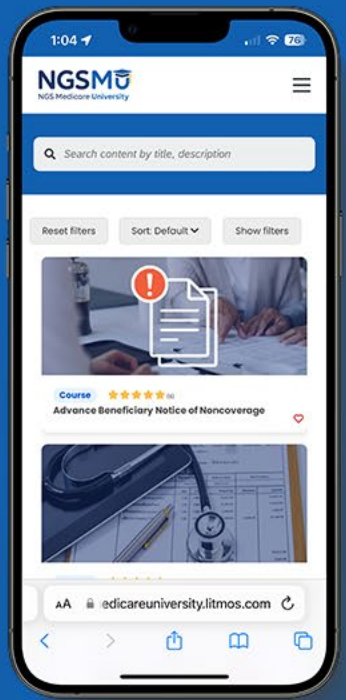
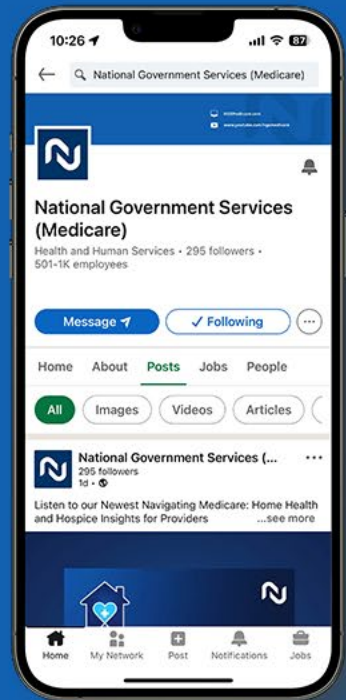
- [Calendar Year 2025 Medicare Physician Fee Schedule Final Rule](#)
- [List Telehealth Services](#)
- [Virtual Communication Services in Rural Health Clinics \(RHCs\) and Federally Qualified Health Centers \(FQHC\) Frequently Asked Questions November 2022](#)

Tool: NGS FQHC PPS Calculator

- Visit [our website](#) > Resources > Fee Schedules and Pricers > FQHC PPS Calculator

FQHC PPS Calculator: January 1, 2025 through December 31, 2025
 *Complete all fields in yellow and that are immediately to the right of **.
 *Do not change fields with dark borders in grey.

1. Enter Provider Number:			
**	<input type="text"/>		
	(This information is informational on the calculator and will not affect the calculation of the rate.)		
	FQHC Base Rate	<input type="text" value="\$ 202.65"/>	Per Final CR 13867 Issued 11/08/2024
2. Select the applicable provider location. This will return the appropriate Geographic Adjustment Factor (GAF)?			
**	<input type="text"/>		
	(The GAF is used to determine how the base rate is adjusted due to the geographic location of the facility. This can also be found on Page 40 of the claim record as well.)		
	PPS Rate	<input type="text"/>	
3. Is provider is eligible for a payment adjustment related to a new patient, an initial preventive physical examination (IPPE), or an annual wellness visit (AWV)?			
**	<input type="text" value="Yes"/>	<input type="text" value="1.3416"/>	
	(FQHCs will get a payment adjustment for claims where the patient is new to the FQHC, or if the FQHC is furnishing an IPPE, an initial AWV, or a subsequent AWV. This adjustment is calculated by multiplying the GAF-adjusted PPS rate by 1.3416.)		
	Calculated PPS Rate	<input type="text"/>	
4. Enter the actual charges that are associated with the payment ("G") codes listed on the "Payment Adjustment" tab.			
**	<input type="text"/>		
	FQHC Reimbursement* (prior to Sequestration and Coinsurance)	<input type="text"/>	
	*The FQHC Reimbursement is the amount of the rate that is paid to the provider prior to any coinsurance or sequestration adjustments.		



Connect with us on social media



[YouTube Channel](#)
Educational Videos



[Medicare University](#)
Self-paced online learning



[LinkedIn](#)
Educational Content

Find us online



www.NGS Medicare.com

Online resources, event calendar, LCD/NCD, and tools



[IVR System](#)

The interactive voice response system (IVR) is available 24-hours a day, seven days a week to answer general inquiries



[NGSConnex](#)

Web portal for claim information



[Sign up for Email Updates](#)

Subscribe for Email updates at the top of any NGS Medicare.com webpage to stay informed of news

Questions and Answers

Thank you!