

**Subject** FQHC reimbursement procedures

**Authors** Mahamoud and others

**Analyst** Annie Mach

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## Summary

H2760DE1 amends section 256B.0625, subdivision 30, which governs federally qualified health centers (FQHCs) and rural health clinics. Under current law, the rates paid to FQHCs and rural health clinics are rebased every two years using Medicare cost reports that are from the third and fourth years prior to the rebasing year. This bill shortens the look-back period by directing the commissioner of human services to instead use cost reports from the first and second years prior to the rebasing year.

The bill also adds new criteria under which an FQHC may submit a “change of scope” request to the commissioner of human services for reimbursement adjustments. Under the added criteria, an FQHC may submit a request if the FQHC’s cost of providing health care services has increased or decreased resulting from changes in the type, intensity, duration, or amount of services the FQHC provides.