

December 2013



In addition to their required primary care services¹, Federally Qualified Health Centers (FQHCs) may also provide “additional health services that are necessary for the adequate support of the [required] primary health services”² and that are “appropriate to meet the health needs of the population served by the health center.”³ FQHCs are increasingly providing what are traditionally specialty services, such as optometry, in response to—at least in part—the difficulties faced by patients in accessing such services not offered by the health center.⁴ This report will focus on how Medicaid reimburses FQHCs for vision services, as these services become increasingly prevalent in the health center setting.

To be eligible for the FQHC Prospective Payment System (PPS) rate, vision services must be included in the health center’s federal scope of project and be covered as an ambulatory service in the state’s Medicaid plan.⁵ As an optional benefit, vision services are not covered in all states, but for children under 21, Medicaid must provide, “at a minimum, diagnosis and treatment for defects in vision, including eyeglasses. Vision services must be provided according to a distinct periodicity schedule developed by the state and at other intervals as medically necessary.”⁶ This is part of the mandatory Early and Periodic Screening, Diagnostic and Treatment (EPSDT) benefit.

Forty-three Primary Care Associations (PCAs) responded to an assessment⁷ about the status of FQHC Medicaid reimbursement for vision services. PCAs in 20 states indicated that health centers in those states are paid their FQHC rate (PPS or Alternative Payment Methodology (APM)) rate for vision services; health centers in 9 states are reimbursed on a Fee for Service schedule and one state reported no Medicaid reimbursement at all for vision services (See Appendix). The remaining 13 respondents reported that they did not know the reimbursement methodology for vision services.

When asked whether the state paid the wrap around for vision services when a Managed Care Organization (MCO) administrated the Medicaid payments, 10 PCAs reported that their state did provide the wrap around payment, 16 reported that the state did not pay a wrap around and one state reported that vision services are fully carved out, meaning the state Medicaid agency fully reimbursed for those services. The remaining 15 respondents reported either they did not have Medicaid managed care in the state or they did not know how the wrap around payments were handled (See Appendix).

¹ [See Health Center Program Requirements](#)

² Public Health Service Act section 330(a)(1)(B)

³ Public Health Service Act section 330(b)(2)

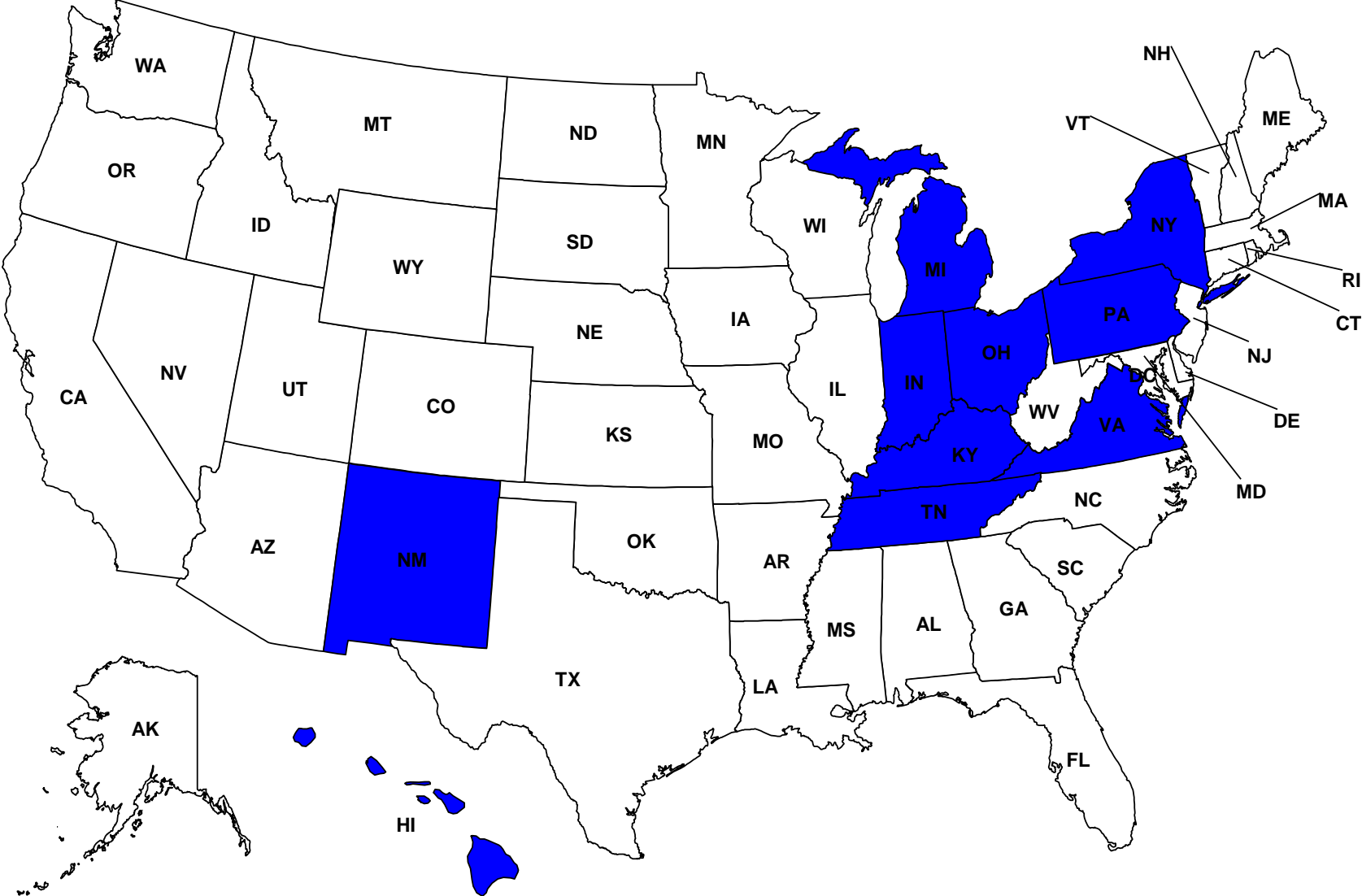
⁴ [Specialty Services and Health Centers’ Scope of Project. BPHC PIN 2009-02. December 18, 2008.](#)

⁵ [Specialty Services and Health Centers’ Scope of Project. BPHC PIN 2009-02. December 18, 2008.](#)

⁶ <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Benefits/Early-and-Periodic-Screening-Diagnostic-and-Treatment.html>

⁷ The assessment was conducted in July/August 2013. PCAs in 50 states, the District of Columbia and Puerto Rico were given an opportunity to participate in the assessment. 43 PCAs responded to the questions related to reimbursement for vision services.

States that Pay Wraparound:



FQHC Vision Services Reimbursement

	PPS	APM	FFS	Unknown	Wrap-Around Paid by State (MCO)?
AK				X	Unknown
AL	X				No managed care at this time
AR			X		NO
AZ		Children's eye examinations are a covered FQHC services when performed by or under the direct supervision of a physician, NP, PA, CNM, CP, or CSW. An eye care visit satisfying that description would be reimbursed as any other FQHC visit.		Only one health center is considering eye care services. They have not established the reimbursement schedule.	Unknown
CA	X				NO. Optometry services are carved out of the managed care Medi-Cal plans and billed directly to the State of CA for payment.
CO			CCHN has been working with the state Medicaid agency to add optometrists to the list of allowable, billable provider types for FQHCs.		NO
CT	Medicaid pays for the exam and minimal eyeglass coverage.				NO
DC				X	Unknown
HI	X				YES. Wrap around payments for eye care occurs, but it is very rare.
IA				X	Unknown
ID				X	Idaho Medicaid medical benefits are fully FFS
IL					NO Medicaid Reimbursement for Eye Care.

	PPS	APM	FFS	Unknown	Wrap-Around Paid by State (MCO)?
IN	If in scope of service and bill accordingly.		If not scope of service , they receive FFS.		If they receive PPS, yes.
KS			X		NO
KY	If it is in the scope of service of the center				YES. If within scope.
LA				X	NO
MA		Ophthalmologists are paid under the FQHC/APM medical rate	Other optometry is paid from a Fee Schedule.		NO. We are discussing a wrap-around for eye care visit fee schedule with the state, that would affect FFS and MCO payments.
ME				X	Unknown
MI		Many ophthalmological services are paid at the "APM" rate.			YES
MN				X	Unknown
MO				X	Unknown
MS	X				NO
MT				X	NO
NC	X	X			NO. No MCOs.
NE	X				NO
NH			Vision services are listed in the NH Medicaid FQHC Billing Manual as "Other Ambulatory Services," which are covered under the fee for service reimbursement method.		NO
NJ			X		Unknown
NM	X				YES. Will end January 2014.
NV				Neither FQHC perform eye exams in-house currently	NO
NY	X				YES
OH	X				YES

	PPS	APM	FFS	Unknown	Wrap-Around Paid by State (MCO)?
OK			X		NO. Oklahoma no longer has contracts with MCOs. Formerly, when MCOs were contracted, wrap around payments were made to FQHCs.
OR			X		NO
PA			X		YES
SC		X			NO
TN		X			YES
TX		X			NO
UT			X		NO
VA	X				YES
VT		X			Unknown
WI				X	Unknown
WV				X	Unknown
WY				X	Unknown

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FQHC Reimbursement for Vision Services in Medicaid

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