

Telehealth Usage by Federally Qualified Health Centers and Rural Health Clinics

Key Takeaway

- The top ten Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs), identified as having the highest volume of Medicare claims, provided a median of 13% and 9% of their visits via telehealth in 2020, respectively.

Policy Consideration

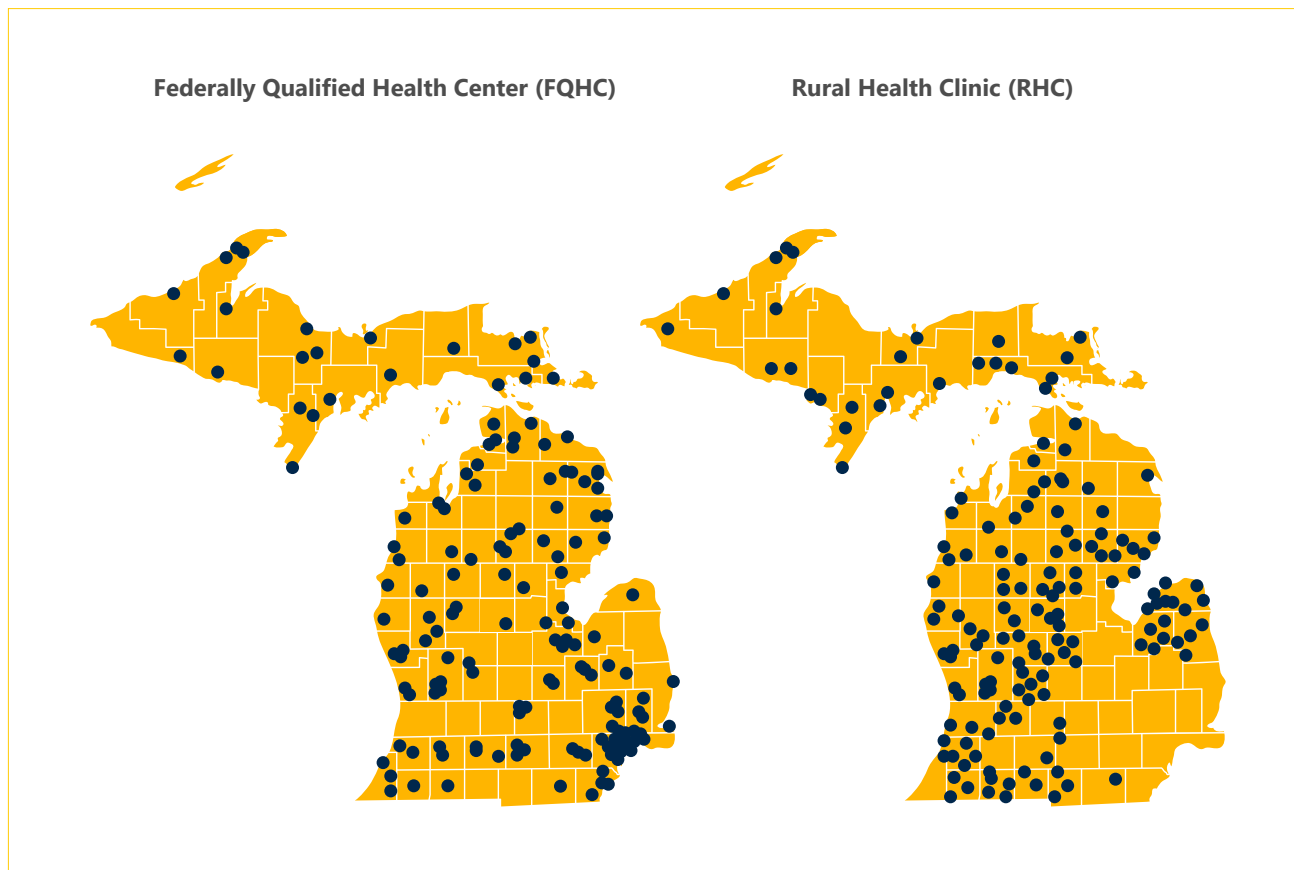
- Telehealth is an important part of care delivery for FQHCs and RHCs in Michigan.
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Federally Qualified Health Centers (FQHCs) are community health centers that offer primary and preventive healthcare services to underserved communities. They are funded by the federal government and must meet certain requirements in order to be designated as an FQHC, including providing services to patients regardless of their ability to pay. Similarly, Rural Health Clinics (RHCs) are primary care clinics located in rural areas that serve largely rural populations. They are also certified by the federal government and must meet certain standards to be designated as an RHC. These clinics are often found in areas with a shortage of healthcare providers and aim to provide comprehensive, affordable, and accessible primary care to underserved rural communities.

Prior to the Coronavirus Aid, Relief, and Economic Security (CARES) Act, FQHCs and RHCs were restricted to acting as originating sites for telehealth services. However, the guidelines implemented by the Act now allow these centers to serve as distant site providers of telehealth. In addition, the Consolidated Appropriations Act of 2023 enables FQHCs and RHCs to continue billing Medicare for telehealth services until December 31, 2024.

We identified a total of 273 active Federally Qualified Health Centers (FQHCs) and 221 active Rural Health Clinics (RHCs) in Michigan by analyzing the 2021 Medicare Provider Services file (Quarter 4). The distribution of these facilities was widespread, with FQHCs present in 69 out of the 83 counties in the state and RHCs in 61 counties.

Exhibit 19: Geographic Distribution of Federally Qualified Health Centers and Rural Health Clinics in Michigan, 2021



Note: Data from 2021 Medicare Provider Services file (Quarter 4)

We analyzed Medicare claims data from Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) in Michigan to determine their utilization of telehealth. The exhibit below illustrates the top 10 FQHCs and RHCs that utilized telehealth and the proportion of their total Medicare visits that were conducted through telehealth. In 2020, the median percentage of visits conducted through telehealth for the top ten FQHCs and RHCs was 13% and 9%, respectively. It’s worth noting that Medicare patients may constitute a small portion of the patient population at these clinics, thus our analysis is limited in scope.

Exhibit 20: Top Ten Federally Qualified Health Centers by Volume of Medicare Claims and Their Telehealth Claims Percentage, 2020

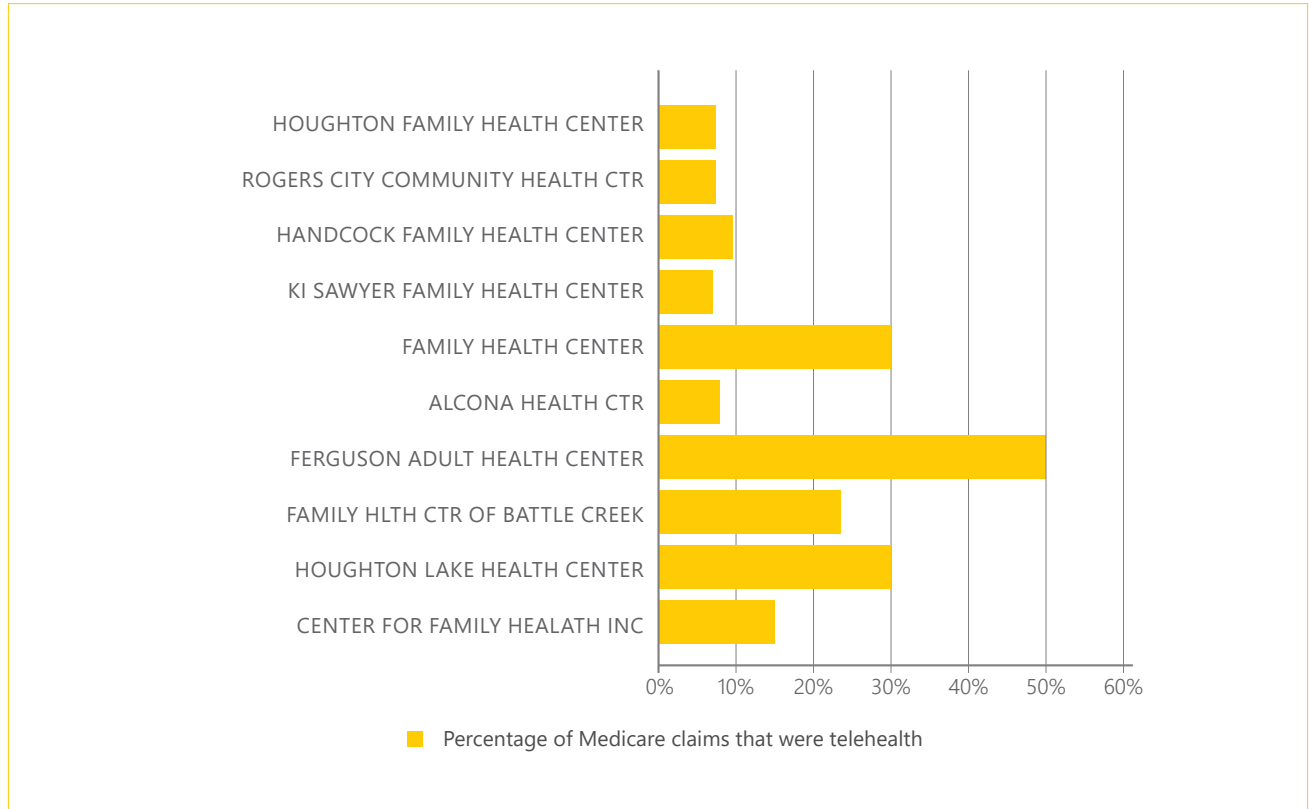


Exhibit 21: Top Ten Rural Health Clinics by Volume of Medicare Claims and Their Telehealth Claims Percentage, 2020

