



## New & Expanded Flexibilities for Rural Health Clinics & Federally Qualified Health Centers during the COVID-19 PHE

MLN Matters Number: SE20016 **Revised**

Related Change Request (CR) Number: N/A

Article Release Date: **November 22, 2022**

Effective Date: N/A

Related CR Transmittal Number: N/A

Implementation Date: N/A

**Note: We revised this article to add the 2023 payment rate for distant site telehealth services. You'll find substantive content updates in dark red (pages 2, 3, 5, and 6). All other information is the same.**

### Provider Types Affected

This MLN Matters® Special Edition Article is for Rural Health Clinics (RHCs) and Federally Qualified Health Centers (FQHCs) during the COVID-19 Public Health Emergency (PHE) for services they provide to Medicare patients.

### What You Need To Know

To provide as much support as possible to you and your patients during the COVID-19 PHE, both Congress and CMS have made several changes to RHC and FQHC requirements and payments. These changes are for the duration of the COVID-19 PHE. We'll make other discretionary changes as necessary to make sure that your patients have access to the services they need during the pandemic. For more information, view the [COVID-19 FAQs on Medicare Fee-for-Service \(FFS\) Billing](#).

### Background

#### New Payment for Telehealth Services

On March 27, 2020, Congress signed into law the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). [Section 3704 of the CARES Act](#) authorizes RHCs and FQHCs to provide distant site telehealth services to Medicare patients during the COVID-19 PHE. Medicare telehealth services generally involves 2-way, interactive, audio and video technology that permits communication between the practitioner and patient. If you have this capability, you can now provide and get paid for telehealth services to Medicare patients for the duration of the COVID-19 PHE.

Any health care practitioner working for you within your scope of practice can provide distant site telehealth services. Practitioners can provide distant site [telehealth services](#) (approved by Medicare as a distant site telehealth service under the Physician Fee Schedule (PFS)) from any location, including their home, during the time that they're working for you.

The statutory language authorizing RHCs and FQHCs as distant site telehealth providers requires that we develop payment rates similar to the national average payment rates for comparable telehealth services under the PFS. You must use HCPCS code G2025 (the new RHC- and FQHC-specific G code for distant site telehealth services) to bill services provided via telehealth starting on January 27, 2020, the date the [COVID-19 PHE](#) became effective.

Note that the changes in eligible originating site locations, including the patient's home, during the COVID-19 PHE are effective starting March 6, 2020.

**Effective January 1, 2023, the payment rate for distant site telehealth services is \$95.88.** From January 1, 2022 – December 31, 2022, the payment rate for distant site telehealth services was \$97.24. From January 1 – December 31, 2021, the payment rate for distant site telehealth services was \$99.45. For services between January 27 – December 31, 2020, your rate was set at \$92.03. These rates are the average amount for all PFS telehealth services on the telehealth list, weighted by volume for those services reported under the PFS during the given timeframes. Because we made these changes in policy on an emergency basis, we made changes to claims processing systems in several stages.

### Claims Requirements for RHCs

For telehealth distant site services provided between January 27 – June 30, 2020, report HCPCS code G2025 on your claims with the CG modifier. You may also append modifier “95” (Synchronous Telemedicine Service Rendered via Real-Time Interactive Audio and Video Telecommunications System), but this isn't required. We paid these claims at the RHC's all-inclusive rate (AIR), and the Medicare Administrative Contractor (MAC) automatically reprocessed these claims starting on July 1, 2020, at the \$92.03 rate. You didn't need to resubmit these claims for the payment adjustment.

Starting July 1, 2020, don't put the CG modifier on claims with HCPCS code G2025.

**Table 1. RHC Claims for Telehealth Services from January 27 – June 30, 2020**

| Revenue Code | HCPCS Code | Modifiers                    |
|--------------|------------|------------------------------|
| 052X         | G2025      | CG (required), 95 (optional) |

**Table 2. RHC Claims for Telehealth Services starting July 1, 2020**

| Revenue Code | HCPCS Code | Modifiers     |
|--------------|------------|---------------|
| 052X         | G2025      | 95 (optional) |

### Claims Requirements for FQHCs

For telehealth distant site services you provided between January 27 – June 30, 2020, that are also FQHC qualifying visits, report 3 HCPCS/CPT codes:

- The FQHC Prospective Payment System (PPS) specific payment code (G0466, G0467, G0468, G0469, or G0470)
- The HCPCS/CPT code that describes the services provided via telehealth with modifier 95

- G2025 with modifier 95

We paid these claims at the FQHC PPS rate until June 30, 2020, and the MAC automatically reprocessed these claims starting on July 1, 2020, at the \$92.03 rate. You didn't need to resubmit these claims for the payment adjustment.

**When providing services via telehealth that aren't FQHC qualifying visits, you should have held these claims until July 1, 2020, and then billed them with HCPCS code G2025. You may append modifier 95, but it isn't required.** (See [FQHC PPS specific payment codes](#)). Starting July 1, 2020, only submit G2025. You may append modifier 95, but it isn't required.

**Table 3. Example of FQHC Claims for Telehealth Services January 27 – June 30, 2020**

| Revenue Code | HCPCS Code  | Modifiers |
|--------------|---|-----------|
| 052X         | G0467 (or other appropriate FQHC Specific Payment Code) | N/A       |
| 052X         | 99214 (or other FQHC PPS Qualifying Payment Code)       | 95        |
| 052X         | G2025   | 95        |

**Table 4. FQHC Claims for Telehealth Services starting July 1, 2020**

| Revenue Code | HCPCS Code | Modifiers     |
|--------------|------------|---------------|
| 052X         | G2025      | 95 (optional) |

### Payment Rate for 2023

Effective January 1, 2023, the payment rate for distant site telehealth services is set at \$95.88. From January 1 – December 31, 2022, your payment for distant site telehealth services was set at \$97.24.

Medicare only authorizes payment for distant site telehealth services to RHCs and FQHCs provided during the COVID-19 PHE. If the COVID-19 PHE is in effect after December 31, 2023, we'll update this rate based on the CY 2024 PFS average payment rate for these services, weighted by volume for those services reported under the PFS.

### Cost Reporting

We won't use costs for providing distant site telehealth services to decide the RHC AIR or the FQHC PPS rate, but you must report these costs on the proper cost report form. RHCs must report both originating and distant site telehealth costs on Form CMS-222-17 on line 79 of the Worksheet A, in the section titled "Cost Other Than RHC Services." FQHCs must report both originating and distant site telehealth costs on Form CMS-224-14, the Federally Qualified Health Center Cost Report, on line 66 of the Worksheet A, in the section titled "Other FQHC Services."

## Medicare Advantage Wrap-Around

Since telehealth distant site services aren't paid under the RHC AIR or the FQHC PPS, the Medicare Advantage (MA) wrap-around payment doesn't apply to these services. MA plans will adjust wrap-around payment for distant site telehealth services.

## Cost-Sharing Related to COVID-19 Testing

For services provided between March 18, 2020, and the duration of the COVID-19 PHE, we'll pay all of the reasonable costs for specified categories of evaluation and management (E/M) services if they result in an order for or administration of a COVID-19 test and relate to the supply or administration of such test or to the evaluation of an individual for purposes of deciding the need for such test. This would include applicable telehealth services. (See MLN Matters Article [SE20011](#) for more information.) For the specified E/M services related to COVID-19 testing, including when provided via telehealth, you must waive the collection of coinsurance from patients. For services in which Medicare waives the coinsurance, you must put the "CS" modifier on the service line. **We paid your claims with the "CS" modifier with the coinsurance applied, and the MAC automatically reprocessed these claims starting on July 1, 2020. Don't collect coinsurance from patients if the coinsurance is waived.**

### Claims Examples

**Table 5. RHC Claims for Telehealth Services from January 27 – June 30, 2020, when we waive cost sharing**

| Revenue Code | HCPCS Code | Modifiers                          |
|--------------|------------|------------------------------------|
| 052X         | G2025      | CG, CS (required)<br>95 (optional) |

**Table 6. RHC Claims for Telehealth Services when we waive cost sharing starting July 1, 2020**

| Revenue Code | HCPCS Code | Modifiers                    |
|--------------|------------|------------------------------|
| 052X         | G2025      | CS (required), 95 (optional) |

**Table 7. FQHC Claims for Telehealth Services January 27 – June 30, 2020, when we waive cost sharing**

| Revenue Code | HCPCS Code  | Modifiers         |
|--------------|---|-------------------|
| 052X         | G0467 (or other appropriate FQHC Specific Payment Code) | N/A               |
| 052X         | G0446 (or other FQHC PPS Qualifying Payment Code)       | CS, 95 (required) |
| 052X         | G2025   | CS, 95 (required) |

**Table 8. FQHC Claims for Telehealth Services starting July 1, 2020, when we waive cost sharing**

| Revenue Code | HCPCS Code | Modifiers                    |
|--------------|------------|------------------------------|
| 052X         | G205       | CS (required), 95 (optional) |

## Other Telehealth Flexibilities

During the COVID-19 PHE, you can provide any [Medicare-approved telehealth service](#) under the PFS. Also, effective March 1, 2020, these services include CPT codes 99441, 99442, and 99443, which are audio-only telephone E/M services. You can provide and bill for these services using HCPCS code G205. To bill for these services, a physician or Medicare provider who may report E/M services must provide at least 5 minutes of telephone E/M service to an established patient, parent, or guardian. You can't bill for these services if they start from a related E/M service provided within the previous 7 days or lead to an E/M service or procedure within the next 24 hours or soonest available appointment.

## Telehealth Services with Cost Sharing

For the CPT and HCPCS codes included in the list of telehealth codes at the link above, we'll adjust the coinsurance and payment calculation for distant site telehealth services you provided to reflect the method used to calculate coinsurance and payment under the PFS. The coinsurance for these services will be 20% of the lesser of the allowed amount (\$92.03 for 2020 claims, \$99.45 for 2021, \$97.24 for 2022 or \$95.88 for 2023 claims based on date of service) or actual charges. The payment will be 80% of the lesser of the allowed amount (\$92.03 for 2020 claims, \$99.45 for 2021 claims, \$97.24 for 2022 or \$95.88 for 2023 claims based on date of service) or the actual charges.

Before the adjustment, the coinsurance for distant site services you provided was 20% of the actual charges and the payment was the allowed amount (\$92.03 for 2020 claims, \$99.45 for 2021 claims, \$97.24 for 2022 or \$95.88 for 2023 claims based on date of service) minus the coinsurance.

**MACs will automatically reprocess any claims with HCPCS code G205 for services you provided on or after January 27 – November 16, 2020, that we paid before we updated the claims processing system to pay HCPCS code G205 based on the “lesser of” methodology, as described above.**

## Telehealth Services with Cost Sharing Waived

The list of telehealth codes at the link above includes several CPT and HCPCS codes that describe preventive services that have waived cost sharing. As stated earlier in this Article, bill telehealth services on this list using HCPCS code G205. To distinguish those telehealth services that don't have cost sharing waived from those that do, like some preventive services, also report modifier CS. We've modified the descriptor of the CS modifier to account for this

additional use as follows:

CS – Cost sharing waived for specified COVID-19 testing-related services that result in an order for or administration of a COVID-19 test and/or used for cost-sharing waived preventive services provided via telehealth in RHCs and FQHCs during the COVID-19 PHE.

For preventive services provided via telehealth that have cost sharing waived, RHCs must report G2025 on claims with the CG and CS modifiers, and FQHCs must report G2025 with the CS modifier on or after July 1, 2020.

See the above-referenced claim examples for Cost-Sharing Related to COVID-19 Testing. These examples will also apply to preventive services that have cost sharing waived.

## Expansion of Virtual Communication Services

Payment for virtual communication services now includes online digital E/M services. Online digital E/M services are non-face-to-face, patient-initiated, digital communications using a secure patient portal. The online digital E/M codes that are billable during the COVID-19 PHE are CPT codes:

- 99421 (5-10 minutes over a 7-day period)
- 99422 (11-20 minutes over a 7-day period)
- 99423 (21 minutes or more over a 7-day period)

To get payment for the new online digital E/M (CPT codes 99421, 99422, and 99423) or virtual communication services (HCPCS codes G2012 and G2010), you must submit an RHC or FQHC claim with HCPCS code G0071 (Virtual Communication Services) either alone or with other payable services. For claims submitted with HCPCS code G0071 on or after March 1, 2020, and for the duration of the COVID-19 PHE, payment for HCPCS code G0071 is set at the average of the national non-facility PFS payment rates for these 5 codes. We'll pay \$24.76 for claims submitted with G0071 on or after March 1 – December 31, 2020.

From January 1 – December 31, 2022, we'll pay \$23.88 for claims submitted with G0071. **Effective January 1 – December 31, 2023, we'll pay the new rate of \$23.14 for claims submitted with G0071.**

## Revision of Home Health Agency Shortage Requirement for Visiting Nursing Services

You can bill for visiting nursing services provided by a Registered Nurse (RN) or Licensed Practical Nurse (LPN) to homebound individuals under a written treatment plan in areas with a shortage of home health agencies (HHAs). Effective March 1, 2020, and for the duration of the COVID-19 PHE, we've found that the area typically served by the RHC, and the area included in the FQHC service area plan, have a shortage of HHAs, and this finding doesn't require a request. Check the Health Insurance Portability and Accountability Act (HIPAA) Eligibility Transaction System (HETS) before providing visiting nurse services to make sure that the patient isn't already under a home health plan of care.



## Consent for Care Management and Virtual Communication Services

Medicare requires patient consent for all services, including non-face-to-face services. During the COVID-19 PHE, you may get patient consent at the same time you initially provide the services. This means that someone working under your general supervision can get patient consent. Direct supervision isn't required to get consent. In general, auxiliary personnel under general supervision of the billing practitioner can get patient consent for these services. The person getting consent can be an employee, independent contractor, or leased employee of the billing practitioner. (See [CMS-1744-IFC](#)).

## Revision of Bed Count Methodology for Determining Provider-Based RHCs Exemption to the RHC Payment Limit

**Note:** [Section 132 of the Consolidated Appropriations Act, 2021](#), restructures the payment limits for all independent and provider-based RHCs starting April 1, 2021. See [CR 12185](#) and [CR 12489](#) for more information on establishing certain provider-based RHC payment limits.

Before April 1, 2021, if you're an RHC provider based to a hospital with fewer than 50 beds, you're exempt from the national per-visit payment limit for RHCs. Due to the COVID-19 PHE, some hospitals have been or are planning to increase inpatient bed capacity to address the increased need for inpatient care. If you're currently exempt from the national per-visit payment, we're working to prevent you from losing your exemption due to the COVID-19 PHE and to encourage hospitals to increase bed capacity if needed. We'll use the number of beds from the cost reporting period before the start of the COVID-19 PHE as the official hospital bed count for deciding exemption to the payment limit.

## Exception to the Productivity Standards for RHCs

We use productivity standards to help decide the average cost per patient for your Medicare reimbursement. Physicians, nurse practitioners, physician assistants, and certified nurse midwives are held to a minimum number of visits per Full-Time Employee (FTE) that they're expected to provide in the RHC. Failure to meet this minimum may show that they're operating at an excessive staffing level, thus, generating excessive cost.

Many RHCs have had to change the way they staff their clinics and bill for RHC services during the COVID-19 PHE. As a result, these RHCs may have difficulty in meeting the productivity standards. To minimize the burden on RHCs, your MAC may grant exceptions to the productivity standard during the COVID-19 PHE. Your MAC will provide further direction.

## More Information

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View the [complete list](#) of coronavirus waivers.

Review information on the [current emergencies](#) webpage.

For more information, [find your MAC's website](#).

## Document History

| Date of Change    | Description  |
|-------------------|--|
| November 22, 2022 | We revised this article to add the 2023 payment rate for distant site telehealth services. You'll find substantive content updates in dark red (pages 2,3, 5, and 6). All other information is the same.   |
| January 13, 2022  | We revised this article to add the 2022 payment rate for distant site telehealth services and information on RHC payment limits. You'll find substantive content updates in dark red font (see pages 2, 3, 5, 6, and 7). All other information is the same.  |
| February 23, 2021 | We revised this article to provide the updated rate effective January 1, 2021, for G2025. You'll find substantive content updates in dark red font (see pages 2, 3, and 5). We also updated the rate for G0071 on page 6.  |
| December 3, 2020  | We revised this article to provide additional guidance on telehealth services that have cost-sharing and cost-sharing waived. You'll find substantive content updates (see pages 5-6). We also made other language changes for clarity, but these changes didn't change the substance of the article.  |
| July 6, 2020      | We revised this article to provide: <ul style="list-style-type: none"> <li>- Additional guidance on telehealth services that have cost sharing waived and additional claim examples</li> <li>- An additional section on the RHC Productivity Standards</li> </ul> All other information remains the same.  |
| April 30, 2020    | We revised this article to provide: <ul style="list-style-type: none"> <li>- Additional claims submission and processing instructions</li> <li>- Information on cost-sharing related to COVID-19 testing</li> <li>- Additional information on telehealth flexibilities</li> <li>- Information on provider-based RHCs exemption to the RHC payment limit</li> </ul> All other information remains the same. |
| April 17, 2020    | Initial article released.  |

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