



## **S.F. No. 1622 – Federally qualified health centers reimbursement procedures modifications**

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**Date:** March 10, 2025

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### Bill Overview

**S.F. 1622** consists of a single bill section. The section amends subdivision 30 of section 256B.0625, which is a subdivision in the medical assistance chapter governing payments to rural health clinics (RHCs) and federally qualified health centers (FQHCs). Under current law, FQHC and RHC encounter rates must be “rebased” every two years by reference to the facilities’ Medicare cost reports from the third and fourth years prior to the rebasing year. This bill shortens these lookback periods such that, going forward, the commissioner of human services must instead use the cost reports from the first and second years prior to the rebasing year.

In addition, S.F. 1622 amends subdivision 30 to permit FQHCs to submit “change of scope” requests to the commissioner of human services for reimbursement adjustments. This would permit the commissioner to account for any increase or decrease in FQHC costs resulting from changes in the type, intensity, duration, or amount of health care services the FQHC provides.

