

BI-STATE PRIMARY CARE ASSOCIATION



SERVING VERMONT & NEW HAMPSHIRE

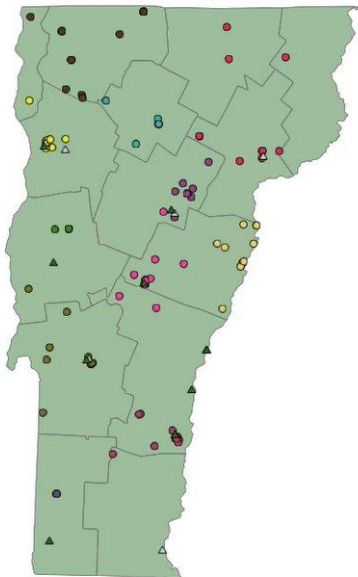
Improving Access to Primary Health Care Since 1986

H. 583 Health Care Equity Transactions

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2/4/2026



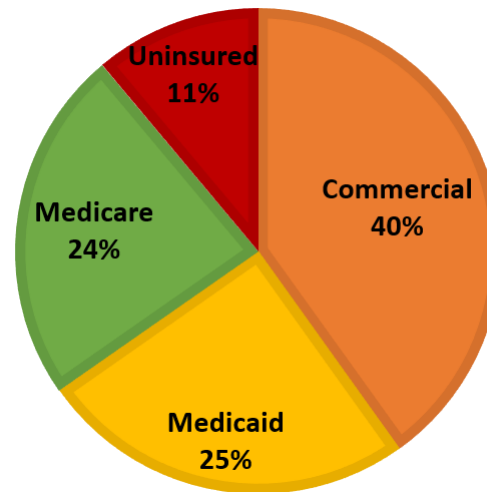
Who and where FQHCs Serve



- Battenkill Valley Health Center (FQHC)
- Community Health Centers (FQHC)
- Community Health (FQHC)
- Gifford Health Care (FQHC)
- Lamoille Health Partners (FQHC)
- Little Rivers Health Care (FQHC)
- Mountain Community Health (FQHC)
- Northern Counties Health Care (FQHC)
- North Star Health (FQHC)*
- The Health Center (FQHC)
- △ Planned Parenthood of Northern New England
- ▲ Vermont Free and Referral Clinics*

* North Star Health also has a location in Charlestown, NH

* A VFRC member, Good Neighbor Health Clinic, also has a location in Lebanon, NH



By Payer in 2024

2024 UDS Data

In 2023, FQHCs served...

- 210,640 (or 1 in 3) Vermonters and conducted over 787,990 patient visits
- 36,500+ children
- 49,700+ older adults (42.2% of VT Medicare beneficiaries)
- 6,000 Veterans

- 3,600+ persons experiencing homelessness
- 23,300+ uninsured patients (almost 100% of VT's uninsured)
- 53,100+ VT Medicaid enrollees (37.8% of enrollees)



Federally Qualified Health Centers:

What is their role in Vermont Health Care System?

Established in Federal Statute to:

- Provide health care to communities with a shortage of providers and services, including rural regions.
- Focus on the most vulnerable individuals and families, including agricultural workers, residents of public housing, veterans, and those experiencing homelessness.

Safety net providers that:

- Must participate in Medicaid
- Must accept patients regardless of ability to pay
- Must establish sliding fees for patients based on income
- Must have a governing board with >50% of members that are patients

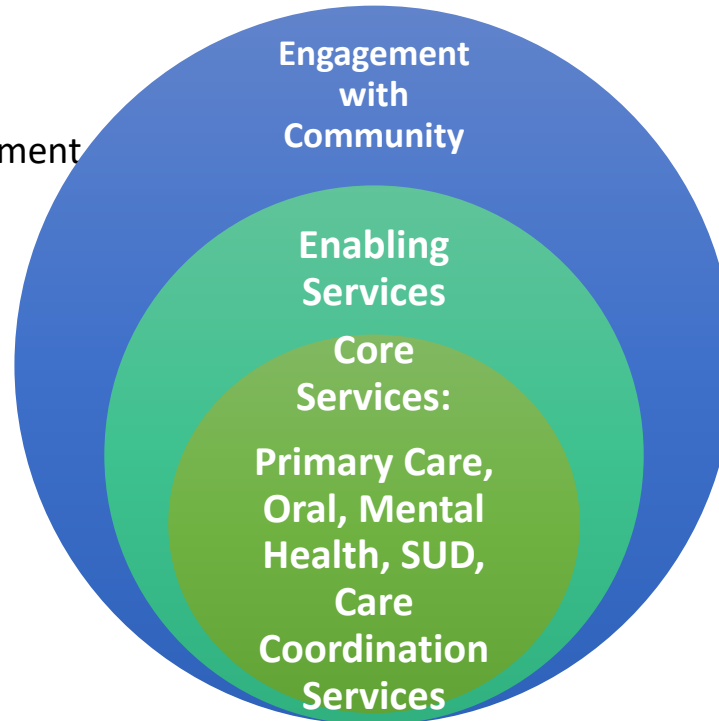




Primary Care, Whole Person Care

Core Services

- Mental Health Services
- Substance Use Disorder Treatment
- Medical Services
- Physical Wellness
- Reproductive Services
- Vision Care
- Pharmacy Services
- Oral Health Services
- School-Based Services



Enabling Services

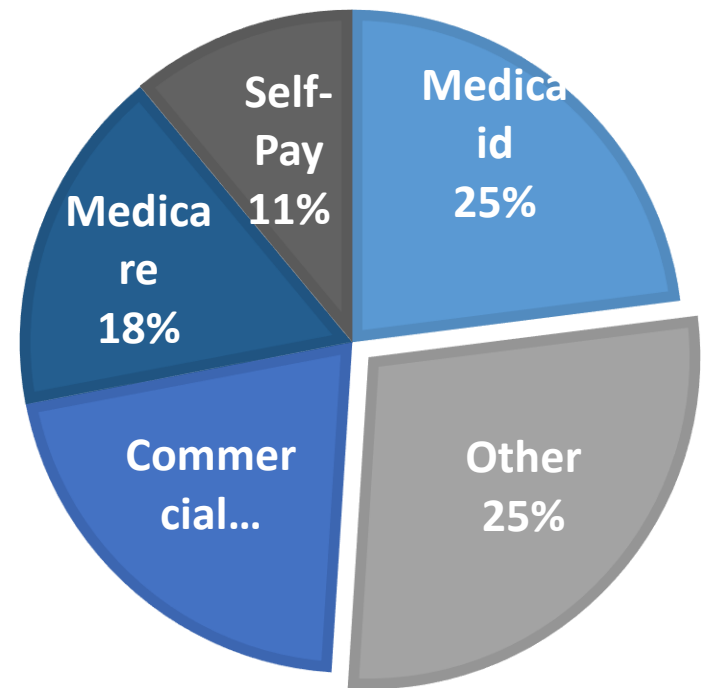
- Nutritional Food Access
- Housing Support
- Economic Empowerment
- Translation
- Transportation
- Health Education
- Coordination with Community Partners



Requirements and Funding

- Federal FQHC grants (330 grant) awarded based on competitive national application process.
 - Health centers cannot legally use grant funding to subsidize the cost of care for Medicaid or Medicare beneficiaries.
- Must meet strict program, performance, and accountability standards.
 - Annual data submission on quality and finances.
 - Site visit every four years.
 - ‘Compete’ to maintain their designation every four years.
- Medicare and Medicaid pay FQHCs a set rate per visit.
- Commercial insurers pay FQHCs the same as hospital-owned and independent primary care practices.
- Funding from the 330 grants and 340B prescription drug program allow FQHCs to offer comprehensive services regardless of patients’ ability to pay or insurance status.

FQHC SOURCES OF REVENUE (2024)





FQHC Reporting Requirements

FQHCs must comply with 90+ requirements. In summary, they must:

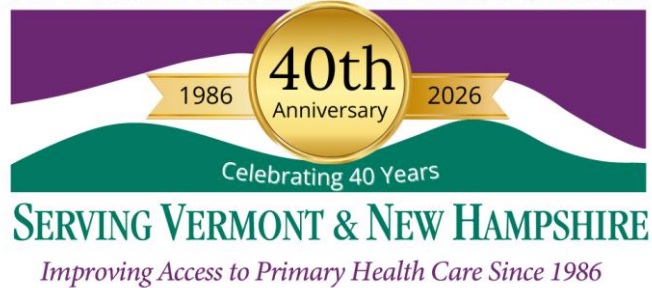
- Document the needs of their target populations.
- Provide all required primary, preventive, enabling health services (either directly or through established referrals).
- Maintain a core staff as necessary to carry out all required primary, preventive, enabling, and additional health services. Staff must be appropriately credentialed and licensed.
- Provide services at times and locations that assure accessibility and meet the needs of the population to be served.
- Provide professional coverage during hours when the health center is closed.
- Ensure their physicians have admitting privileges at one or more referral hospitals to ensure continuity of care. Health centers must firmly establish arrangements for hospitalization, discharge planning, and patient tracking.
- Have a system in place to determine eligibility for patient discounts adjusted on the basis of the patient's ability to pay. No patient will be denied services based on inability to pay.
- Have an ongoing Quality Improvement/Quality Assurance program.



FQHC Reporting Requirements

Continued:

- Exercise appropriate oversight and authority over all contracted services.
- Make efforts to establish and maintain collaborative relationships with other health care providers.
- Maintain accounting and internal control systems to safeguard assets and maintain financial stability.
- Have systems in place to maximize collections and reimbursement for costs in providing health services.
- Develop annual budgets that reflect the cost of operations, expenses, and revenues necessary to accomplish the service delivery plans.
- Have systems which accurately collect and organize data for reporting and which support management decision-making.
- Ensure governing boards maintain appropriate authority to oversee operations.
- Ensure a majority of board members for each health center are patients of the health center. The board, as a whole, must represent the individuals being served by the health center in terms of demographic factors such as race, ethnicity, and sex.
- Ensure bylaws and/or policies are in place that prohibit conflict of interest by board members, employees, consultants, and those who furnish goods or services to the health center.



FQHC Transactional Requirements

January Guidance:

This notice serves to remind health centers of the requirement to notify their Bureau of Primary Health Care (BPHC) Project Officer of any acquisitions or mergers associated with their current Health Center Program award. Notification may be provided through the designated Project Officer listed in EHBs or by utilizing the online BPHC Contact Form by selecting Program Monitoring H80 then Prior Approval... Regardless of whether a health center is the acquirer or acquiree (transferor or transferee) in the process, HRSA's BPHC must be notified of such grants-related activity at least 120 days prior to the action taking place.



FQHC Transactional Requirements

H. 583:

(a)(1) A transaction that would give anyone (including another FQHC) ownership of a critical access hospital or FQHC:

- HRSA requires notification and they have final approval

(a)(2) Financing the acquisition of a health care entity through the use of debt:

- HRSA requires notification and they have final approval

(a)(4) A transaction that involves entering into any contract or service or purchasing arrangement with an affiliated legal entity:

- Exception for those arrangements that are 'necessary to accomplish the legitimate health care purpose; and contract provides compensation or reimbursement that is consistent with the fair market value of the services or products'.
 - How would this work for: billing services, credentialing services, EHRs, dental services, vision services, telehealth, GPOs, ACOs, etc.?

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Questions?