



**NATIONAL ASSOCIATION OF
RURAL HEALTH CLINICS**

July 26, 2022

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Republican Leader
United States House of Representatives
Washington, DC 20515

Dear Speaker Pelosi and Leader McCarthy:

The National Association of Rural Health Clinics (NARHC) is grateful that the House of Representatives is considering extending Medicare coverage of telehealth through 2024 but we are concerned that the current language in H.R. 4040 will perpetuate inequitable payment policies for safety-net providers.

Presently, our peers in traditional office settings are able to bill for telehealth services as if the service was provided physically in the office. In other words, they have coding and reimbursement parity between telehealth services and in-person services.

On the other hand, Rural Health Clinics (RHCs) and Federally Qualified Health Centers (FQHCs) do not use their normal coding and reimbursement rules for telehealth. RHCs and FQHCs instead have a “special payment rule” that requires them to bill a single code, G2025, for all telehealth services which is then reimbursed at a single nationwide rate (currently \$97.24).

We are concerned with this “special payment rule” methodology for a whole host of reasons. First and foremost, the payment is significantly less than what most RHCs and FQHCs would receive for providing the same service in person, disincentivizing safety-net providers from offering the service via telehealth. Second, the current rules require RHCs and FQHCs to “carve-out” all telehealth costs from their cost report, which adds significant administrative burden to the cost-reporting process. Third, the use of a single telehealth code, G2025, has prevented RHCs from tracking annual wellness visits and other services provided via telehealth severely hindering their ability to properly participate in ACOs and other quality programs.

Complicating matters is the fact that for mental health services provided via telehealth, RHCs and FQHCs do use their normal coding and reimbursement mechanisms. This policy is working well, and we believe that it should work this way for all services, not just mental health services.

NARHC strongly believes that the best way to encourage telehealth usage in underserved communities is to create parity between in-person and telehealth policies. We strongly encourage Congress to amend H.R. 4040 to include the payment policy enumerated in Section 9 of H.R. 7876, the Connecting Rural Telehealth to the Future Act introduced by Representative Adrian Smith and Representative Terri Sewell.

Please feel free to contact me if you would like to discuss this issue further.

Sincerely,

Nathan Baugh
Executive Director
National Association of Rural Health Clinics
(202) 543-0348