



Tobacco Cessation Coverage and Federally Qualified Health Centers

What are FQHCs?

Federally Qualified Health Centers (or FQHCs) are community-based healthcare providers that receive federal funds to provide basic healthcare services to an underserved community. FQHCs include community health centers, migrant health centers, school-based health centers, healthcare for the homeless health centers, health centers for residents of public housing, health center program look-alikes* and outpatient health programs of facilities operated by a tribe or tribal organization or urban Indian organization.¹

These centers meet requirements in order to be certified as a FQHC by the U.S. Department of Health and Human Services; Health Resources and Services Administration. To receive certification, FQHCs must provide comprehensive services with quality assurance programs, serve a medically underserved area/population and treat anyone regardless of their ability to pay (and offer a sliding scale charges for care to persons with incomes below 200% of the federal poverty level (FPL)).² The centers are staffed by physicians, nurse practitioners, physician assistants, behavioral health specialists, and dentists. FQHCs services are available to everyone and they accept Medicare, Medicaid, private insurance and uninsured patients.

FQHCs have a unique funding and reimbursement structure. A Prospective Payment System (PPS) is often used to reimburse FQHCs by patient seen, not by service provided. States also have the option to adopt an Alternative Payment Methodology (APM) to compensate FQHCs.³ FQHCs are also different in that they bill by using the FQHC's National Provider Identifier (NPI), not the individual provider's NPI, however, all providers must still have a NPI. Another important aspect of the way they are reimbursed is that FQHCs can generally only submit one [claim](#) per patient per day. These systems can differ by insurer and state. For more in-depth information, please refer to these helpful resources:

- [The National Association of Community Health Centers' FAQ on Medicaid's Prospective Payment System](#)
- [CMS Medicare PPS FAQ](#)
- [American Lung Association's Billing Guide for Tobacco Screening and Cessation](#)

There are more than 1400 FQHCs in the United states, and these community-based healthcare facilities meet an important need throughout the country. For additional background and more information on how public health departments can work with FQHCs, please review:

- ASTHO's Issue Brief, [Public Health and Community Health Centers 101](#).
- [Health Resources and Services Administration's resource on Primary Care Associations](#)

* FQHC look-alikes are health centers that meet the HRSA Health Center Program requirements, but do not receive Health Center program funding.



Tobacco Cessation and FQHCs – Meeting an Important Community Need

Federally Qualified Health Centers are opportune settings for tobacco cessation services. The populations most often served at the health centers have much higher tobacco use rates than the general population. According to the National Association of Community Health Centers, 91.3% of people who utilize services at health centers have incomes below 200% of the FPL.⁴ Among these income demographics, 26.2% of people with incomes below \$35,000 annually use tobacco compared to 14.3 % of people who bring in \$100,000 a year.⁵ Eighty-two percent of patients at community health centers are uninsured or publicly insured.⁶ And when we look at tobacco use rates by insurance, 27.8% of Medicaid patients and 29.9% of those who are uninsured use tobacco, in contrast to 17.2% of people who have private insurance.⁷

Comprehensive Tobacco Cessation Benefit:

Seven FDA-Approved Medications:

- NRT Gum
- NRT Patch
- NRT Lozenge
- NRT Inhaler
- NRT Nasal Spray
- Bupropion
- Varenicline

Three Forms of Counseling:

- Individual
- Group
- Phone

Within these facilities tobacco cessation counseling is reimbursable under the CPT Codes 99406 and 99407.⁸ Coverage may vary by insurance type and state. Often FQHCs can use the [340B program](#) to obtain discounted pharmacotherapy treatments for tobacco cessation. FQHC providers can also work directly with insurance coverage to help patients access medication.

Federally Qualified Health Centers serve a population with high tobacco use rates and provide an excellent opportunity to offer tobacco cessation services.

July 2020

¹ Federally Qualified Health Center. MLN Booklet. ICN MLN006397 September 2019. <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/fghcfactsheet.pdf>

² Federally Qualified Health Center. MLN Booklet. ICN MLN006397 September 2019. <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/fghcfactsheet.pdf>

³ The Facts about Medicaid's Prospective Payment System (PPS). National Association of Community Health Centers. <http://www.nachc.org/wp-content/uploads/2018/06/PPS-One-Pager-Update.pdf>

⁴ America's Health Centers, March 2020. Accessed July 1, 2020. <https://www.nachc.org/wp-content/uploads/2020/03/Americas-HC-FC.pdf>

⁵ Creamer MR, Wang TW, Babb S, et al. Tobacco Product Use and Cessation Indicators Among Adults — United States, 2018. MMWR Morb Mortal Wkly Rep 2019;68:1013–1019. DOI: <http://dx.doi.org/10.15585/mmwr.mm6845a2>.

⁶ America's Health Centers, March 2020. Accessed July 1, 2020. <https://www.nachc.org/wp-content/uploads/2020/03/Americas-HC-FC.pdf>

⁷ Creamer MR, Wang TW, Babb S, et al. Tobacco Product Use and Cessation Indicators Among Adults — United States, 2018. MMWR Morb Mortal Wkly Rep 2019;68:1013–1019. DOI: <http://dx.doi.org/10.15585/mmwr.mm6845a2>.

⁸ Federally Qualified Health Center (FQHC) Preventive Services Chart. (Rev. 08-10-16). <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/FQHCPPS/Downloads/FQHC-Preventive-Services.pdf>