

**An Important Message from  
The Texas Health and Human Services Commission (HHSC)**

**Telemedicine and Telehealth Benefit Updates for Rural Health Clinics  
and Federally Qualified Health Centers Effective November 1, 2023**

**Background:**

This notice provides guidance on the implementation of a new telehealth patient site facility fee benefit for federally qualified health center (FQHC) and rural health clinic (RHC) providers.

Telehealth services are defined as health-care services, other than telemedicine medical services or a teledentistry service, delivered by a health professional licensed, certified or otherwise entitled to practice in Texas and acting within the scope of the health professional's license, certification, or entitlement to a patient at a different physical location other than the health professional using telecommunications or information technology. As a reminder, guidance regarding the telemedicine patient site facility fee benefit for RHCs implemented on April 1, 2022.

The facility fee (procedure code Q3014) for telehealth services will be a benefit for patient site FQHC and RHC providers who are enrolled in Texas Medicaid starting November 1, 2023. It will not be a benefit if the patient site is in the client's home.

Clarifications are included for current telemedicine and telehealth guidelines.

**Key Details:**

Effective for dates of service on or after November 1, 2023, FQHC and RHC providers performing patient-site telehealth services may be reimbursed for the facility fee (procedure code Q3014) as an add-on procedure code.

Procedure code Q3014 will be a benefit for FQHC and RHC providers when telehealth services are rendered in the office or outpatient hospital setting.

Managed care organizations (MCOs) should inform FQHCs that the facility fee should not be included in any cost reporting that is used to calculate a prospective payment system (PPS) or alternative prospective payment system (APPS) per visit encounter rate.

Additionally, MCOs should inform RHCs that the facility fee should not be included in any cost reporting that is used to calculate the RHC All Inclusive Rate (AIR) PPS per visit encounter rate.

More than one facility fee for the same client on the same date of service may be reimbursed for multiple distant-site provider consultations, when medically necessary. To ensure medical necessity of additional diagnosis or treatment, MCOs are encouraged to have a process in place to monitor multiple distant site provider consultations for the same client on the same dates of service.

For example, in Medicaid fee-for-service, the policy requires that an FQHC or RHC use a signed letter from the client's treating healthcare provider at the FQHC or RHC to document the client's medical need for receiving multiple distant-site provider consultations on the same date of service. The letter must state that the client suffered an illness or injury that required additional diagnosis or treatment by a distant-site provider.

If an FQHC or RHC is eligible for the payment of both an encounter fee and a facility fee for the same client on the same date of service, the FQHC or RHC must submit a claim for the facility fee separately from the claim that was submitted for the encounter.

Clarifications for telemedicine and telehealth include that FQHC practitioners may be employees of the FQHC or contracted with the FQHC. In addition, RHC practitioners may be employees of the RHC or contracted with the RHC.

Furthermore, a distant-site provider that is located outside of state lines while rendering services is considered to be an out-of-state provider.

**Action Items:**

MCOs must reprocess affected claims submitted with this procedure code as a telehealth service and date of service on or after November 1, 2023. Providers are not required to appeal the claims unless they are denied for additional reasons after the claims reprocessing is complete. Providers may bill MCOs retroactively for procedure code Q3014.

**Resources:**

TMHP provider notice published on September 15, 2023: Telemedicine and Telehealth Benefit Updates for Texas Medicaid Effective November 1, 2023

View this MCO Notice published in TexConnect on February 28, 2022: Telemedicine and Telehealth Services Provided by Rural Health Clinics

Contact:

For questions, please contact the Medicaid and Dental Benefits general mailbox at: MedicaidBenefitRequest@hsc.state.tx.us