

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Department of Health Care Finance



Office of the Senior Deputy Director/Medicaid Director

Transmittal 24-18

TO: All District FQHCs and FQHC Look-Alikes

FROM: Melisa Byrd
Senior Deputy Director and Medicaid Director

DATE: May 10, 2024

SUBJECT: Public Notice of Intent to Submit State Plan Amendment – Changes to Rate Rebasing Schedule for Federally Qualified Health Centers (FQHCs)

Purpose

The Department of Health Care Finance (DHCF) hereby gives notice of the intent to submit amendments to the District of Columbia State Plan for Medical Assistance (State Plan) to the Centers for Medicare and Medicaid Services (CMS) for review and approval. The proposed amendment will revise the rate rebasing schedule for Federally Qualified Health Centers (FQHCs). Pursuant to Federal regulations at 42 C.F.R. § 447.205, a state must provide public notice of any significant change in the state’s methods and standards for setting payment rates for services, prior to the proposed effective dates in the State Plan amendment submitted to CMS.

The District received CMS approval to delay FQHC rate rebasing to January 1, 2022 and every three (3) years thereafter in emergency State Plan amendment, DC [SPA 21-0020](#). Additionally, DC [SPA 23-0005](#) granted the District the authority to delay FQHC rate rebasing until May 11, 2024. On April 12, 2023, the District provided [public notice](#) of its intent to delay the rebasing of rates for FQHCs through May 11, 2024, or until adopted permanently under the State Plan. To that point, this SPA proposes to permanently adopt changes to the process of FQHC rebasing of rates under the State Plan. If approved, this SPA will delay FQHC rebasing until January 1, 2026 and permit the District to use the most recent audited cost reports for rebasing calculations.

The District does not project a change in aggregate Medicaid expenditures for the changes to the FQHC rate rebasing schedule.

Contact

If you have any questions, please contact Sam Woldeghiorgis, Associate Director, Office of Rates Reimbursement and Financial Analysis, Department of Health Care Finance, via email at samuel.woldeghiorgis@dc.gov.

Cc: DC Medical Care Advisory Committee Stakeholders
DC Hospital Association
DC Primary Care Association

DC Health Care Association
DC Home Health Association
DC Behavioral Health Association
DC Coalition of Disability Service Providers
Medical Society of DC