



COMMUNITY HEALTH CARE ASSOCIATION of New York State

**MEMORANDUM IN SUPPORT**  
**Community Health Center Telehealth Payment Parity**  
A.7316 (Paulin)/S.6733 (Rivera)  
May 17, 2023

The Community Health Care Association of New York State (CHCANYS) strongly supports A.7136 (Paulin)/S.6733 (Rivera) which would ensure community health centers (CHCs) licensed under Article 28 of the public health law are fully reimbursed when conducting services via telehealth regardless of modality and patient or provider location. CHCANYS is the primary care association for New York's federally qualified health centers (FQHCs), also known as CHCs. Located in low-income and medically underserved neighborhoods, CHCs provide a full range of primary and preventive health care and enabling services for more than 2.3 million patients at over 800 sites regardless of insurance, immigration status, or ability to pay. Among CHC patients, 89% are low-income, 68% are Black, Hispanic/Latinx, and people of color, 13% are uninsured and 59% are enrolled in Medicaid or Child Health Plus.

Telehealth is a critical access point to healthcare for many low-income and underserved communities and has become integral to the CHC care model, empowering patients to choose the visit type that best suits their needs on a given day or for a given condition. The option to receive care via telehealth decreases barriers that can inhibit patients' ability to visit a provider in person such as lack of transportation, childcare issues, or time off from work. As a result, CHCs experience fewer "no shows," especially for virtual behavioral health visits.

Current law, however, stipulates no Article 28-licensed clinics conducting services via telehealth may bill a facility fee when both the patient and provider are outside of the facility. Pursuant to that law, the Department of Health issued new Medicaid guidance, effective May 11, 2023 (the end of the Federal Public Health Emergency), stating CHCs will be reimbursed just one-third of their in-person rate for telehealth visits when neither the patient nor provider are on site. This will undermine New York's goal of advancing health equity and severely restrict access to health services in medically underserved communities. Lower reimbursement rates for CHCs will make it cost prohibitive for them to allow providers to work offsite, further preventing CHCs from retaining and recruiting providers that are already scarce. CHCs will be forced to reduce the number of behavioral health visits in the primary care setting available to patients, and thereby limit access to care.

Current law permits Article 31 and 32 mental hygiene providers to receive a standard bundled rate regardless of whether the service is provided via telehealth or in person, and regardless of where the patient or provider is located. State law must be updated to ensure that all providers with bundled payments – namely, clinics licensed under Article 31 and 32 and all CHCs – are not adversely impacted by offsite payment differentials.

**CHCANYS strongly urges the NYS Legislature to pass A.7136 (Paulin)/S.6733 (Rivera) to ensure CHCs can continue to provide telehealth services regardless of the location of both the patient and provider.**

With questions, please reach out to Marie Mongeon, Vice President of Policy, at [mmongeon@chcanys.org](mailto:mmongeon@chcanys.org).

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