

# Federally Qualified Health Centers (FQHC)

## WHAT ARE FEDERALLY QUALIFIED HEALTH CENTERS (FQHCs)?

Federally Qualified Health Centers (FQHCs) include all organizations receiving federal grants under Section 330 of the Public Health Service Act, certain tribal organizations, and FQHC Look-A-Likes. Types of organizations that may receive 330 grants include Community Health Centers, Migrant Health Centers, Health Care for the Homeless Programs, Local Health Departments, School Based Health Centers, and Public Housing Primary Care Programs.

## FQHC FUNDAMENTALS

- Located in or serve a high needs community; service area **must** include a federally designated Medically Underserved Area or Population (MUA/P).
- Governed by a Board of Directors with representation from the community served.
- Provide, directly or through referral, a comprehensive array of health care services (primary, preventive, mental health, substance abuse, dental, etc.) as well as supportive services (education, translation and transportation, etc.) that promote access to healthcare.
- Provide services to all clients regardless of their ability to pay; FQHCs accept Medicare, Medicaid, private insurances and provide a discounted, sliding fee scale for the uninsured.
- Meet other federal performance and accountability requirements regarding administrative, clinical, and financial operations.

## WHAT ARE THE BENEFITS OF BEING AN FQHC?

- New start FQHCs receive up to \$650,000
- Eligible for enhanced Medicare and Medicaid reimbursement
- Medical malpractice coverage through the federal Tort Claims Act
- Eligibility to purchase prescription and nonprescription medications for outpatients at reduced cost through the 340B Drug Pricing Program
- Automatic designation as a Health Professional Shortage Area (HPSA). The HPSA designation provides eligibility to recruit providers from the National Health Service Corps (NHSC), J-1 Visa Waiver program, and the Maryland State Loan Assistance Repayment Program (LARP).
- Access to the Vaccine for Children Program
- Eligibility for various other federal grants and programs

For more information on FQHCs, visit: <http://bphc.hrsa.gov/about>.

Fact Sheet prepared by:  
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