

**JOINT COMMITTEE ON FINANCIAL SERVICES
2025-2026 (194th) BILL SUMMARY**

Bill No: H1096

Title: AN ACT RELATIVE TO RATE EQUITY FOR COMMUNITY HEALTH CENTERS

Sponsor: Rep. Natalie M. Blais (*Deerfield*)

Hearing Date: October 14, 2025

Reporting Deadline: December 3, 2025

Prior History:

2023-24 (H948): Reported favorably; Referred to Health Care Financing; Ordered to a House Study

Similar Matters: S711 (Cyr-Duplicate); H1276 (O'Day); S703 (Cronin)

Current Law:

M.G.L. c. 32A Contributory Group General or Blanket Insurance for Persons in the Service of the Commonwealth (Group Insurance Commission)

M.G.L. c. 118E Division of Medical Assistance (MassHealth)

M.G.L. c. 175 Insurance

M.G.L. c. 176A Non-Profit Hospital Service Corporations (Blue Cross of Massachusetts)

M.G.L. c. 176B Medical Service Corporations (Blue Shield of Massachusetts)

M.G.L. c. 176G Health Maintenance Organizations (HMOs)

M.G.L. c. 176E Dental Service Corporations (Delta Dental)

M.G.L. c. 176I Preferred Provider Arrangements (PPOs)

42 U.S. Code § 1396a - State plans for medical assistance

42 U.S. Code § 1396b - Payment to States

SUMMARY:

This bill defines “Federally Qualified Health Center”, as any entity receiving a grant under 42 U.S.C. 254B (Defines “health center” as an entity that serves a population that is medically underserved, or a special medically underserved population comprised of migratory and seasonal agricultural workers, the homeless, and residents of public housing, by providing, either through the staff and supporting resources of the center or through contracts or cooperative arrangements.)

The bill defines “Federally Qualified Health Center Services”, as such term is defined in *42 U.S.C. 1396d(a)(2)(C)*, (definitions) and as further defined in *101 CMR 304.00* (Rates for Community Health Centers)

The Group Insurance Commission, MassHealth, commercial health insurers and dental service corporations will ensure that the payment rate for any Federally Qualified Health Center services provided to a patient by a community health center, will be reimbursed through a methodology that conforms with *42 USC § 1396a(bb) and 1396b(m)(2)(A)(ix)* as they appear in *Title 42 of the United States Code* as of January 1, 2025.

The Division of Insurance (DOI) will issue regulations governing issuance of payments to community health centers and will consult with MassHealth to receive technical assistance regarding the per visit payment rate for each Federally Qualified Health Center.

MassHealth will provide DOI with a proxy rate for any Federally Qualified Health Center who has not received an individual prospective payment system rate and DOI will make available to health plans upon request prospective payment system rate information regarding their contracted Federally Qualified Health Centers to ensure compliance.

DOI will promulgate regulations by January 1, 2027, to implement these provisions.

Any entity licensed by the DOI and providing reimbursement to federally qualified health centers for services provided to patients, will submit, as a condition of DOI licensure, an annual report to DOI showing that the total reimbursement to Federally Qualified Health Centers for services provided to patients in the prior year was equivalent to the annual aggregate revenue the health center would have received if reimbursed by MassHealth.