

Report to the Public Utilities, Energy, and Technology Interim Committee and Health Reform Task Force

Telemedicine

Prepared by the Division of Medicaid and Health Financing

December 1, 2017



EXECUTIVE SUMMARY

This report is submitted in response to the 2017 House Bill 154, Telehealth Amendments.

Statutory Requirement

House Bill 154 (2017) required the Utah Department of Health, Division of Medicaid Health Financing (DMHF) to submit this response to comply with the following statutory requirement in UCA 26-18-13.5(4):

- Before December 1, 2017, the department shall report to the Legislature's Public Utilities, Energy, and Technology Interim Committee and Health Reform Task Force on:
- (a) the result of the reimbursement requirement described in Subsection (3);
 - (b) existing and potential uses of telehealth and telemedicine services;
 - (c) issues of reimbursement to a provider offering telehealth and telemedicine services;
 - (d) potential rules or legislation related to:
 - (i) providers offering and insurers reimbursing for telehealth and telemedicine services; and
 - (ii) increasing access to health care, increasing the efficiency of health care, and decreasing the costs of health care; and
 - (e) the department's efforts to obtain a waiver from the federal requirement that telemedicine communication be face-to-face communication.

Background

Utah Medicaid fee for service has covered some form of telemedicine services since 2001 when the Division began a pilot project to cover a percentage of home health visits for diabetic members.

During the 2014 legislative session, the Utah legislature appropriated \$1,000,000 in one-time funding for telehealth infrastructure enhancements to improve the feasibility of providing Medicaid services via telehealth. Medicaid contracted with the Utah Telehealth Network (UTN) to procure, manage and support equipment purchased using these funds.

Simultaneous to these efforts, Medicaid reviewed current telemedicine policy and officially changed policy in January of 2015 to expand services to include physicians and nurse practitioners.

In January of 2017, the Division further expanded services by allowing any clinically appropriate covered service to be delivered via telemedicine.

However, the Prepaid Mental Health Plans have been delivering services via telemedicine since 1999. Under the Prepaid Mental Health Plan (PMHP), the Division contracts with local county mental health and substance abuse authorities or their designated entities to provide inpatient and outpatient mental health services and substance use disorder services to Medicaid members. The PMHP covers most counties of the state. Medicaid members are automatically enrolled with the PMHP contractor serving

their county of residence and must receive inpatient and outpatient mental health services and outpatient substance use disorder services through that PMHP.

Current Utah Medicaid Policy

The current Utah Medicaid telemedicine policy can be found in the [Utah Medicaid Provider Manual Section I: General Information Chapter 8-4.2](#) and reads as follows:

Telemedicine

Definitions

Telemedicine is two-way, real-time interactive communication between the member and the physician or authorized provider at the distant site. This electronic communication uses interactive telecommunications equipment that includes, at a minimum, audio and video equipment.

Authorized Provider means a provider in compliance with requirements as specified in this manual, refer to Chapter 3, Provider Participation and Requirements.

Distant site is the location of the provider when delivering the service via the telecommunications system.

Originating site is the location of the Medicaid member at the time the service is furnished via a telecommunications system.

Covered Services

Covered services may be delivered by means of telemedicine, as clinically appropriate. Services include, but are not limited to, consultation services, evaluation and management services, mental health services, and substance use disorder services.

Limitations

Telemedicine encounters must comply with HIPAA privacy and security measures to ensure that all patient communications and records, including recordings of telemedicine encounters, are secure and remain confidential. The provider is responsible for determining if the encounter is HIPAA compliant. Security measures for transmission may include password protection, encryption, and other reliable authentication techniques.

Compliance with the Utah Health Information Network (UHIN) Standards for Telehealth must be maintained. These standards provide a uniform standard of billing for claims and encounters delivered via telehealth.

Results of Reimbursement Requirement

The PMHPs have been delivering mental health services via telemedicine since 1999; therefore, there is no reasonable methodology to evaluate the impact of the recent legislation.

Existing Uses of Telehealth and Telemedicine Services

For the purposes of this report, DMHF defines telemedicine as two-way, real-time interactive communication between the member and the physician or authorized provider at the distant site. This electronic communication uses interactive telecommunications equipment that includes, at a minimum, audio and video equipment.

Current policy allows for covered services to be delivered by means of telemedicine when clinically appropriate. Services include, but are not limited to, consultation services, evaluation and management services, mental health services, and substance use disorder services.

Specific uses may include:

- Behavioral health
 - Clinical evaluations for mental status, initial evaluation, and diagnostic formulation
 - Various treatment modalities, such as individual therapy, group therapy, family therapy, marital therapy, and medication management
 - Emergency room telepsychiatry
 - Consultations
- Stroke care
- Burn care
- Primary care
- Intensive Care Unit (ICU) services
- Dermatology
- Cardiology
- Pediatrics
- Critical care
- Newborn care
- Consultations
- Emergency room crisis care
- Access to specialists
- Patient education
 - Diabetes management
 - Nutrition
 - Smoking cessation

Potential uses of telehealth and telemedicine services not currently reimbursable by Utah Medicaid

Remote Patient Monitoring

The Center for Connected Health Policy defines remote patient monitoring (RPM) as the use of “digital technologies to collect medical and other forms of health data from individuals in one location and

electronically transmit that information securely to health care providers in a different location for assessment and recommendations.”¹

Monitoring programs can collect a wide range of health data from the point of care, such as vital signs, weight, blood pressure, blood sugar, blood oxygen levels, heart rate, and electrocardiograms.

This data is then transmitted to health professionals in facilities such as monitoring centers in primary care settings, hospitals and intensive care units, skilled nursing facilities, and centralized off-site case management programs. Health professionals monitor these patients remotely and act on the information received as part of the treatment plan.

Project Echo

“Project ECHO is a cost-free partnership between community providers and a University of Utah Health interdisciplinary team of professionals developed to treat chronic and complex disease in rural and underserved areas through the use of technology.”²

The Center for Health Care Strategies, in collaboration with other partners developed a Medicaid financing model matrix that explores various ways state Medicaid agencies could support Project ECHO.

Store and Forward

“Store and forward technologies allow for the electronic transmission of medical information, such as digital images, documents, and pre-recorded videos through secure email transmission. Store and forward technologies are most commonly used in radiology, pathology, dermatology, and ophthalmology.”³

Potential Reimbursement Issues

Originating Site Fee

An originating site is the location of an eligible Medicaid member at the time the service is furnished via a telecommunications system. Currently, entities that qualify as an originating site through Medicare are reimbursed by Medicare an originating site fee using the HCPCS code Q3014. This code is currently not covered by Utah Medicaid, some facilities have indicated this is a barrier to providing telemedicine services. Medicaid would need additional appropriations to fund coverage of originating site fees.

¹ <http://www.cchpca.org/remote-patient-monitoring>

² <https://healthcare.utah.edu/echo/>

³ <http://www.cchpca.org/store-and-forward>

Potential Rules or Legislation

The Division is not aware of any potential rules or legislation that would impact telemedicine services currently covered by Utah Medicaid.

Waiver

The Center for Medicare & Medicaid Services state:

Telemedicine is viewed as a cost-effective alternative to the more traditional face-to-face way of providing medical care (e.g., face-to-face consultations or examinations between provider and patient). As such, states have the option/flexibility to determine whether (or not) to cover telemedicine; what types of telemedicine to cover; where in the state it can be covered; how it is provided/covered; what types of telemedicine practitioners/providers may be covered/reimbursed, as long as such practitioners/providers are “recognized” and qualified according to Medicaid statute/regulation; and how much to reimburse for telemedicine services, as long as such payments do not exceed Federal Upper Limits.⁴

Therefore, a waiver is not necessary unless the services requested are outside the scope of the current State Plan benefits.

⁴ <https://www.medicare.gov/medicaid/benefits/telemed/index.html>