

Telemedicine Reimbursement

Presented By:

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Telemedicine Reimbursement

Why is it important?

What is happening nationally?

What is happening in Oregon?

What is next for Oregon?

Telemedicine Reimbursement

Why is it important?

Encourages use of telemedicine services

Provides mechanism to reimburse providers

One tool to ensure sustainability of program

Telemedicine Reimbursement Medicare

- First authorized in Balanced Budget Act of 1997
 - Fee splitting
 - Limited CPT code reimbursement
 - Limited eligible presenters

Telemedicine Reimbursement Medicare

- Benefits Improvement and Protection Act of 2000 - some improvements
 - Eliminated fee sharing
 - Eliminated need for “telepresenter”
 - Expanded eligible services
 - Included payment to distant site physician only

Telemedicine Reimbursement

Medicare

Eligible Geographical Locations

- Must be a primary care Health Professional Shortage Area (HPSA)
- Cannot be a Metropolitan Statistical Area (MSA)

Telemedicine Reimbursement

BIPA Medicare

Eligible Originating Sites:

Medicare includes:

Office of a Physician
Hospital
Critical Access Hospital
Rural Health Clinic
Federally Qualified Health
Center

Additions Needed:

Skilled Nursing Facilities
Community Mental Health
Centers
County Mental Health
Departments
Public Health Departments
Indian Health Service Sites

2008 Medicare Improvement for Patients and Providers Act

- Passed by both Houses of Congress
- Presidential veto over-ride by Congress
June 24, 2008
- Expands list of originating sites to include:
 - Skilled nursing facilities
 - Hospital-based dialysis centers
 - Community mental health centers

Telemedicine Reimbursement

Medicare

Eligible Medical Practitioners

Medicare Includes:

Physician
Nurse Practitioner
Physician Assistant
Nurse Midwife
Clinical Nurse
Specialist
Clinical Psychologist
Clinical Social Worker

Recommended Additions:

Dietitians
Genetics Counselors
Physical Therapists
Occupational Therapists
Speech Therapists

Medicare Telehealth Improvement Act

- S. 2812 – Introduced by Stabenow and Conrad on April 3, 2008
- What the bill does:
 - Adds to eligible sites – skilled nursing facilities, dialysis centers, community mental health centers
 - Adds to eligible providers – physical therapists, occupational therapists, speech-language pathologists, audiologists and diabetes educators
 - Creates and advisory committee of practicing telehealth providers
- Referred to Committee on Finance – no further action

Telemedicine Reimbursement

Medicare

Eligible Services

Covered

BIPA

- Consultations
- Office or other outpatient visits
- Individual psychotherapy
- Pharmacologic management

Medicare Telehealth Enhancement Act

- H.R. 6163 - Introduced by Representative C. Michael Thompson on May 22, 2008
- What the bill does:
 - Eliminates geographic restrictions based on rural designations and expands to underserved urban and suburban communities
 - Adds all dialysis centers, home health services, and remote patient management services for certain chronic conditions to list of covered sites and services
- Referred to Subcommittee on Health on June 2, 2008, no further action

Telemedicine Reimbursement Medicaid

- State administered program with federal match
- Each state sets its Medicaid telemedicine reimbursement policy
- If you've seen one state Medicaid telemedicine reimbursement policy, you've seen one state Medicaid telemedicine reimbursement policy!

Telemedicine Reimbursement Medicaid

35 States Reimburse for Telemedicine

Alabama, Alaska, Arizona, Arkansas, California, Colorado, Georgia, Hawaii, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, North Carolina, North Dakota, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, Wisconsin, Wyoming

Telemedicine Reimbursement

Private Payers

- Less published information on private payer reimbursement
- Progress is being made.....

Telemedicine Reimbursement

Private Payers

- States with government mandated legislation
 - California, Louisiana, Texas, Oklahoma, Kentucky
- All prohibit payers from excluding services solely because they are delivered telemedically

Telemedicine Reimbursement

Private Payers

- 2005 Survey: American (Telemedicine Association and AMD Telemedicine)
 - Phone survey of 72 programs as offering potentially billable services
 - 38 receiving reimbursement from private payers
 - Payers reimbursing in at least 25 states
 - Many are following lead of Blue Cross/Blue Shield

Telemedicine Reimbursement

Private Payers

- 2005 Survey (American Telemedicine Association and AMD Telemedicine)
 - 3 programs receive reimbursement for store and forward
 - 7 programs receive reimbursement for facility fees
 - Over 100 private payers currently reimburse for telemedicine services

Telemedicine Reimbursement

What is happening in Oregon

Telemedicine Reimbursement

Oregon

- Oregon HJR4 passed in 2003 legislative session
- Three major goals:
 - Quality health care should be available to all Oregonians
 - To assure best access possible, Telehealth should be an appropriate tool for delivery of service
 - To reduce healthcare costs, Telehealth should be an appropriate tool for delivery of service

Telemedicine Reimbursement

Oregon

Current Status

Telemedicine Workgroup convened in
January, 2008

Participants include:

Payers

Providers

OMA

DHS

Insurance Division

Senator Monnes-Anderson and staff

Telehealth Reimbursement

Common Issues

- Because it is virtual, there will be widespread fraud and abuse
- Because it increases access, the use of telehealth will increase cost
- Because there is not a body of comprehensive and conclusive data, an informed statute cannot be created

Telemedicine Reimbursement

Oregon

LC 1338

Accepted by Health and Human Services Committee

Requires health benefit plan to provide coverage of medically necessary, evidence-based telemedical health service that meets specified criteria if health service is otherwise covered by plan.

LC 1338

(2) “Health professional” includes but is not limited to a licensed or certified:

(a) Physician, as defined in ORS 677.010;

(b) Nurse practitioner;

(c) Physician assistant;

(d) Nurse midwife;

(e) Clinical nurse specialist;

(f) Clinical psychologist;

(g) Clinical social worker; or

(h) Dietitian.

LC 1338

- (3) “Health service” includes but is not limited to:**
- (a) Consultation;**
 - (b) Office visitation;**
 - (c) Outpatient visitation;**
 - (d) Individual psychotherapy;**
 - (e) Pharmacologic management;**
 - (f) Neurobehavioral status examination;**
 - (g) Psychiatric diagnostic interview examination;**
 - (h) A service related to the treatment of end-stage renal disease;**
 - (i) Individual medical nutrition therapy; or**
 - (j) Follow-up treatment, care or consultation provided to an inpatient.**

LC 1338

(2) An originating site for a telemedical health service subject to subsection (1) of this section includes but is not limited to a:

- (a) Hospital;**
- (b) Rural health clinic;**
- (c) Federally qualified health center;**
- (d) Physician's office;**
- (e) Community mental health center;**
- (f) Skilled nursing facility;**
- (g) Renal dialysis center; or**
- (h) Site where public health services are provided.**

LC 1338

(3) A plan may not distinguish between originating sites that are rural and urban in providing coverage under subsection (1) of this section.

Next Steps:

Educate, Educate,
Educate

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