# 2019 STATE OF THE STATES

## Coverage & Reimbursement

July 18, 2019


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# WELCOME & REPORT INTRODUCTION

*Ann Mond Johnson, American Telemedicine Association, CEO*


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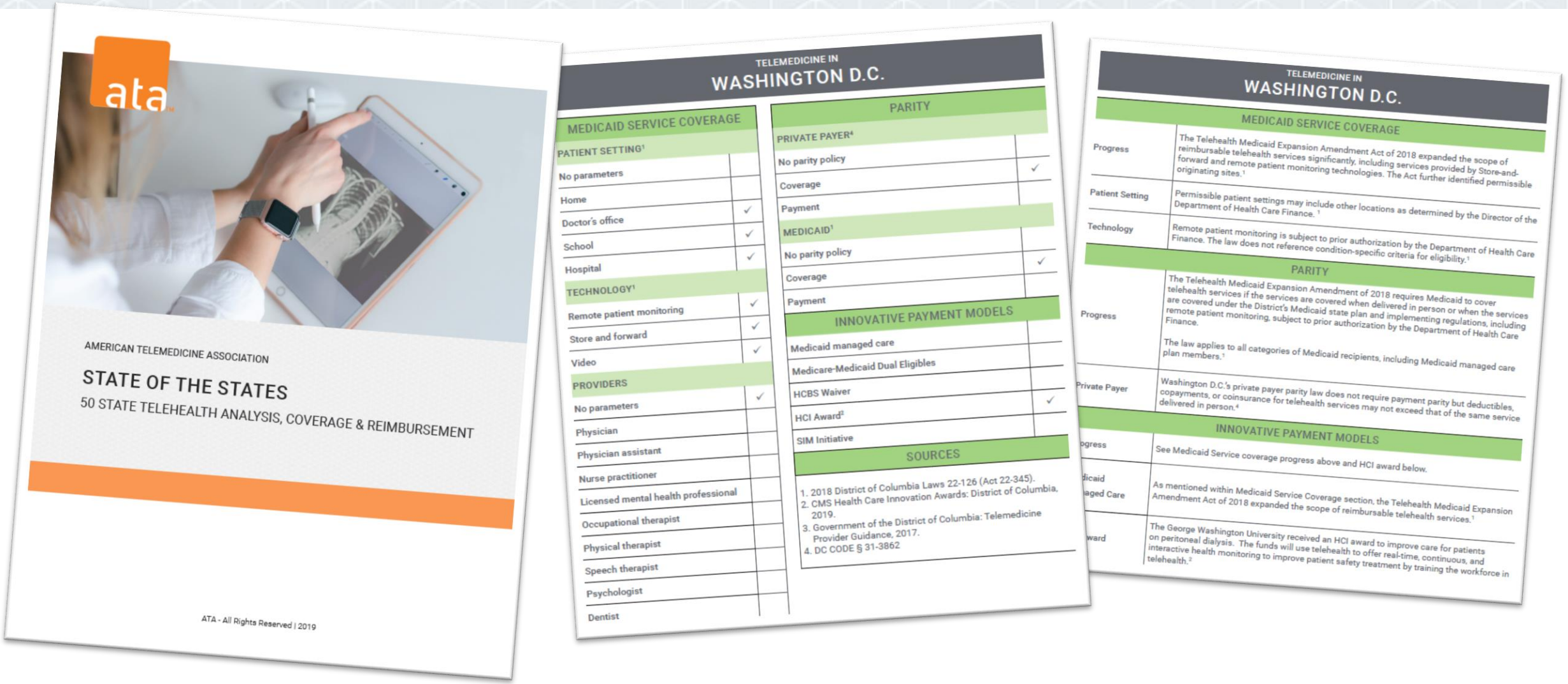
# 2019 STATE OF THE STATES,
## COVERAGE AND REIMBURSEMENT



AMERICAN TELEMEDICINE ASSOCIATION

STATE OF THE STATES

50 STATE TELEHEALTH ANALYSIS, COVERAGE & REIMBURSEMENT

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TELEMEDICINE IN
WASHINGTON D.C.

| MEDICAID SERVICE COVERAGE | |
|---|---|
| PATIENT SETTING[1] | |
| No parameters | |
| Home | |
| Doctor's office | ✓ |
| School | ✓ |
| Hospital | ✓ |
| TECHNOLOGY[1] | |
| Remote patient monitoring | ✓ |
| Store and forward | ✓ |
| Video | ✓ |
| PROVIDERS | |
| No parameters | ✓ |
| Physician | |
| Physician assistant | |
| Nurse practitioner | |
| Licensed mental health professional | |
| Occupational therapist | |
| Physical therapist | |
| Speech therapist | |
| Psychologist | |
| Dentist | |

| PARITY | |
|---|---|
| PRIVATE PAYER[4] | |
| No parity policy | ✓ |
| Coverage | |
| Payment | |
| MEDICAID[1] | |
| No parity policy | ✓ |
| Coverage | |
| Payment | |
| INNOVATIVE PAYMENT MODELS | |
| Medicaid managed care | |
| Medicare-Medicaid Dual Eligibles | |
| HCBS Waiver | |
| HCI Award[2] | ✓ |
| SIM Initiative | |

SOURCES

1. 2018 District of Columbia Laws 22-126 (Act 22-345).
2. CMS Health Care Innovation Awards: District of Columbia, 2019.
3. Government of the District of Columbia: Telemedicine Provider Guidance, 2017.
4. DC CODE § 31-3862

TELEMEDICINE IN
WASHINGTON D.C.

| MEDICAID SERVICE COVERAGE | |
|---|---|
| Progress | The Telehealth Medicaid Expansion Amendment Act of 2018 expanded the scope of reimbursable telehealth services significantly, including services provided by Store-and-forward and remote patient monitoring technologies. The Act further identified permissible originating sites.[1] |
| Patient Setting | Permissible patient settings may include other locations as determined by the Director of the Department of Health Care Finance.[1] |
| Technology | Remote patient monitoring is subject to prior authorization by the Department of Health Care Finance. The law does not reference condition-specific criteria for eligibility.[1] |
| PARITY | |
| Progress | The Telehealth Medicaid Expansion Amendment of 2018 requires Medicaid to cover telehealth services if the services are covered when delivered in person or when the services are covered under the District's Medicaid state plan and implementing regulations, including remote patient monitoring, subject to prior authorization by the Department of Health Care Finance.<br>The law applies to all categories of Medicaid recipients, including Medicaid managed care plan members.[1] |
| Private Payer | Washington D.C.'s private payer parity law does not require payment parity but deductibles, copayments, or coinsurance for telehealth services may not exceed that of the same service delivered in person.[4] |
| INNOVATIVE PAYMENT MODELS | |
| ogress | See Medicaid Service coverage progress above and HCI award below. |
| dicaid aged Care | As mentioned within Medicaid Service Coverage section, the Telehealth Medicaid Expansion Amendment Act of 2018 expanded the scope of reimbursable telehealth services.[1] |
| ward | The George Washington University received an HCI award to improve care for patients on peritoneal dialysis. The funds will use telehealth to offer real-time, continuous, and interactive health monitoring to improve patient safety treatment by training the workforce in telehealth.[2] |


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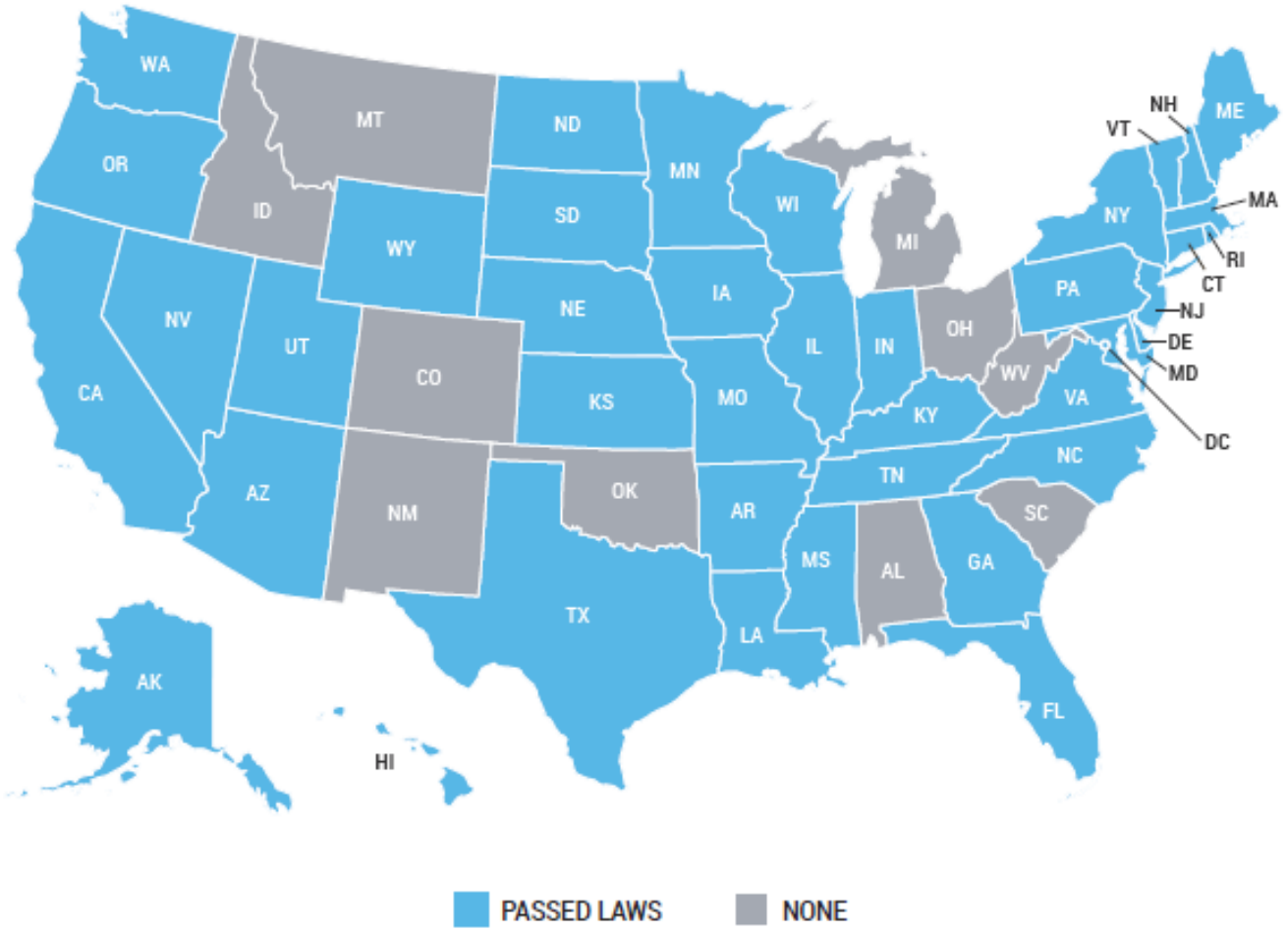
# BROAD TAKEAWAYS

- Since the release of ATA's 2017 report, **40 states and D.C**. have adopted substantive policies or received awards that improved coverage and reimbursement of telehealth

- Private payer parity and removing restrictions on patient setting were two of the most common issues taken up by state legislatures





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# MEDICAID CONDITIONS FOR PAYMENT:

## Patient Settings, Technologies & Provider Types

*Libby Baney, Faegre Baker Daniels Consulting*


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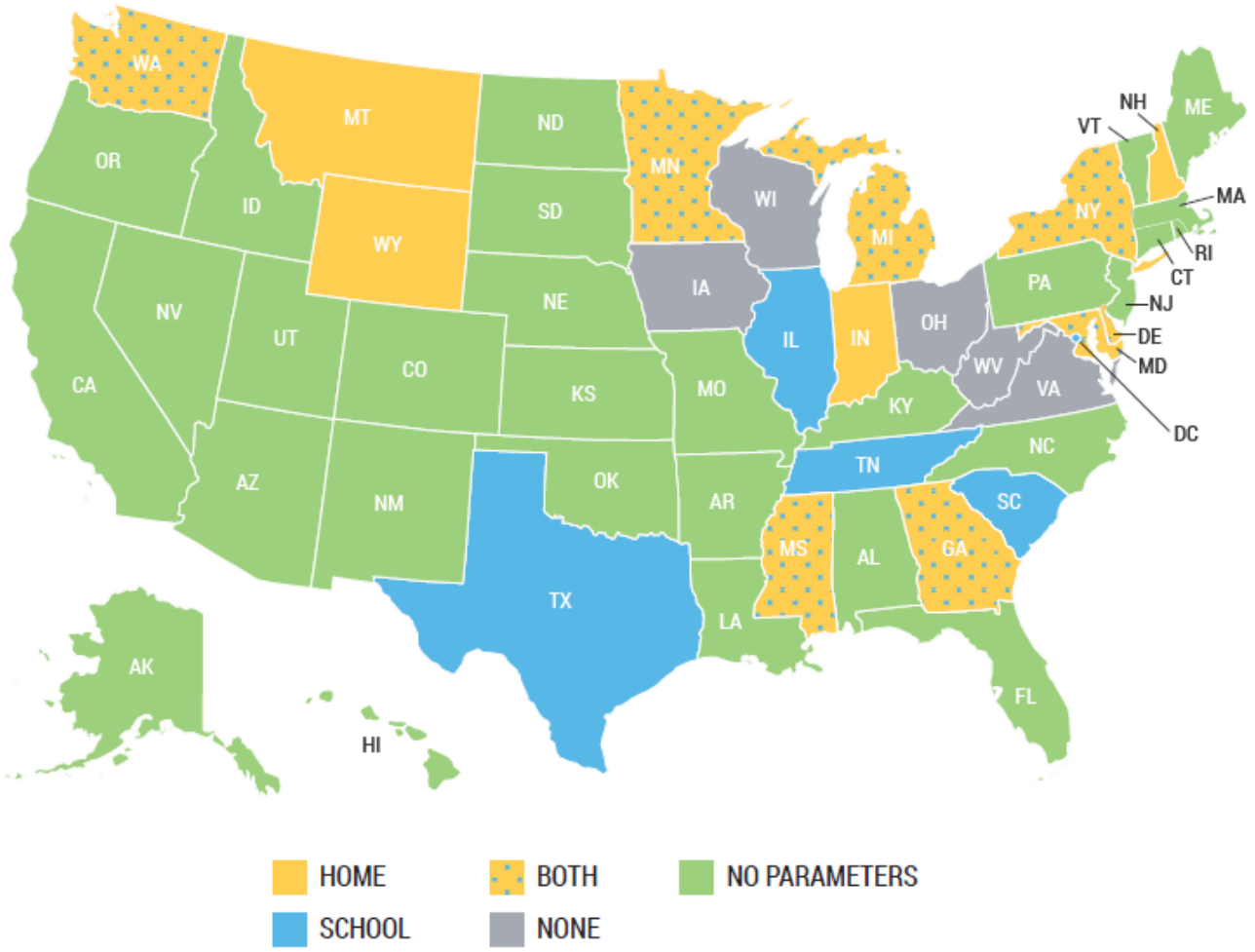
# PATIENT SETTING

- States continue to move away from the traditional hub-and-spoke model
- **29** states **do not specify a patient setting** as a condition for payment
- **12** states recognize the **home** as an originating site
- **12** states and D.C. recognize the **school** as an originating site





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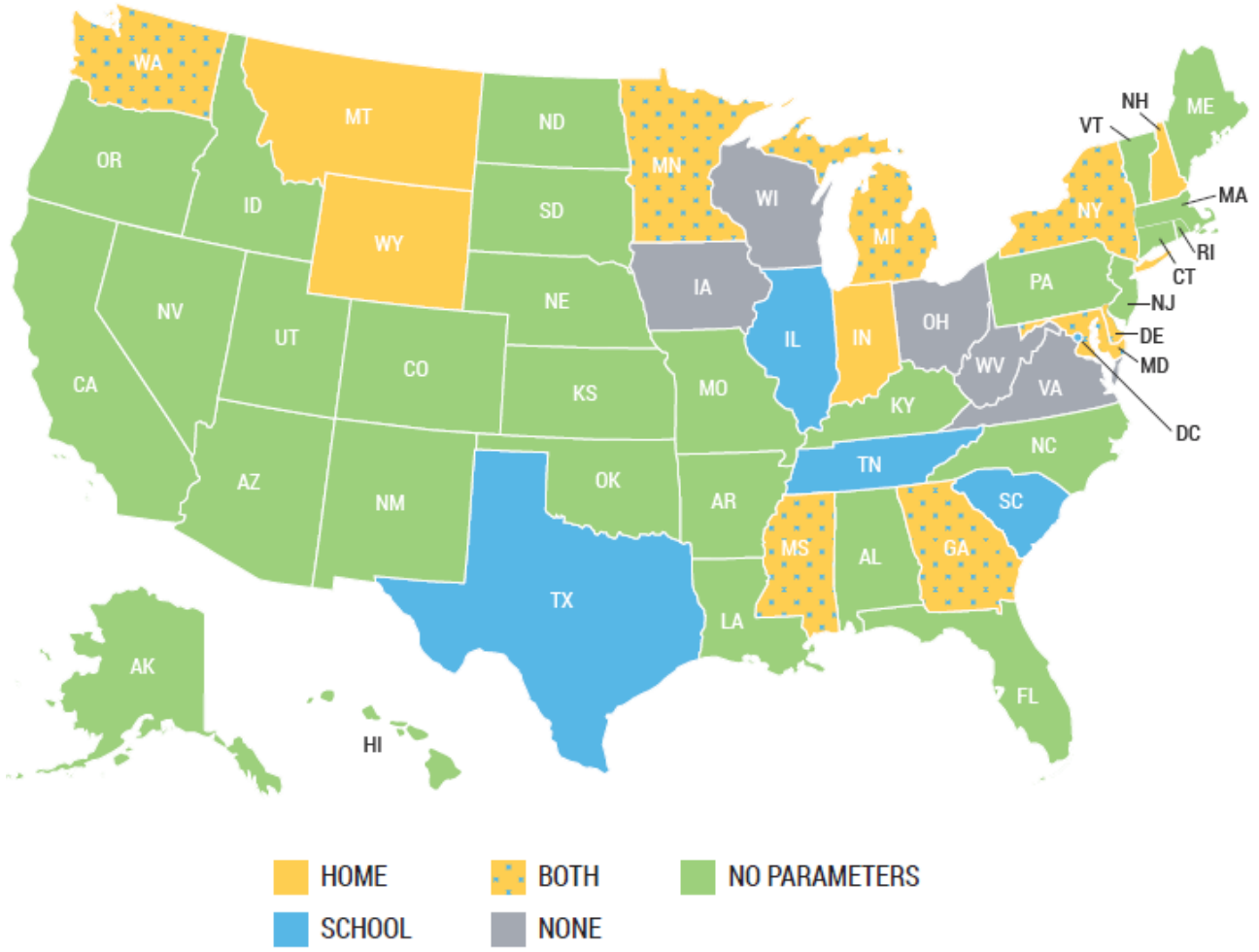
# PATIENT SETTING

- Since 2017, we have identified **10** states and Washington D.C. that have adopted or substantively updated policy concerning **originating sites**:
  - MO, VT – removed restrictions on eligible sites
  - NY, TN – schools are now eligible sites
  - GA, WY – the home is now an eligible site
  - DC – schools and the home are now eligible sites
  - IL, IN, NH, and NV discussed on following slide





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# PATIENT SETTING

- While distance restrictions continue to plague states such as North Carolina, Ohio, and Montana, other states have legislated to remove distance restrictions and expand access to telehealth.
  - Indiana and New Hampshire have removed geographic barriers to telehealth

- Another telehealth barrier concerns requirements that trained staff or providers be at least immediately available to a patient during telehealth encounters.
  - Alabama, South Carolina, and Virginia are among states that have such restrictions.
  - Recently, Illinois and Nevada have adopted policies to clarify that providers are not required to be present at an originating site.

- Additional room for growth: States with the fewest eligible patient settings include: IA, WI, OH, WV, and VA


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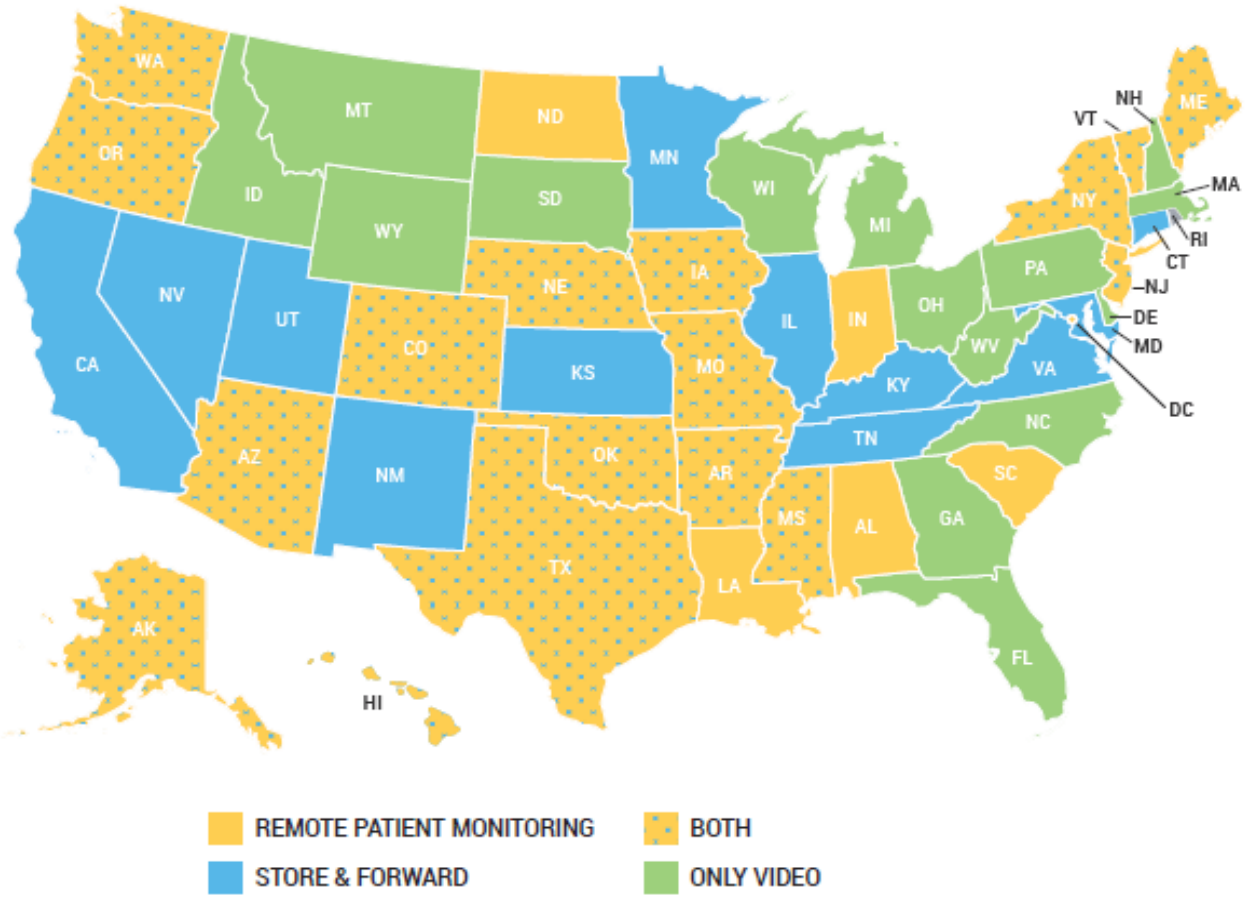
# TECHNOLOGY

- While 16 states limit telehealth to synchronous technologies, **the majority of the country is recognizing value in other modalities**
  - This includes most rural areas
  - 22 states and D.C. cover remote patient monitoring (RPM)
  - 29 states and D.C. cover store and forward (S&F) transfer

- Since 2017, we have identified six states and D.C. that have adopted or substantively updated policy concerning **telehealth modalities**: KY, UT, ME, D.C., OR, NJ, and MA





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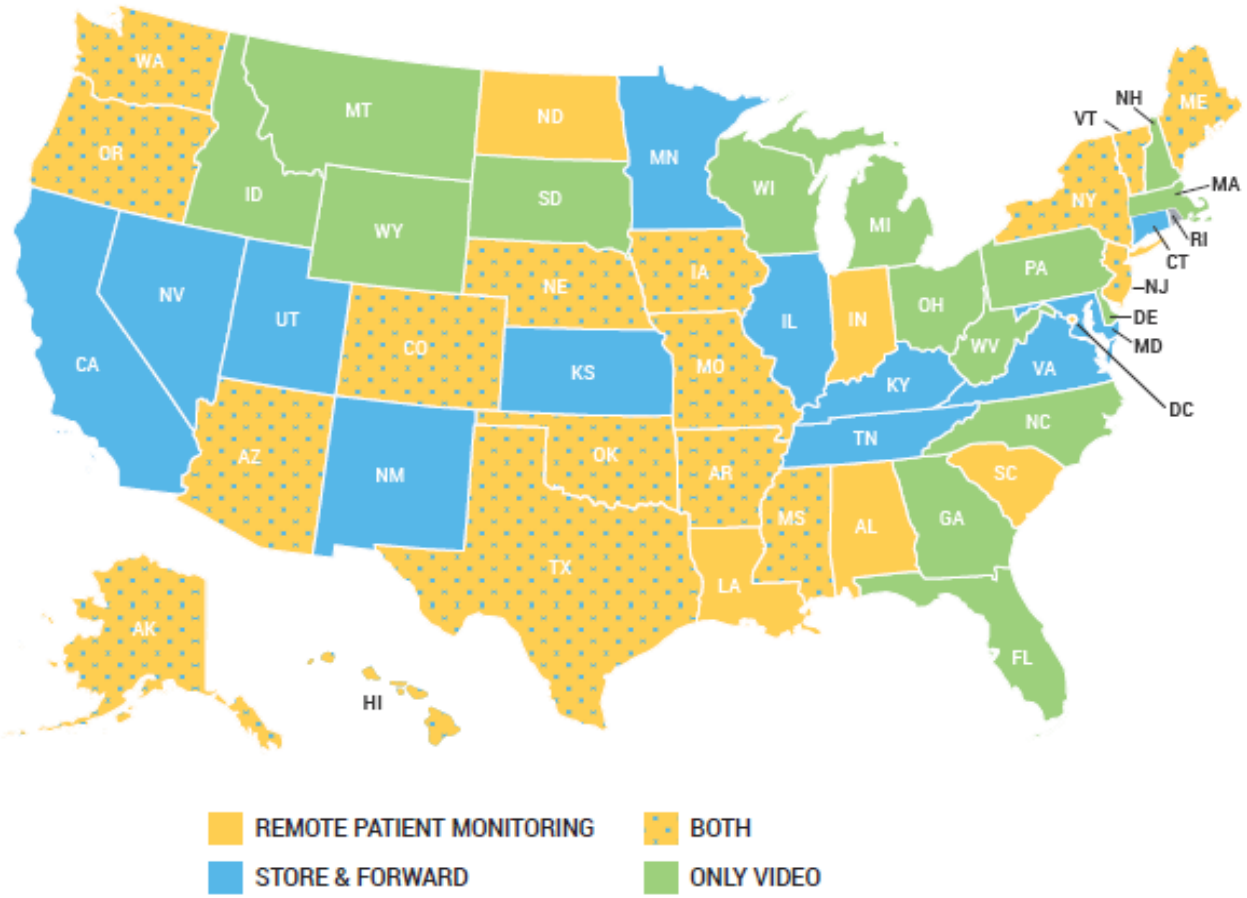
# TECHNOLOGY

- Several states, including Maine, Alaska, New Jersey, and Oregon, have begun to broaden parameters of traditional telehealth by reimbursing for health care services delivered via **audio-only** technology

- Additional room for growth: States that **condition coverage on synchronous technologies** include: DE, FL, GA, ID, MA, MI, MT, NH, NC, OH, PA, RI, SD, WV, WI, WY





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# TECHNOLOGY - REMOTE PATIENT MONITORING

- States that cover **remote patient monitoring (RPM)** services vary considerably as to conditions for payment.
  - **Arizona** limits RPM to individuals with congestive heart failure (CHF) and require a certain hospitalization history
  - **Mississippi** and **Indiana** limit RPM to individuals with CHF, chronic obstructive pulmonary disease (COPD), or diabetes and require a certain hospitalization history
  - **Texas** covers RPM for several additional conditions, including pregnancy, cancer, asthma, hypertension, and mental illness.
  - **Alaska** and **Nebraska** reference no disease-specific criteria


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# TECHNOLOGY - REMOTE PATIENT MONITORING

- A recent **Maine** law advanced RPM in two ways:
  - Creates the Maine Telehealth and Telemonitoring Advisory Group to make recommendations to improve telemonitoring services state wide
  - Prohibits any requirements that a patient have a certain number of emergency visits or hospitalizations related to the patient's diagnosis in the criteria for a patient's eligibility for telemonitoring services; qualifying criteria must include that the patient is at risk of hospitalization or admission


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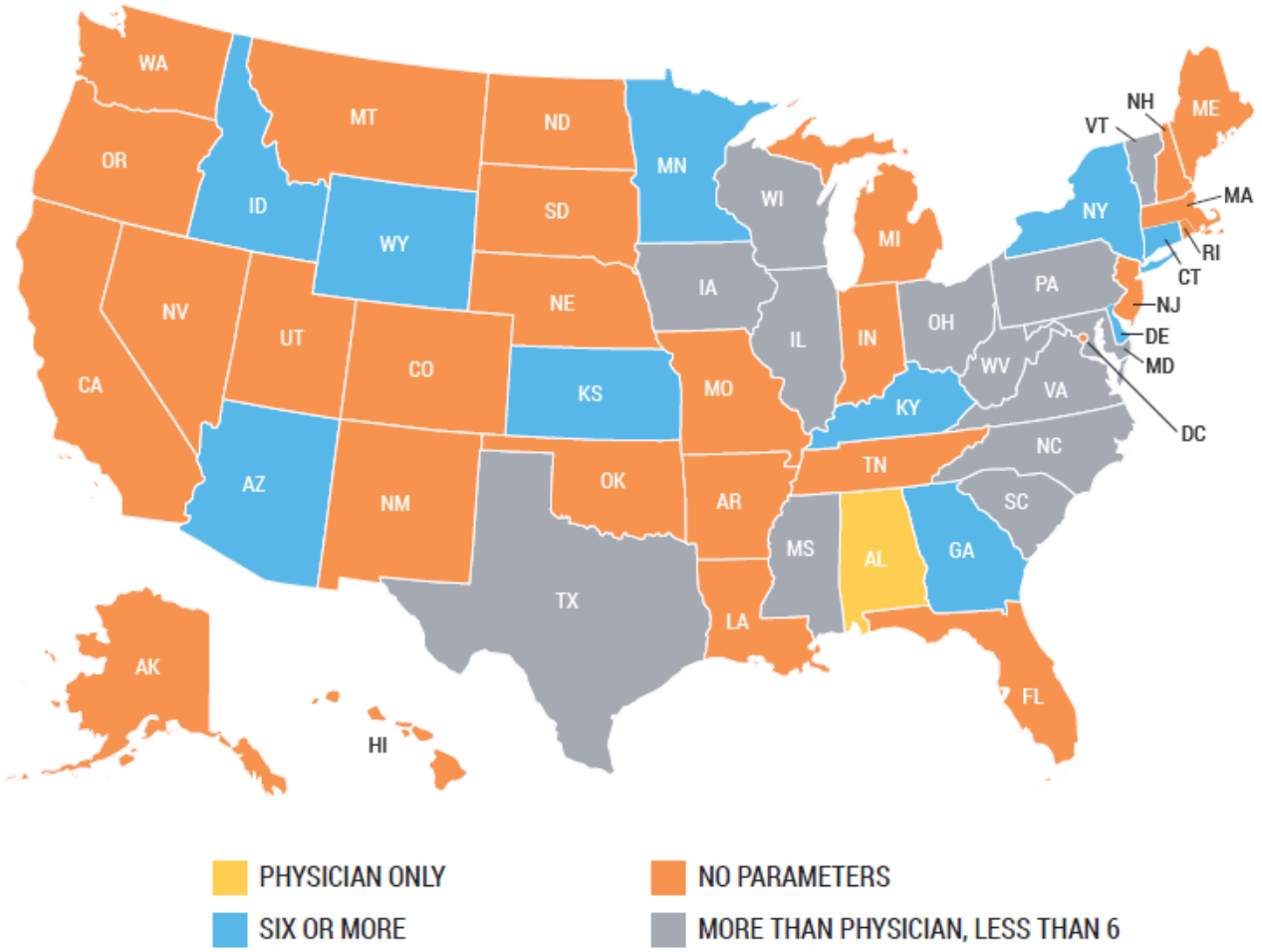
# PROVIDER TYPES

- States are increasingly using telehealth to fill provider shortage gaps and ensure access to specialty care.
- The report identifies **eight of the more common telehealth provider types:**

1. Physician
2. Physician assistant
3. Nurse practitioner
4. Licensed mental health professional
5. Occupational therapi
6. Physical therapist
7. Psychologist
8. Dentist





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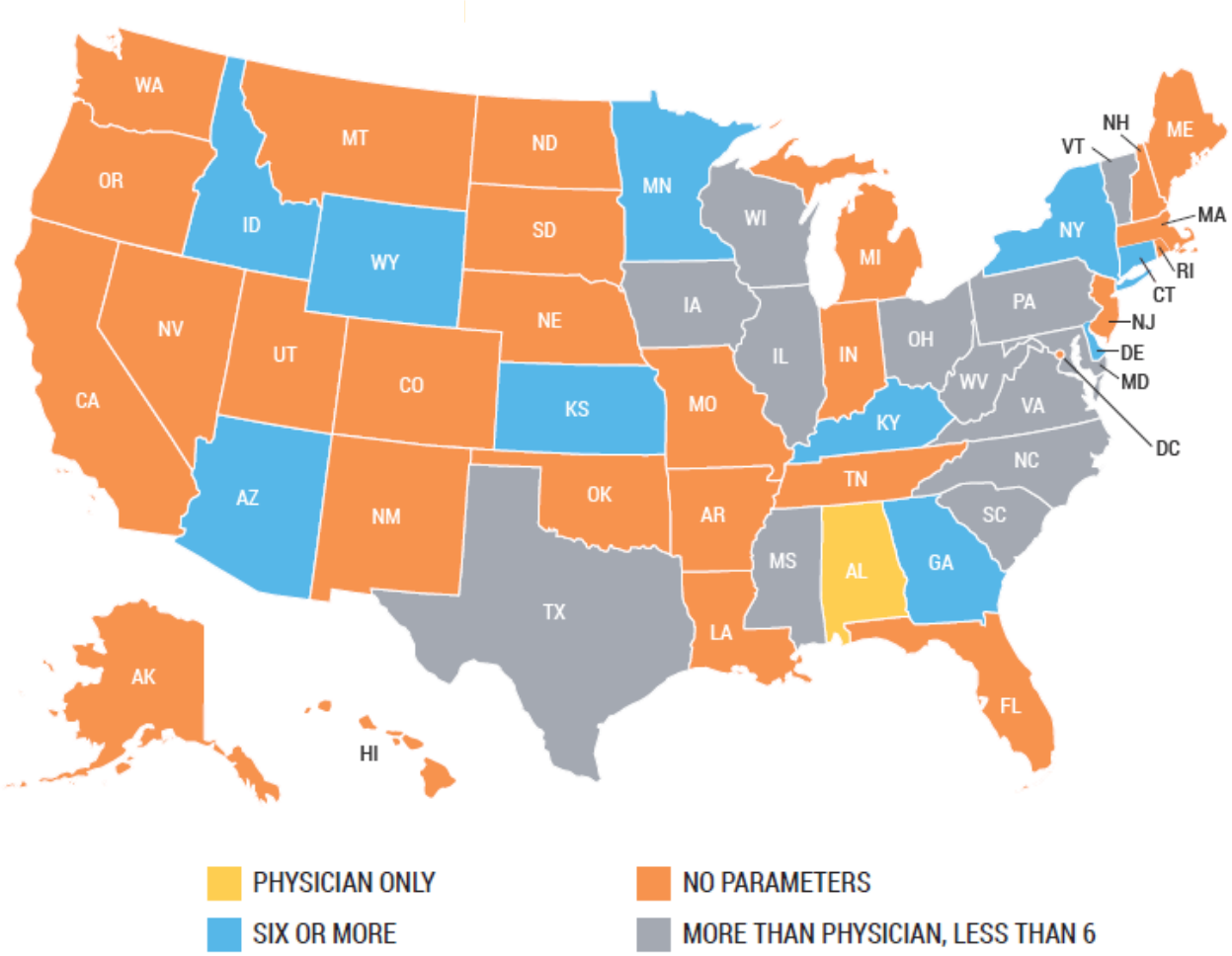
# PROVIDER TYPES

- 26 states and D.C. **do <u>not</u> have restrictions** around eligible provider types
- 10 states authorize six or more provider types
- Additional room for growth:
  - **Alabama** is the only state that identifies physicians only as eligible providers
  - Other states with few eligible providers include: IL, IA, MD, MS, NC, OH, PA, SC, NC, TX, VA, VT, WV, and WI





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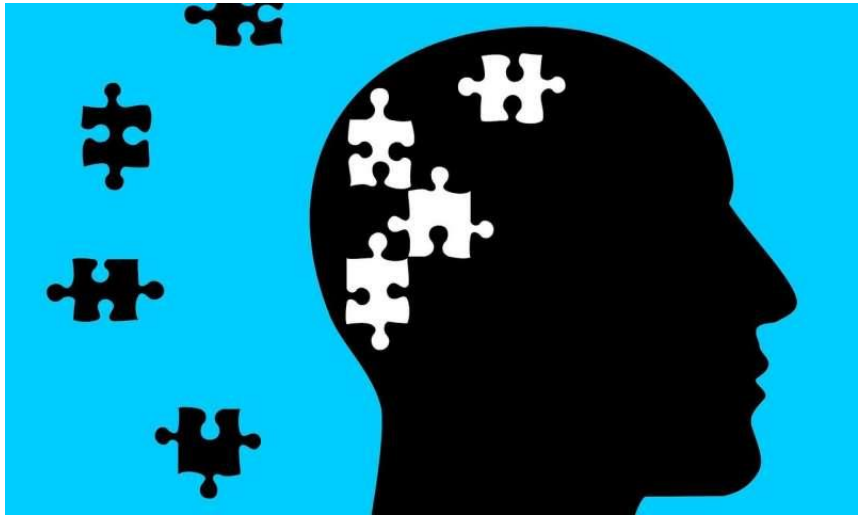
# PROVIDER TYPES

- We have identified 10 states that have adopted or substantively updated policy concerning **types of providers eligible for telehealth reimbursement**: CA, CT,  IL, MN, MO, MS, NY, NC, OR, and WI

- Half of the identified laws pertain to provider types offering **mental health services:**
  - **CA** - Associate marriage or family therapist now authorized telehealth providers
  - **IL** – Clinical psychologists and clinical social workers now authorized telehealth providers
  - **MS** – Board certified behavioral analysts now authorized telehealth providers
  - **NC** – Nurse practitioners and physician assistants now authorized telepsychiatry providers
  - **NY** – Alcoholism and abuse counselors now eligible telehealth providers

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# COVERAGE AND PAYMENT PARITY

## Medicaid and Private Payers

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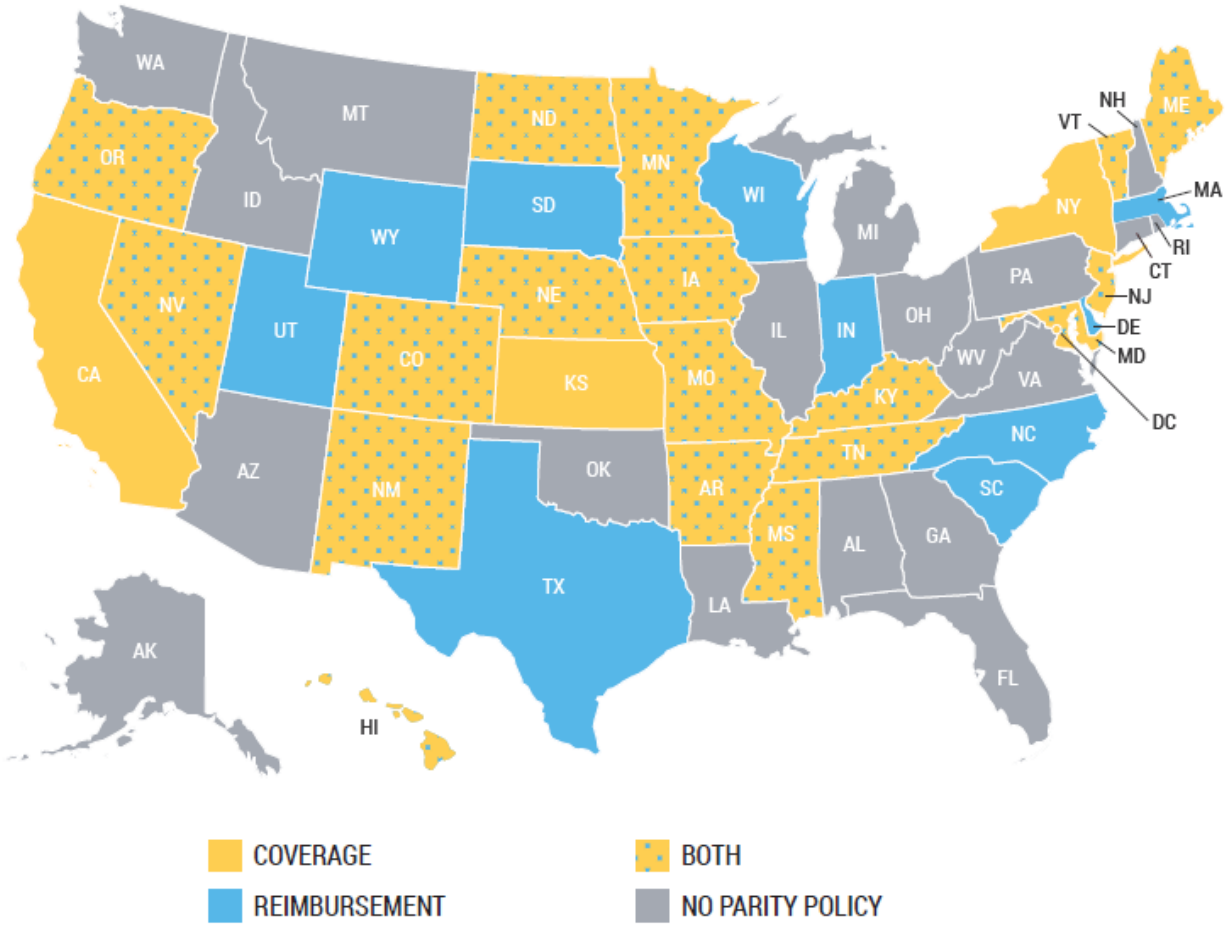
# MEDICAID

- The **majority** of states have adopted policies in which the Medicaid program will **treat telehealth services and in-person services the same** for coverage and/or payment purposes
- 21 states and D.C. have coverage parity policies
- 28 states have payment parity policies





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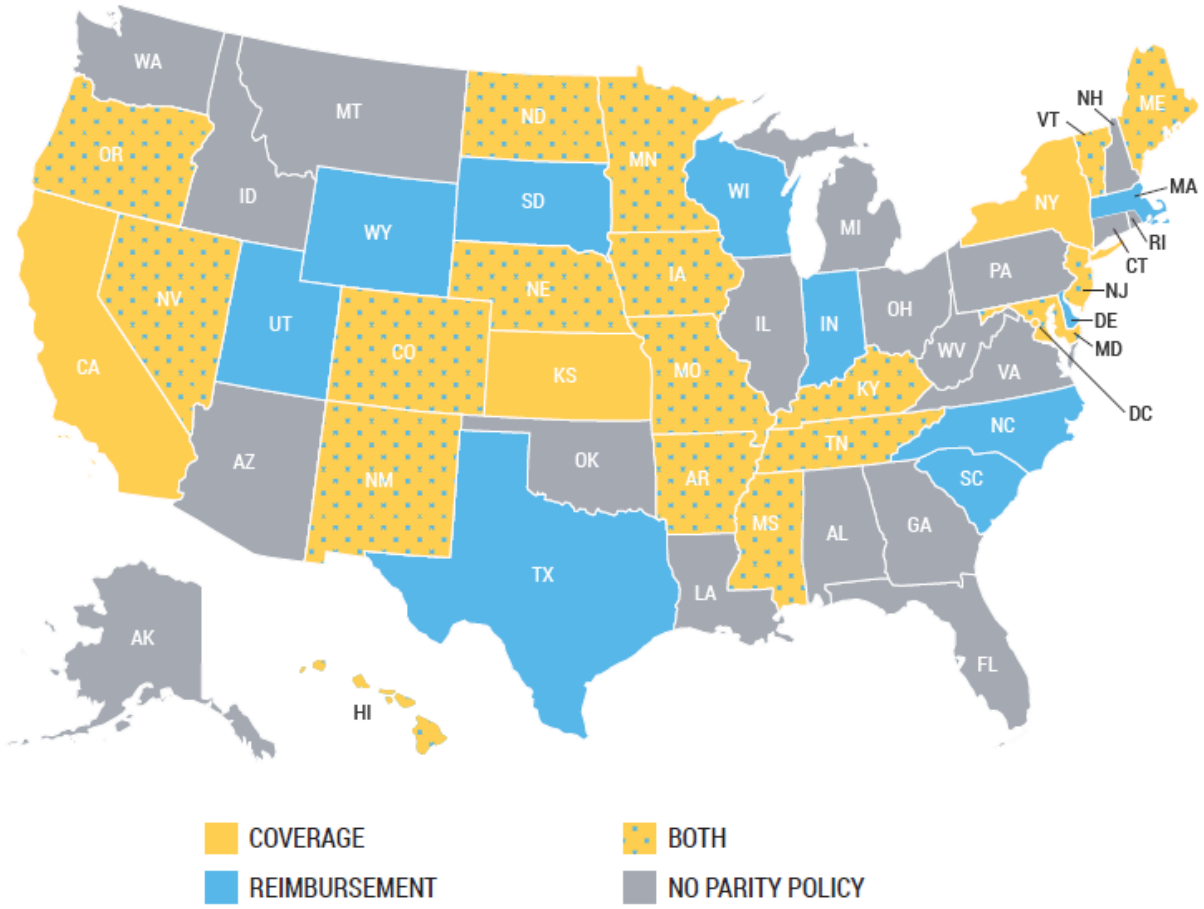
# MEDICAID

- We have identified 7 states and D.C. that have adopted or substantively updated policy: AR, DC, KS, KY, NJ, OR, UT, and VT

- Additional room for growth: **19 states still have not adopted parity policies**: AL, AK, AZ, CT, FL, GA, ID, IL, LA, MI, MT, NH, OH, OK, PA, RI, VA, WA, WV





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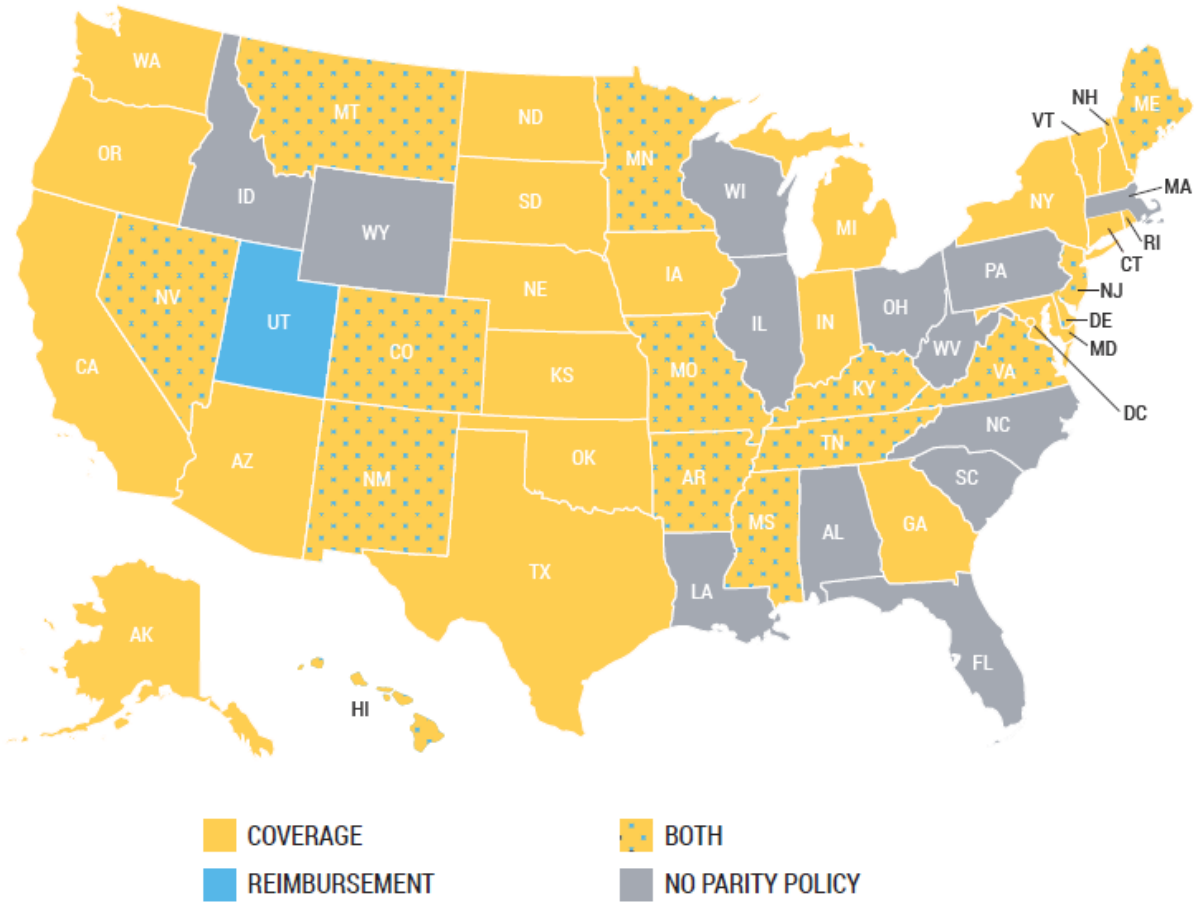
# PRIVATE PAYERS

- This map shows that states are more inclined to regulate coverage and payment policies of private payers than their Medicaid programs
- 36 states and D.C. have coverage parity
- 16 states have payment parity
- We have identified 12 states that have adopted or substantively updated policy: AZ, AR, KS, KY, MD, NJ, NE, ND, SD, UT, VT, VA
- Additional room for growth: 13 states still have not adopted private payer parity policies: AL, FL, ID, IL, LA, MA, NC, OH, PA, SC, WV, WI, WY





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# INNOVATIVE PAYMENT SERVICE DELIVERY MODELS

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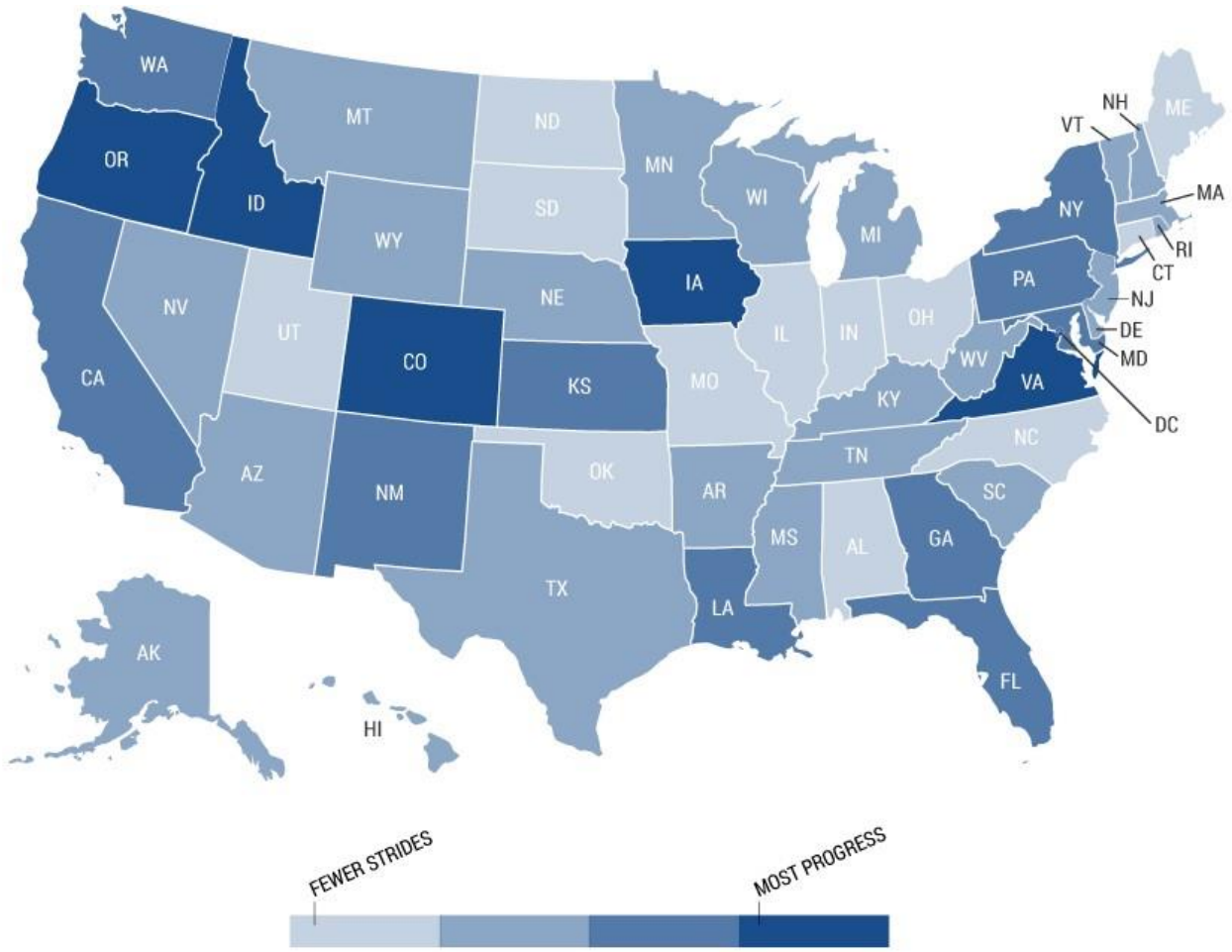
# OVERVIEW

- **Four categories of innovative payment models were addressed in the report**:
  - Managed Care Organizations
  - Medicare-Medicaid Dual Eligible
  - Home and Community Based Service (HCBS) Waivers
  - CMS Innovation Center models
    - Health Care Innovation (HCI) Awards
    - State Innovation Model (SIM) initiative





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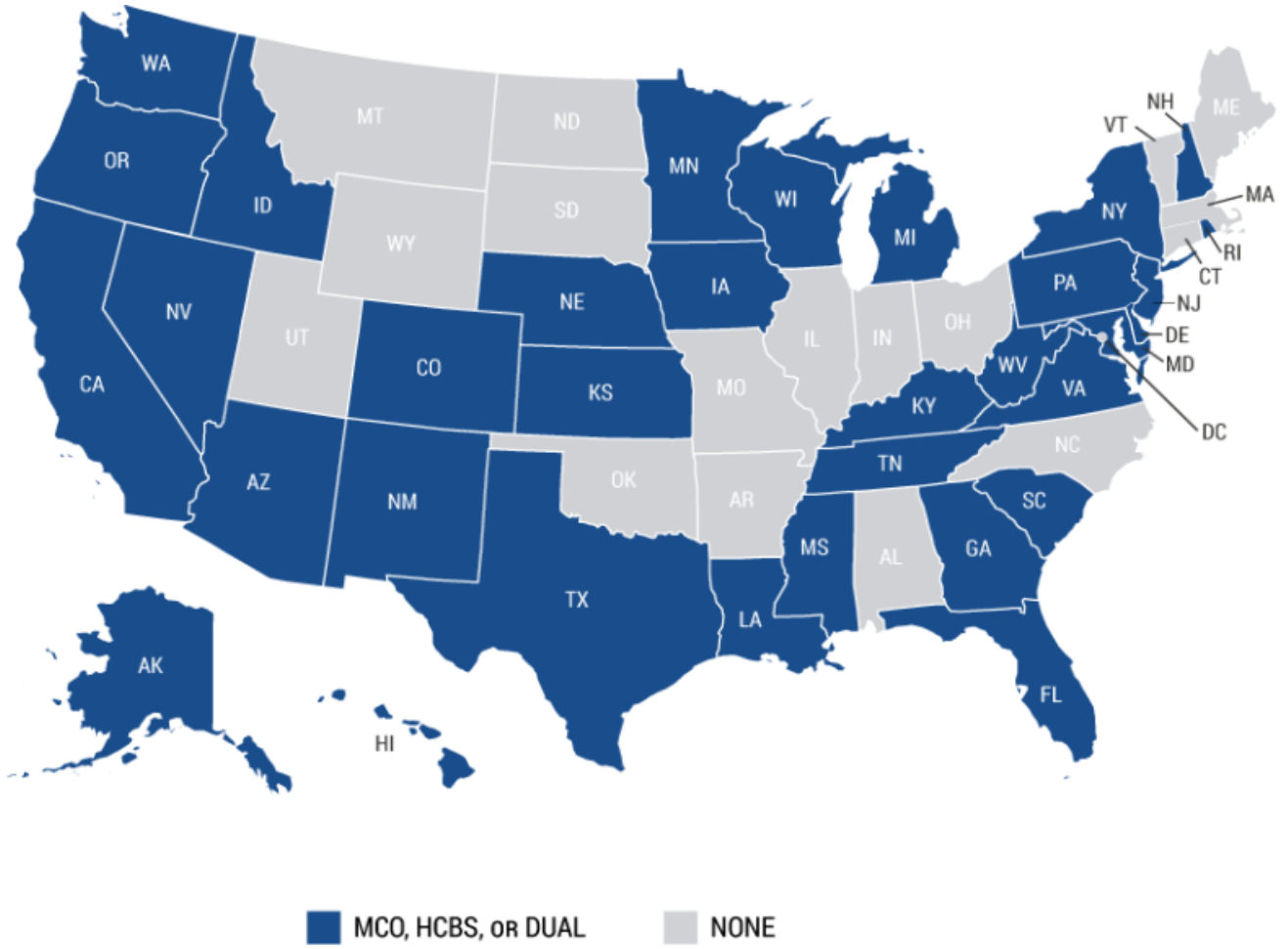
# STATE WAIVER PROGRAMS

- Only 9 states do not have an explicit capitated managed care organization model
  - Of those, 4 states have unique managed care models or plan to introduce managed care
- 13 states use integrated care for Medicare-Medicaid dual eligible beneficiaries
  - But only 3 states – NY, RI, and VA – offer telehealth
- 4 states have approved Home and Community- based Service waivers – IA, KS, PA, SC
- **36 states offer telehealth services through an innovative payment model using one of the three waivers mentioned**





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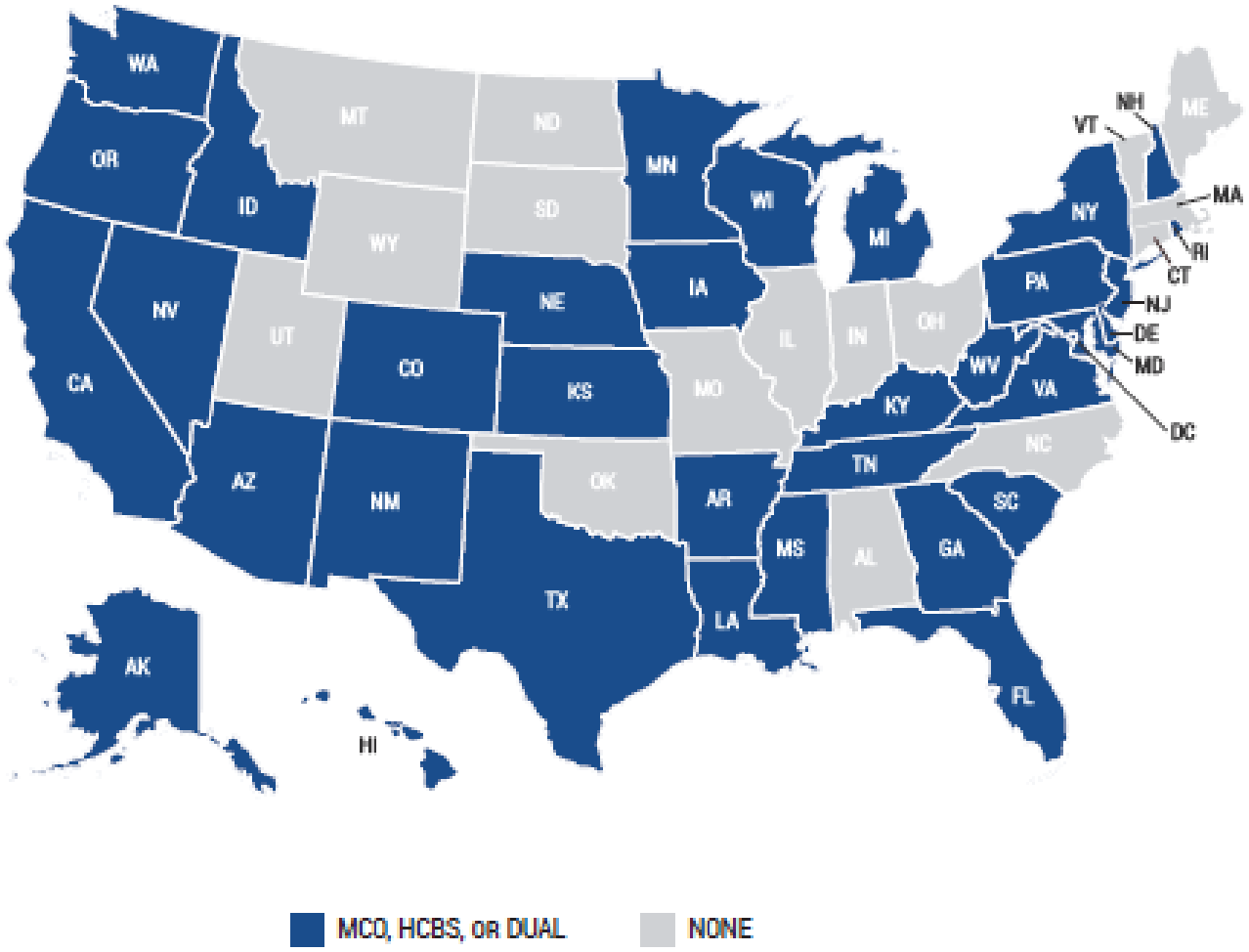
# CMMI FUNDING

- 12 Health Care Innovation Awards used by organizations in 16 states and the District of Columbia to focus on telehealth
- 4 states receive State Innovation Model grants to provide for telehealth services
- More states implement innovative payment models than receive federal funding for research and development





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# INNOVATIVE PAYMENT SERVICE DELIVERY MODELS

- This report illustrates the popularity of telehealth services, but some states lack the resources and training needed to utilize telehealth
- Expanding research opportunities increases innovation and brings down costs to help incentivize states to adopt further telehealth services.

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# REACTIONS & REFLECTIONS

**Sarah-Lloyd Stevenson**
Faegre Baker Daniels Consulting;
Recently Former White House and Senate Staff


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# THANK YOU

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