



**Department  
of Health**

Office of  
Health Insurance  
Programs

# Telehealth Reimbursement Policy in New York State

Greater New York Hospital Association – Telehealth Webinar Series  
July 11, 2016

# Agenda

## Telehealth NY State

- Telehealth Parity
- Statutory Changes
  - Public Health Law
  - Social Services Law
  - Insurance Law

## Telehealth in the Medicaid Program

- Evolution of Telehealth in Medicaid
- Current Fee-for-Service Reimbursement Methodology
- Draft Telehealth Regulations/Status

# Telehealth in New York State

- Many successful telehealth initiatives are currently in place
- Interest and momentum are building
- Telehealth parity law, effective January 1, 2016
- Despite progress, implementation barriers still exist

# Telehealth Parity

# Telehealth Parity

- New York became the 22<sup>nd</sup> state to pass telehealth reimbursement parity legislation.
- Requires commercial insurers and the Medicaid program to provide reimbursement for services delivered via telehealth if those services would have been covered if delivered in person
- Amends Public Health Law (PHL), Social Services Law (SSL), and Insurance Law

# Coverage Parity vs. Payment Parity

- Coverage Parity – requires plans to cover services delivered via telehealth **to the same extent** the plan already covers the services in-person
  - Scope of services is unchanged
  - Language may also protect patients from cost-shifting
- Payment Parity – requires plans to pay providers for services delivered via telehealth **at the same rate** the plan pays the provider when the service is provided in-person.

# Changes to Public Health Law

- Adds a new PHL Article 29-G – “Telehealth Delivery of Services”
  - Provides clear definitions to serve as a foundation for telehealth practice in New York State (PHL §2999-cc)
  - Authorizes reimbursement under Section 367-u of SSL (PHL §2999-dd)

# Telehealth Definition

- **Telehealth** is defined as “the use of electronic information and communication technologies to deliver health care to patients at a distance, which shall include the assessment, diagnosis, consultation, treatment, education, care management and/or self-management of a patient.”



# Telehealth Definition

- Telehealth is limited to:
  - Telemedicine
  - Store-and-forward
  - Remote patient monitoring
- Telehealth excludes audio-only, fax-only, and email-only transmissions

# Telemedicine Definition

- **Telemedicine** is defined as “the use of synchronous two-way electronic audio visual communications to deliver clinical health care services which shall include the assessment, diagnosis, and treatment of a patient, while such patient is at the originating site and a telehealth provider is at a distant site.”
  - Distant site – location of the telehealth provider
  - Originating site – location of the patient

# Store-and-Forward Definition

- **Store-and-forward** is defined as “asynchronous, electronic transmission of a patient’s health information in the form of patient-specific digital images and/or pre-recorded videos from a provider at an originating site to a telehealth provider at a distant site.”

# Remote Patient Monitoring (RPM) Definition

- **Remote patient monitoring** is defined as “the use of synchronous or asynchronous electronic information and communication technologies to collect personal health information and medical data from a person at an originating site that is transmitted to a telehealth provider at a distant site for use in treatment and management of medical conditions that require frequent monitoring.”

# Telehealth Provider Definition

- Providers eligible for reimbursement include:
  - Physician
  - Physician Assistant
  - Dentist
  - Nurse Practitioner
  - Podiatrist
  - Optometrist
  - Psychologist
  - Social Worker
  - Speech Pathologist
  - Audiologist
  - Midwife
  - Physical Therapist
  - Occupational Therapist
  - Certified Diabetes Educator
  - Certified Asthma Educator
  - Genetic Counselor
  - Hospital
  - Home Care
  - Hospice
  - Registered Nurses, only when receiving data by means of RPM
  - Any other provider as determined by the Commissioner pursuant to regulation

# Distant Site Definition

- **Distant site** is defined as “a site at which a telehealth provider is located while delivering health care services by means of telehealth.”

# Originating Site Definition

- **Originating site** is defined as “a site at which a patient is located at the time health care services are delivered to him or her by means of telehealth.”
- Eligible originating sites include:
  - PHL Article 28 facilities
  - PHL Article 40 facilities
  - Mental hygiene facilities
  - Private physician’s or dentist’s offices
  - Patient’s place of residence when a patient is receiving services by means of remote patient monitoring

# Changes to Social Services Law

- §367-u of Social Services Law was amended to read:
  - “Subject to federal financial participation and the approval of the director of the budget, the commissioner shall not exclude from the payment of medical assistance funds the delivery of health care services through telehealth as defined in subdivision four of §2999-cc of the Public Health Law. Such services shall meet the requirements of federal law, rules and regulations for the provision of medical assistance pursuant to this title.”



# Changes to Insurance Law

- Adds new Insurance Law §3217-h, §4306-g,— “Telehealth Delivery of Services” provisions:
  - “An insurer shall not exclude from coverage a service that is otherwise covered under a policy... because the service is delivered via telehealth...”
  - “An insurer may subject the coverage of a service delivered via telehealth to co-payments, coinsurance or deductibles provided that they are at least as favorable to the insured as those established for the same service when not delivered via telehealth.”

# Changes to Insurance Law (cont.)

- Adds new Insurance Law §3217-h, §4306-g,— “Telehealth Delivery of Services” provisions:
  - “...An insurer may exclude from coverage a service by a health care provider where the provider is not otherwise covered under the policy.”

# Changes to Insurance Law

- **Telehealth** definition:
  - “The use of electronic and information and communication technologies by a health care provider to deliver health care services to an insured individual while such individual is located at a site that is different from the site where the health care provider is located.”



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# **Telehealth in the Medicaid Program**

# The Evolution of Telehealth

## The Evolution of Telehealth in Medicaid

### Telemedicine has been an evolving Medicaid program area:

- **September 2006** – Medicaid began reimbursing for specialty consultations performed via telemedicine.
- **February 2010** – Coverage was expanded to patients in hospital outpatient departments.

## The Evolution of Telehealth in Medicaid

### **MRT # 153 – Expanded Coverage of Telemedicine**

The Department was charged with further promoting and enhancing coverage of telemedicine by providing payment incentives and reducing coverage barriers.

#### **October 2011 –**

- Telemedicine coverage was expanded further to include Article 28 hospitals, diagnostic & treatment centers (D&TCs) and Federally Qualified Health Centers (FQHCs) that had “opted into” APGs.
- Telemedicine practitioners were expanded to include certified diabetes and certified asthma educators.

## The Evolution of Telehealth in Medicaid

### August 2012 – Credentialing and Privileging

- Changes to Public Health law, Section 2805-u provided that an Article 28 telemedicine “originating site” may rely on the credentialing and privileging decisions of the “distant site” hospital in granting or renewing privileges to a healthcare practitioner who is a member of the “distant site” clinical staff.



## The Evolution of Telehealth in Medicaid

### March 2015 – Most recent telemedicine expansion

- Telemedicine coverage was expanded further to include Article 28 facilities providing dental services, practitioner offices and Federally Qualified Health Centers (FQHCs) that had “opted out” of APGs.
- Practitioner-types were expanded to include dentists, psychologists, psychiatric nurse practitioners, licensed clinical social workers (LCSWs) and licensed master social workers (LMSWs).

# Current Fee-for-Service Reimbursement Methodology

## Current Fee-for-Service Reimbursement Methodology

### Telemedicine encounters provided in an Article 28 facility:

#### Originating site:

- The facility may bill for the telemedicine encounter under APGs using the appropriate CPT code for the visit, only when a qualified practitioner is present with the patient and has provided a billable face-to-face service.
- The “originating site” should bill Q3014 for the audio-visual connection only, when a qualified practitioner is not present with the patient at the time of the telemedicine encounter.

## Current Fee-for-Service Reimbursement Methodology

### Telemedicine encounters provided in an Article 28 facility:

#### Distant Site:

- The “distant site” should bill Medicaid under APGs for the telemedicine encounter using the appropriate CPT code for the service provided. The CPT code should be appended with the "GT" modifier (*via interactive audio and video telecommunication system*).

### Current Fee-for-Service Reimbursement Methodology

- **Practitioner Billing for Telemedicine Encounters:**
- **In an Article 28 Facility:**
  - Physicians may bill Medicaid for services provided in an Article 28 hospital setting (inpatient, emergency department, outpatient department).
  - The APG payment for the professional component for all other practitioners, providing services via telemedicine in an Article 28 hospital setting, is included in the APG payment to the facility.
  - The APG payment to a diagnostic and treatment center (D&TC) is inclusive; no separate professional component is paid for physicians or other practitioners.

# Forthcoming Draft Telehealth Regulations

## Forthcoming Draft Telehealth Regulations

### Telemedicine:

- Services provided via telemedicine are currently covered by Medicaid to the same extent that the services would be covered if they were provided in person.

## Forthcoming Draft Telehealth Regulations

### Telemedicine Reimbursement:

- The current fee-for-service reimbursement methodology remains in place.
- Only one payment will be made for telemedicine services when both the “distant site” and the “originating site” are part of the same provider network or billing entity. In such cases, the “originating site” is to bill FFS Medicaid for the telemedicine visit. The “originating site” will be responsible for reimbursing the in-network “distant site” facility and/or practitioner.



## Forthcoming Draft Telehealth Regulations

### **Store and Forward Technology:**

- Store and forward technology may be utilized in the specialty areas of dermatology, ophthalmology, and other disciplines, as determined by the Commissioner.

## Forthcoming Draft Telehealth Regulations

### **Store and Forward Technology Reimbursement:**

- Reimbursement will be made to the consulting physician.
- Coding guidance for store and forward technology is currently being developed.
- The CPT code (to be determined) should be appended with the “GQ” modifier (*via asynchronous telecommunications system*).

## Forthcoming Draft Telehealth Regulations

### **Remote Patient Monitoring:**

Remote patient monitoring must be ordered and provided by a physician, a nurse practitioner or a midwife, who has examined the patient and with whom the patient has an established, documented, and ongoing relationship.

Remote patient monitoring must be medically necessary and should be discontinued when the patient's condition is determined to be stable/controlled.

## Forthcoming Draft Telehealth Regulations

### **Remote Patient Monitoring:**

Patient specific health information and/or medical data may be received at a distant site by means of remote patient monitoring by a registered nurse, licensed pursuant to Education Law.

Remote patient monitoring is not a substitute for delivery of care. Patients must be periodically seen in person by their practitioner for follow-up care.

Payment will not be made for remote patient monitoring at the same time the patient is receiving home health services through a Certified Home Health Agency (CHHA).

CHHAs are currently being reimbursed directly for remote patient monitoring.

## Forthcoming Draft Telehealth Regulations

### **Remote Patient Monitoring Reimbursement:**

- A daily fee will be paid for each day the telehealth remote patient monitoring equipment is used to monitor/manage the patient's care.
- Rates for remote patient monitoring services provided to Medicaid patients shall not exceed \$4.00 per day. The maximum rate for remote patient monitoring per patient per month shall not exceed \$36.00.

## Forthcoming Draft Telehealth Regulations

- **Telehealth Reimbursement:**

### **For all telehealth applications:**

If all or part of the telehealth service is undeliverable due to a failure of transmission or other technical difficulty, reimbursement will not be provided.

## Forthcoming Draft Telehealth Regulations

### Tele-radiology:

- Regulations have been drafted allowing tele-radiologists to bill for the professional component of a diagnostic radiology service.
  - The tele-radiologist must be:
    - Licensed in NYS
    - Enrolled in NYS Medicaid
    - Credentialed and privileged in the facility where the read is being done
    - Located within the fifty United States
- Reimbursement will only be provided for the final diagnostic radiology read.

# Current Status of Draft Telehealth Regulations



## Status of Forthcoming Draft Telehealth Regulations

# Current Status of Telehealth and Tele-radiology Regulations:

- The draft regulations have been prepared.
- Publication in the State Register for public comment will be forthcoming.
- State Plan Amendments (SPAs) have been submitted for store and forward technology and remote patient monitoring. CMS approval is pending.
- A Medicaid Update outlining the final regulations and reimbursement methodology for each telehealth application will be published when the regulations are finalized.

	Medicaid Reimbursement Policy as of March 2015	Parity Law also includes (Effective January 2016)
<p><b>Eligible modalities</b></p>	<p>Telemedicine (live, interactive audio-visual communication) Home telehealth (as authorized under PHL §3614-3(c))</p>	<p>Remote patient monitoring (RPM) Store-and-forward</p>
<p><b>Eligible “hub” sites</b> (distant site/ location of consulting practitioner)</p>	<ul style="list-style-type: none"> <li>• Article 28 Hospitals</li> <li>• Article 28 Diagnostic &amp; Treatment Centers (D&amp;TCs)</li> <li>• Article 28 Facilities Providing Dental Services</li> <li>• Federally Qualified Health Centers (FQHCs) that have “opted into” APGs</li> <li>• Office of Mental Health facilities</li> <li>• Practitioner Offices</li> </ul>	<ul style="list-style-type: none"> <li>• Article 36 Home Care Services Agencies</li> <li>• Article 40 Hospices</li> </ul>
<p><b>Eligible “spoke” sites</b> (originating site/ location of patient)</p>	<ul style="list-style-type: none"> <li>• Article 28 Hospitals</li> <li>• Article 28 Diagnostic &amp; Treatment Centers (D&amp;TCs)</li> <li>• Article 28 Facilities Providing Dental Services</li> <li>• Federally Qualified Health Centers (FQHCs)</li> <li>• Non-FQHC School Based Health Centers (SBHCs)</li> <li>• Office of Mental Health facilities</li> <li>• Practitioner Offices</li> </ul>	<ul style="list-style-type: none"> <li>• Article 40 Hospices</li> <li>• A patient’s place of residence, when receiving remote patient monitoring services</li> </ul>
<p><b>Eligible “hub” site practitioners</b></p>	<ul style="list-style-type: none"> <li>• Physician Specialists (including Psychiatrists)</li> <li>• Certified Diabetes Educators (CDEs)</li> <li>• Certified Asthma Educators (CAEs or A-ECs)</li> <li>• Genetic Counselors Psychiatric Nurses Practitioners</li> <li>• Clinical Psychologists</li> <li>• Dentists</li> <li>• Licensed Clinical Social Workers (LCSWs) and Licensed Master Social Workers (LMSWs) employed by an Article 28 clinic (current coverage policy applies)</li> </ul>	<ul style="list-style-type: none"> <li>• Physicians</li> <li>• Physician Assistants</li> <li>• Nurse Practitioners</li> <li>• Podiatrists</li> <li>• Optometrists</li> <li>• Speech Language Pathologists and Audiologists</li> <li>• Physical and Occupational Therapists</li> <li>• Midwives</li> <li>• Other providers as determined by the Commissioner</li> <li>• Registered nurse (for use of RPM only)</li> </ul>

# Information and Resources

- The DOH website will be updated with information, resources, and FAQs related to telehealth reimbursement and other telehealth implementation issues.
- Questions from providers can be directed to [telehealth@health.ny.gov](mailto:telehealth@health.ny.gov).

# Thank You!

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