TRANSFORMING HEALTH CARE WITH TELEHEALTH

STATE AND NATIONAL TELEHEALTH POLICY TRENDS AND ISSUES

NATIONAL CONFERENCE OF STATE LEGISLATURES

December 10, 2015
We are an independent, public interest organization dedicated to promoting better systems of care, improved health outcomes & provide greater health equity of access to quality, affordable care and services for all.

Salud by Xavier Cortada
HRSA/OAT GRANT 2012-2016

Telehealth technologies are valuable assets to help achieve the “Triple Aim” of improved quality of care, better health outcomes, and lowered costs.

Learn More >>
TELEHEALTH PIONEER?

A doctor’s diagnosis “by radio” on the cover of the February, 1925 issue of *Science and Invention* magazine.
WHAT IS TELEHEALTH?

Telehealth is a means of enhancing health care, public health, and health education delivery and support using digital telecommunication.
THE VALUE PROPOSITION FOR TELEHEALTH

Advances in telecommunication technologies can help redistribute health care expertise to where and when it is needed, and create greater value among consumers, public & private payers, and health systems.
Live Video
Variety of high-speed digital telecommunications.
Outpatient or inpatient specialty consultation.
Most commonly used.

Store-and-Forward
Often low bandwidth, still images, can store video clips.
Best used in dermatology, ophthalmology, pathology, and radiology.
Exploring new avenues, such as psychiatry.
Remote Patient Monitoring

Hospital emergency departments, intensive care units, and skilled nursing facilities.

At-home management of patients with chronic conditions.

Keeping people healthy and at home.

Mobile Health (mHealth)

Health care, public health, and health education.

Supported by cell phones, tablet computers, PDAs, and other mobile communication devices.

Can be targeted (promoting healthy behavior and disease management) to wide-scale (disease outbreak alerts).
M-Health Revolution & Continuum of Health

- End of Life
- Chronic Conditions
- Aging
- Acute & Episodic
- Healthy Living
PROVIDER CONSULTATION

• **eConsult**: a web-based system that allows PCPs and specialists to securely share health information and discuss patient care.
**PROJECT ECHO MODEL**

*Project Echo Model:* a hub-and-spoke knowledge-sharing network, led by expert teams who use multi-point videoconferencing to conduct virtual clinics with community providers

*primary care doctors, nurses, and other clinicians learn to provide excellent specialty care to patients in their own communities, while increasing their own knowledge and skills*
POWER OF CONNECTED-HEALTH TECHNOLOGY

- HIE
- Tele-health
- EHR
health evidence policy technology
demographics assessment costs
death economics services
risk factors disability
HEALTH CARE REFORM IN U.S. TODAY

Volume-based
- Pay for service (volume)
- Cost-based reimbursement
- Hospital/physician independence
- Inpatient focus
- Stand-alone care systems
- Illness care

Value-based
- Pay for results (quality/efficiency)
- Shared risk
- Partnerships and collaborations
- Continuum of care
- Community health improvement (HIT)
- Wellness care
Drivers of Systems Change

- Health Systems
- Legislative & Regulatory Policy
- Private Payers

- Technology Changes
- Evidenced-based Research
- Consumer Demand
FORUM SUMMARY

• **EVIDENCE:** Fast growing body of research and field studies that demonstrate field outcomes

• **POLICY & FINANCING:** Telehealth value should be fully realized & reflected in payment policies

• **HEALTH SYSTEM TRANSFORMATION:** Integrate telehealth into the standard of care

• **CONSUMER DEMAND:** Meeting patient needs and fostering confidence in telehealth

• **TECHNOLOGY:** Advancements improve usability & decrease cost
CMS reimbursement policy for Medicaid:

“States may reimburse for telehealth under Medicaid so as long as the service satisfies federal requirements of efficiency, economy, and quality of care”
The Center for Connected Health Policy helps you stay informed about telehealth-related laws, regulations, and Medicaid programs. We cover current and pending rules and regulations for the U.S. and all fifty states.
KEY POLICY AREAS OF ANALYSIS & REFORM

• Definition: Telemedicine or telehealth?
• Reimbursement by modality
• On-line Prescribing
• Consent (written, verbal, none?)
• Cross-state licensing & practice
• Private Payer Parity
• Location of service
• Site Transmission Fee
NO TWO STATES ARE ALIKE!

43 states have a definition for telemedicine

28 states (and DC) have a definition for telehealth

2 states New Jersey and Rhode Island have no definition for either

As of July 2015
REIMBURSEMENT BY SERVICE MODALITY

Live Video
47 states and DC

Store and Forward
Only in 9 states

Remote Patient Monitoring
16 states
PARITY IN PAYMENT WITH IN-PERSON

27 states and DC have currently active telehealth private payer laws.

Several recently passed laws do not go into effect until 2016 or later.

This is the most common policy change at the state level!

Parity is difficult to determine:

- Parity in services covered vs. parity in payment
- Many states make their telehealth private payer laws “subject to the terms and conditions of the contract”
LEGISLATION IN 2015

Over 200 bills introduced in 42 states

Most common legislation addresses:
• Reimbursement
• Telehealth professional standards (need for in-person exam, prescribing, etc.)
• Pilot Projects
• Cross-State Licensing

All Incremental Approaches to Needed Change

As of July 2015
CROSS-STATE LICENSING
FSMB INTERSTATE LICENSURE COMPACT

• Creates an **Interstate Commission** to implement an expedited licensure process
• Current status (7 state minimum)
  11 states have now passed the language
    Idaho, Montana, Nevada, South Dakota, Utah, West Virginia, Wyoming, Minnesota, & Alabama
  9 states have pending legislation to adopt the language
• Process for implementation is moving forward: First meeting to establish the framework- October, 2015.
HIGHLIGHTS OF INDIVIDUAL STATES
Medicaid Program definition:

“Telemedicine” is “the use of telecommunications to furnish medical information and services. Telemedicine consultations must be made via two way interactive video or store-and-forward technology.”
Live Video Reimbursement:
Telemedicine consults shall be paid at the same rate as in-person services

Store and Forward:
Store and forward technology includes telemedicine consults that do not occur in real time, and that do not require a face-to-face encounter with the patient for all or any part of the consult

Remote Monitoring:
There is reimbursement for “telehomecare” under Elderly Waiver (EW) and Alternative Care (AC) programs
MISSISSIPPI SB 2646 (2014)

- Requires all health insurance and employee benefit plans to cover store-and-forward telemedicine and RPM, in addition to live video
- Store and forward must be reimbursed to the same extent as if performed in-person. RPM reimbursement must include a minimum daily rate of $10
- Prohibits geographic restrictions
NEVADA

• AB 292 (Effective as of July 1, 2015):
  
  “Telehealth means the delivery of service from a provider of health care to a patient at a different location through the use of information and audio-visual communication technology, not including standard telephone, facsimile or electronic mail.”

• Prior authorization for the provision of telehealth services is expressly prohibited
Time for Telehealth” 11/2014 Report:

“Florida lawmakers need to act quickly to connect patients with higher quality, timely care by using telehealth to bring the state's health policies into the 21st century”

- Study shows that hospital charges could be reduced by more than $1.2 billion annually based on hospitalization charges alone.
- Evidenced-based Research coupled with Consumer Advocacy can be a powerful combination for change
In 2009 CCHP convened an expert working group to produce the Telehealth Model Statute Report. A Telehealth Coalition was convened to monitor the legislative process. Bipartisan bill authorship was sought, and Administration leadership (Medi-Cal and Governor’s Office) was briefed. The most comprehensive legislation in the US was unanimously passed in one year and signed by Governor Brown.
CALIFORNIA

• CA Telehealth Advancement Act of 2011 (AB 415):
  – Replaced “telemedicine” with “telehealth”, and defined it broadly enough to include store & forward and RPM
    • Reimbursement dermatology and ophthalmology store/forward
    • Still no reimbursement for RPM in Medicaid program
  – Removed limits on the geographic and institutional location of where telehealth services can take place
  – Includes all CA licensed professionals as telehealth providers
  – Requires telehealth reimbursement parity by private payers and Medicaid
STATE POLICY BEYOND LEGISLATION: LESSONS LEARNED

• **Regulatory** and administrative actions still needed to fully implement legislation
• **Professional licensing** boards can limit the benefits of legislation
• **Courts** can also play a role in interpretation of legislative policy
TELEHEALTH IN THE COURTS

- **Planned Parenthood of the Heartland, Inc. & Jill Meadows v. Iowa Board of Medicine:** Board of Medicine requirement that an MD must conduct an in-person examination and be physically present prior to administering an abortion inducing drug and at the follow-up visit--- Ruled unconstitutional by State Supreme Court

- **Teledoc, Inc v. Texas Medical Board:** Antitrust suit filed against the TX Medical Board on the basis that recently passed regulations requiring an MD face-to-face visit before physicians may prescribe medication illegally limits competition--- Temporary Injunction granted
TITLE XVIII OF THE SOCIAL SECURITY ACT

FEDERAL MEDICARE TELEHEALTH POLICY: OUTDATED!

- Reimbursement is available for only a limited number of Medicare Part B services.

- Reimbursement limited to *live video only* substituting for in-person encounter.

- Can *only* occur when the originating site is in a defined rural area:
  - a Health Professional Shortage Area (HPSA),
  - a county outside of any Metropolitan Statistical Area (MSA), or
  - an AK/HI demonstration project.
Next Generation ACO

• Greater access to home visits, telehealth services, and skilled nursing facilities;
• “benefit enhancements” allow circumvention of Medicare rules that go beyond benefits of Medicare Advantage -Alternative Payment Model
• Would allow ACOs to utilize the technology regardless of a patient’s geographic location.
• Only 20 Pilots in first two years
Federal Legislative Landscape 2015

• **HR 6 The 21st century CURES Bill:** Passed House Energy & Commerce Committee; **dropped** provisions for Medicare to waive some telehealth restrictions---calls for studies by CMS and MedPAC on telehealth potential benefits, & what services should be reimbursed.

• **HR 2066 (Rep Harper) Telehealth Enhancement Act of 2015:**
  
  • Authorizes an Accountable Care Organization to include coverage of telehealth and remote patient monitoring as supplemental health care benefits to the same extent as in a Medicare Advantage plan
  
  • Recognizes telehealth services and remote patient monitoring in the national pilot program on payment bundling
  
  • Includes additional originating sites for TH care (but without receiving payment of a facility fee), any critical access hospitals, sole community hospitals, home telehealth sites, as well as others
TECHNOLOGY-ENABLED HEALTH CARE IN THE 21ST CENTURY
Deloitte estimates that **75 million virtual visits** occurred in North America during 2014.
Cost Avoidance

Patients spend an average of nearly **two hours** for each out-patient visit, including travel, waiting, filling out forms and finally seeing a doctor. That equates to **$43** in lost time for each visit.

JAMA Internal Medicine
Kaiser Permanente—Transforming Care

- Nation’s largest **nonprofit** health plan
- Integrated health care delivery

3 Organizations in one: Health insurer, hospital system, physician partnerships

- 9.3M members
- 17K physicians
- 174K employees
- $53B revenue
- 60% of adult members on kp.org
- Kp.org is part of the EHR – a patient portal
Improved Engagement, Quality, And Satisfaction

Member retention
– My Health Manager users were 2.6 times more likely to remain members 

Quality of care improved
– 2.0 to 6.5% improvement - glycemic (HbA1c), cholesterol, and blood pressure screening and control  
– Refill improves outcomes (LDL)  

High patient satisfaction
– 85% rated encounters 8 or 9 on a 9 pt scale

3 Sarkar, Urmimala, Lyles, Courtney; Parker, Melissa; Allen, Jill, et al., “Use of the Refill Function Through an Online Patient Portal is associated With Improved Adherence to Statins in an Integrated Health System,” Medical Care, Vol 00, No 00 (2013)
4 Internal KP study, “Harvesting Value: Early Findings from Kaiser Permanente HealthConnect™” presented to Center for Information Therapy by T Garrido, C Serrato, J Oldenburg (1/15/2008)
Transforming Primary Care Encounters

Virtual Visits Projected to be 70% by 2018

Source: UCDA Core Value Metrics

* 4376 in 2013

Office Visits
Video Visits*
Telephone
Office Visits

--- KP Program Wide ---
Mercy Virtual
A hospital without beds
3 million virtual visits in the next 5 years
http://mercytelehealth.com
THANK YOU!
WWW.CCHPCA.ORG
WE ARE YOUR FREE SOURCE OF INDEPENDENT INFORMATION AND ANALYSIS OF TELEHEALTH POLICIES

MARIOG@CCHPCA.ORG