

KANSAS LEGISLATIVE RESEARCH DEPARTMENT

68-West–Statehouse, 300 SW 10th Ave.
Topeka, Kansas 66612-1504
(785) 296-3181 • FAX (785) 296-3824

kslegres@klrd.ks.gov

<http://www.kslegislature.org/klrd>

COVERAGE OF TELEHEALTH SERVICES IN MEDICAID AND MEDICARE

Medicaid and Medicare offer coverage of telehealth services. Terminology and covered benefits vary in each program. States have great flexibility in their Medicaid plans in this area as it is considered an alternative and optional service.

Medicaid Coverage of Telehealth Services

Medicaid generally uses the term “telemedicine” rather than “telehealth,” although the definition is modeled on Medicare’s definition of telehealth services. Under Medicaid, telemedicine is considered a cost-effective alternative to more traditional face-to-face ways of providing medical care. States are allowed to choose whether to cover this service under their Medicaid programs so coverage and reimbursement models vary.¹

Telemedicine permits two-way, real-time interactive communication between the patient and the physician or practitioner at the distant site. Electronic telecommunications equipment for telemedicine includes, at a minimum, audio and video equipment.²

Telehealth (or telemonitoring) is considered to be the use of telecommunications and information technology to provide access to health assessment, diagnosis, intervention, consultation, supervision, and information across distance.³

Kansas Medicaid Coverage of Telehealth Services

In Kansas, KanCare covers some telemedicine services, which is considered the use of communication equipment to link healthcare practitioners and patients in different locations. Office visits, individual psychotherapy, and pharmacological management services may be reimbursed when provided via telecommunication technology. E-mail, telephone, and facsimile transmissions are not covered, and the beneficiary must be present at the originating site. Documentation requirements are the same as for face-to-face services. The consulting or expert provider must properly bill the codes and will be reimbursed the same rate as for face-to-face services.⁴

1 Medicaid.gov, Telemedicine, <https://www.medicaid.gov/medicaid/benefits/telemed/index.html> (accessed October 9, 2017).

2 *Id.*

3 *Id.*

4 Kansas Department of Health and Environment, Division of Health Care Finance, Kansas Medical Assistance Program Fee-for-Service Provider Manual, (updated December 2016), [https://www.kmap-state-ks.us/Documents/Content/Provider Manuals/Gen benefits_12302016_16167.pdf](https://www.kmap-state-ks.us/Documents/Content/Provider%20Manuals/Gen%20benefits_12302016_16167.pdf).

The most recent KanCare Annual Report to the Centers for Medicare and Medicaid Services (CMS) differentiates between telehealth and telemedicine as follows:

Telehealth is a broad scope of remote healthcare services, including long-distance clinical healthcare, patient and professional health-related education, and health administration activities. Telehealth refers to a broader scope of remote healthcare services, while telemedicine refers specifically to remote clinical services using interactive televideo, including use of digital stethoscopes, otoscope cameras, general exam cameras, and intra-oral scopes.⁵

Each managed care organization (MCO) providing KanCare benefits follows policies set by the Kansas Department of Health and Environment (KDHE). Current KDHE policies were requested by the Kansas Legislative Research Department and are available for review. Covered benefits must be on the approved state benefits list.

Amerigroup Kansas, Inc.

Amerigroup Kansas, Inc., (Amerigroup) provides home telehealth services for the Home and Community Based Services (HCBS) Frail Elderly waiver. Other covered benefits are determined by the policies set by KDHE as discussed above.⁶ An Amerigroup representative stated that Amerigroup recognizes the value of telemedicine and is currently pursuing a telemedicine project with community mental health centers (CMHCs) across the state. The project will connect the CMHCs with law enforcement departments, hospitals, and nursing facilities for mental health across their catchment areas.

Sunflower Health Plan

According to a Sunflower Health Plan (Sunflower) representative, telehealth services covered under the plan are focused in two categories: behavioral health and disease management. For behavioral health, Sunflower uses telemedicine for crisis assessments, psychiatrist visits, and therapy.

In addition, Sunflower's parent company, Centene Corporation, is currently funding an innovative grant project in central Kansas titled *Improving Health in Rural Communities*. The Center for Counseling and Consultation and the Pawnee County Health Department are facilitating the project with other providers and government agencies in their catchment area which includes Barton, Pawnee, Rice, and Stafford counties. The program is aimed at promoting public awareness for the treatment of mental illness and substance abuse disorder and access to local behavioral health resources and services, as well as broadening access through technological solutions. Telehealth is a major component of the project including crisis screening with mobile IT tools for use by law enforcement to identify when it is appropriate to direct individuals to mental health providers and self-screening mental health kiosks to direct individuals to local resources.

5 KanCare, *Annual Report to CMS Regarding Operation of 1115 Demonstration Program - Year Ending 12.31.16*, (March 2017), <http://www.kancare.ks.gov/docs/default-source/policies-and-reports/annual-and-quarterly-reports/annual/kancare-annual-report-to-cms---3-31-17---final.pdf?sfvrsn=14>.

6 Amerigroup Kansas, Inc. *Member Handbook*, (March 2017), https://www.myamerigroup.com/Documents/KSKS_Member_Handbook_ENG.pdf.

For disease management, Sunflower offers specialized telephonic coaching to help members self-manage their disease in all disease management programs. Telemonitoring services are provided to members on the HCBS Frail Elderly waiver with certain diagnoses.

Sunflower's specialty company, Envolve PeopleCare, uses telehealth services to provide case management for chronic obstructive pulmonary disease (COPD), congestive heart failure, diabetes, and asthma. Sunflower Care coordinators are able to refer these members to Envolve PeopleCare experts who conduct focused disease management.

Sunflower also has a partnership with Windsor Place's in-home services. Sunflower members with congestive heart failure may elect to participate in a telemedicine program. Upon consultation with the member's primary physician, Windsor Place installs equipment in the home to allow remote collection of vital signs such as blood pressure, weight, and oxygen saturation. The information is secure and provided only to Sunflower's nurse case managers and providers involved in the care of the patient.

UnitedHealthcare

A UnitedHealthcare (United) representative provided details on telehealth coverage under the MCO's health plan. In addition to leveraging remote telehealth monitoring capabilities for select HCBS waiver members, United provides telehealth monitoring services as part of a pilot program to determine the potential for better service to members. The program goals include reducing inpatient admissions and emergency room visits and maintaining or improving overall quality of life for individuals in their homes or community-based environment. Many of the members involved with the pilot program have complex medical or behavioral needs.

United has supported telehealth and technology pilots as part of the organization's 2017 Rural Health Grants. The Community Health Center of Southeast Kansas, Inc., grant will advance its prototype telemedicine system to a fully functional program. The program will provide access to care for people who do not live close to a health care provider. The Southeast Kansas Independent Living Center grant will be used to teach individuals how to monitor and improve their health with portable mHealth technology adapted for individuals with disabilities. The grant will provide these services to 70 individuals.

United is also exploring other innovative technologies related to telehealth to support members in their homes, including the use of "virtual visit" technology. United representatives encourage the consideration of options for supporting other innovative telehealth and telemedicine capabilities, particularly to address rural health care and social determinants of health barriers to care and services.

Medicare Coverage of Telehealth Services

Original Medicare, or the Medicare fee-for-service program, pays for a limited number of Part B services furnished by a physician or practitioner to an eligible beneficiary via a telecommunications system. The system used must be an interactive audio and video telecommunications system that permits real-time communication between the provider at the distant site and the beneficiary at the originating site.⁷

⁷ CMS.gov, *Telehealth Services*, (November 2016), <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/TelehealthSrvcsfctshst.pdf>.

Telehealth services are available only for beneficiaries present in qualifying originating sites by specific distant site providers. An originating site is the location of the beneficiary at the time the service is furnished via telecommunication and the distant site is the location of the qualified provider.⁸ The Health Resources and Services Administration provides a Medicare Telehealth Payment Eligibility Analyzer for providers to determine whether an originating site qualifies for payment.⁹ Distant site providers qualified to deliver telehealth services are as follows:

- Physicians;
- Nurse Practitioners;
- Physician assistants;
- Nurse midwives;
- Clinical nurse specialists;
- Clinical psychologists and clinical social workers; and
- Registered dietitians or nutrition professionals.¹⁰

Medicare reimburses only for certain telehealth services. CMS adds or deletes services defined as Medicare telehealth services through the annual physician fee scheduled proposed rule published in the summer and the final rule published by November 1 each year.¹¹ A few examples of Medicare telehealth services for calendar year 2017 are office or other outpatient visits, individual and group kidney disease education services, telehealth pharmacologic management, psychoanalysis, and smoking cessation services.¹²

JLO/mkh

8 CMS.gov, Telehealth Services, (November 2016), <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/TelehealthSrvcsfctsh.pdf>.

9 HRSA Data Warehouse, Medicare Telehealth Payment Eligibility Analyzer, <https://datawarehouse.hrsa.gov/tools/analyzers/geo/Telehealth.aspx> (accessed October 9, 2017).

10 Center for Connected Health Policy, The National Telehealth Policy Resource Center, Telehealth and Medicare, <http://www.telehealthpolicy.us/telehealth-and-medicare> (accessed October 9, 2017).

11 CMS.gov, Telehealth, (January 2014), <https://www.cms.gov/Medicare/Medicare-General-Information/Telehealth/>.

12 CMS.gov, Telehealth Services, (November 2016), <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/TelehealthSrvcsfctsh.pdf>.