

ARIZONA
TELEMEDICINE
PROGRAM



The Business Aspects of Telemedicine

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What We Will Be Covering

- Telehealth Revenue Streams
- Expense Considerations
- Telehealth Billing and Reimbursement
- Final Thought

Revenue Streams

- Contracts and Grants
- Parent Organization Support and Philanthropy
- Patient Services Reimbursement



Contracts & Grant Funding

- There are many government contract and grant funding opportunities
- Usually the candidate needs to submit a sustainability plan to obtain funding
- This ensures the project will continue at the end of the contract or grant period
- Gov: <https://www.grants.gov/web/grants/learn-grants/grant-programs.html>
- Priv: <https://proposalcentral.com/> (you must create a login)

Top Reasons Small Businesses Fail

1. Starting for the wrong reason
2. Too small or no market
3. Poor management
4. Insufficient capital
5. Wrong location
6. Lack of planning (Business plan in particular)
7. Overexpansion
8. No website or social media presence

<https://www.businessknowhow.com/startup/business-failure.htm>

What exactly does a Sustainability/Business Plan Accomplish?

1. It lays out your plan and expectations in detail
2. It illustrates the fiscal viability of the plan
 - Shows you have thought through the finances
3. Helps author to organize his/her thoughts and see if the venture is going to be profitable and if so, when (it may not be)
4. Forces author to make decision for Go/No go

Sustainability/Business Plans

- There are many formats available to produce business plans
- Be sure and point out alternatives and why you ruled them out
- Biz plans must align with organization's mission and must answer the question for your funder: **WIIFM**
- 15 Steps to Writing a Telehealth Business Plan (National Consortium of TRCs)

<https://www.telehealthresourcecenter.org/wp-content/uploads/2019/01/15-Steps-Jan.-2019.pdf>

Parent Organization and Philanthropy

- Some organizations or donors will fund the initiation of a new telehealth program
 - Must support mission
- The support will probably be time-limited and a sustainability plan will need be developed

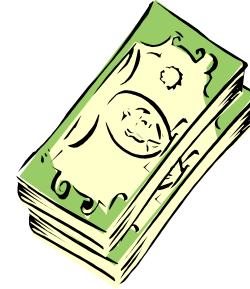
Patient Services Receipts

- Patient billing and collections are generally not a good primary mechanism to pay for a telehealth program ...**Unless**
- It is a closed or capitated clinical environment where significant cost savings can be realized**OR**
- Viewed as “Loss Leader”

AZ SENATE BILL 1089*

- Almost unanimously passed in Feb 2019
- Bill requires insurance providers to cover the same services for in-person and TH
 - “Covers the interactive use of: Audio, video, ASYNCHRONOUS STORE-AND-FORWARD TECHNOLOGIES AND REMOTE PATIENT MONITORING TECHNOLOGIES, for the purpose of diagnosis, consultation or treatment.”
- *<https://www.azleg.gov/legtext/54leg/1R/bills/SB1089S.pdf>

Expense Considerations



Expense Considerations

- Fixed and Variable Expenses
 - Personnel
 - Equipment and operations
 - Technology
 - Overhead
- Some expenses could fall into either category AND might need to be considered for both the referring and receiving sites
 - As TH continues to become more mobile, expenses will be reduced

Expense Considerations

Personnel – all sites

	<u>Fixed</u>	<u>Variable</u>
• Medical director	X	(NP)*
• Site coordinator	X	(NP)*
• Other clinical	X	X
• Technical	X	X
• Administrative	X	X

Equipment and operations – all sites

	<u>Fixed</u>	<u>Variable</u>
• Space cost	X	X
• Network equip**	X	
• Installation costs**	X	
• User end equip**	X	
• Transmission costs	X	X
• Supplies (clin,tech,ops)		X
• Travel and training		X

* Not Preferred

** Non-Recurring

Expense Considerations

Technical and Maintenance

	<u>Fixed</u>	<u>Variable</u>
• Maintenance contracts		X
• Help Desk	X	X
• Equip refresh fund	X	(NP)
• Other??		

Overhead

	<u>Fixed</u>	<u>Variable</u>
• Medical records	X	X
• Billing & Collection	X	X
• Human Resources	X	X
• Contracting	X	X
• Legal and Compliance	X	X
• Malpractice	X	
• Central Administration	X	
• Other ??		

Billing and Reimbursement



Patient Services

- Clinical needs identified
 - Which technology?
 - Consulting versus ongoing treatment
 - Referring provider & patient expectations
 - Payment/Reimbursement mechanism
 - Block time
 - Fee for Service
 - Collecting Co-pays
 - Protocol for uninsured (?) or denied/non-covered services?

Billing and Reimbursement: Medicare

- After more than 20 years of glacial progress on Medicare TH reimbursement...
 - With strict restrictions on providers, patient location, CPT codes, services, licensure, modality...
- **IT TOOK A WORLDWIDE VIRUS TO BREAK OPEN TELEHEALTH REIMBURSEMENT**
- *“Although uptake of telemedicine services has generally been limited by providers and patients, a pandemic threat could be a tipping point that pushes such services more mainstream.”* <https://www.healthcarediver.com/news/83b-in-coronavirus-funding-set-in-motion-as-federal-agencies-ramp-up-resp/573518/>

Disclaimer and Resources

- I am not an expert on COVID-19 Telehealth changes
- References for this section can be found at:
 - The Arizona Telemedicine Program and Southwest Telehealth Resource Center
 - **COVID-19 Resources Page:** <https://southwesttrc.org/resources/covid19>

Medicare Reimbursement: COVID-19

HHS has temporarily waived or modified certain Medicare requirements including:

- Expanded Services: >130 Temp codes /~80 TH
 - (<https://www.cms.gov/Medicare/Medicare-General-Information/Telehealth/Telehealth-Codes>)
- Expanded Providers: All health care providers billable and rates are at in-person FFS rates
 - OT/ PT/SLPs/LCSWs and clinical psychologists
- Patient geographic location (urban ok) and type of site limitation temporarily removed (home ok)
- Waiver on sanctions for collecting beneficiary cost share amounts (e.g. Co-pays)
- Temporary halt on existing relationship audits for telehealth visits
- Temporary waiver on in-person requirement for ESRD patients

Medicare Reimbursement: COVID-19

- Use of phones w/video capability (e.g. Smartphones) for patient visits
 - E/M, BH & Education services by phone (audio) only; reimbursement same for similar services
- Virtual check in services for new and established patients
 - Patient must initiate but ok for provider to educate prior to initiation
- Virtual supervision of clinical staff allowed
- RPM for both acute and chronic conditions and new as well as established patients
 - Is RPM really TH?
- Hospice and more home health services can be delivered via TH
- No changes on store-and forward restrictions – they are still in effect

Type of Service	Description	HCPCS/CPT	Patient/ Provider Relationship
Telehealth Visits	Visit between provider and patient using audio/visual telecommunication	Approved codes only codes – 80 additions (see link below)	New or established Extent of 1135 waiver
Virtual Check-In	Brief (5-10 min) provider check in via telephone or other communication device to determine need office visitor other services, remote eval of records videos and/images	HCPCS-G2012 HCPCS-G2010	New or established Extent of 1135 waiver
E-Visits	Communication between patient and provider through online portal	99421-99423 G2061-G2063	New or established Extent of 1135 waiver
Phone Calls	Audio only evaluation and assessment services	98966-98968 99441-99443	New or established Extent of 1135 waiver

(<https://www.cms.gov/Medicare/Medicare-General-Information/Telehealth/Telehealth-Codes>)



Other Waivers: COVID-19

- **FQHCs and RHCs Telehealth services – Check Details!**
 - Medicare: Can temporarily serve as distant site as well as originating site, virtual check-in and E-visits allowed. Remote eval of patient images/video technology allowed
 - Medicaid: Will vary state-to-state; AZ pays in-person FFS rate
 - Private Pay: Will vary state-to-state and payer-to-payer

Other Waivers: COVID-19

Critical Access Hospitals

- CMS is temporarily waiving the requirements that Critical Access Hospitals limit the number of beds to 25, and that the length of stay be limited to 96 hours

Skilled Nursing Facilities/Hospice/Home Health

- Telehealth visits approved in lieu of In-person and some frequency limitations waived
- CMS is temporarily waiving the 3-day prior hospitalization requirement for those people who need to be transferred due to a disaster or emergency
- CMS is temporarily allowing renewal authorization for SNF/Hospice beneficiaries

Patient Services Reimbursement: Medicaid

- Medicaid – significant variability, determined state by state
 - All 50 states & DC have some type of TH coverage
 - 14 allow store & forward (+4 have laws but not sure implemented); 22 allow some form of RPM
 - 22 states allow some type of RPM
 - 34 allow transmission/facility fee

COVID-19: Medicaid programs were given broad authority to utilize telehealth including using telehealth or telephonic consultations when certain conditions are met

AHCCCS Public Health Emergency Changes

- Added 150 TH Codes
- Insurers must cover TH services at a lower co-pay than in-person /Payment parity
- Telehealth delivery cannot be more restrictive than in-person
- Telephone is included as telehealth (contrary to SB1089) and is paid at in-person rates
- Broadening of POS – Distant Site (Provider) & Originating Site (Pat home is a covered site)
- Broadening Coverage for RPM & Asynchronous
- Expansion of health care providers

AHCCCS Public Health Emergency Changes

- No rural vs urban locations
- MCOs retain ability to manage network and leverage TH strategies as deemed appropriate
- Requires all AHCCCS plans to cover all “covered benefits” and covered by TH
- Clinical services that can be delivered via TH are covered (e.g. No restrictions on disciplines)
- Eliminates in-person exam requirement for prescription
 - TH & phone ok if clinically appropriate
- TH expansion for Workers’ Compensation
- TH coverage for pets and animals

Patient Services Reimbursement - Private Insurance

Private Insurance

- COVID-19 guidelines still developing. Check in your state!
- Some PPs are rolling back T-health to pre-COVID levels, dates moving

Direct to Consumer/Self Pay

- Pre-COVID-19 largest growing TH sector
- Private payers (e.g. Blues, Aetna, Cigna) are now partnering with national direct-to-consumer telehealth companies
- Convenient for patients
- But shuts out local providers and could disrupt continuum of care

Post Public Health Emergency Medicare PFS Changes

Finalized CY 2021 MEDICARE PHYSICIAN FEE SCHEDULE



FACT SHEET | December 2020

Category 1- Services Similar to Those Already Approved On TH List

G2211 - Visit Complexity with certain Office/Outpatient E&M Services

G2212 – Prolonged Office/Outpatient E&M Services

90853 – Group Psychotherapy

96121 – Psychological & Neurobehavioral Status Exam

99483- Care Planning for Patients with Cognitive Impairment

99334-35 – Domiciliary, Rest Home or Custodial Care Services

99347-48 – Home Visits For Substance Used Disorder & Co-occurring Mental Health Disorder; Home is an Eligible Site for SUD and Co-occurring Mental Health Disorder Patients

Source: <https://www.cchpca.org/sites/default/files/2020-12/CY%202021%20Medicare%20Physician%20Fee%20Schedule.pdf>

Category 3: Services Added During PHE Included on a Temp Basis for Further Evaluation

99336-37- Domiciliary, Rest Home or Custodial Care Services (Established Patients)	99217, 99224-26, 99221-23 , 99238-39 - Subsequent Observation and Observation Discharge Day Management
99349-50 – Home Visits, Established Patients; Home is an Eligible Site for SUD and Co-occurring Mental Health Disorder Patients	99291-92 - Critical Care Services
99281-85 – Emergency Department Visits	99469,99472,99476 - Inpatient Neonatal and Pediatric Critical Care, Subsequent
99315-16 - Nursing Facility Discharge Day Management	99478-80 - Continuing Neonatal Intensive Care Services
96121, 96130-33, 96136-39 – Psychological & Neuropsych Testing	90952,53,59,62 – End Stage Renal Disease Monthly Capitation Payment
97161-68, 97110, 97112, 97116, 97535, 97750, 97755, 97760-61, 92521-24, 92507 – PT/OT Services	

2021 CMS Miscellaneous and RPM Summary

Miscellaneous	Miscellaneous	Remote Physiologic Monitoring
G2250-51 – Brief Online Assessment, Management Services, Virtual Check Ins and Remote Evals by CSWs, Clin Psychologists, PTs/OTs/SLPs	SNF Frequency Limitation Changes SNFs From 1x Every 30days to 1x Every 14days Group Health Plans May Not Charge > for Cost Sharing at A Participating Facility vs Home Fac.	Post PHE Established Patient Relationship Required Before RPM services Consent Can Be Obtained At Time of RPM Services Permanently Provided
Services Provided via Technology When Provider and Patient are in the Same Location Ok For Some Circumstances (e.g. Trying to Limit Exposure). Should be <u>Billed as In-person and TH Limitations Do Not Apply.</u>	G2214 - New Codes for Initial Month and Subsequent Months of Psych Collaborative Care Models	RPM Can Only be Billed by Providers Eligible to Furnish E/M Services 99453-54 Can Only Be Billed by Auxiliary Personnel Under MD Supervision (incl Contracted Employees)
G2252 - New HCPCS G-code for 11-20 mins Audio Medical Discussion to Determine if In-Person Visit Required (99441-43 (Audio)Phone Services <u>Eliminated</u>) Real Time Periodic Assessments as Part of Opioid Use Disorder	RHCs and FQHCs can bill for Principal Care Mgt using HCPCS codes G2064-65 incorporated into G0511 Traditional Care Mgt Can Be Billed Concurrently When Reasonable/Necessary, Incl Chronic Care	RPM 99453-54 Data Collection Requirement =/>16 Times for Each 30-day Period 99454 - Med Device Must Meet FFDCA; Data Must be Verified and Cannot be Reported by Patient
Teaching Physician Real Time Interaction w/ Residents when Patient in Rural Area or Outside MSA and Provider in 3 rd location; Primary Care Exception Outside MSA Also Ok. – <u>Please Read Regs Carefully.</u>	Real Time Periodic Assessments OK as Part of Opioid Use Disorder <u>New TH, Virtual Care etc. Found Throughout 2021 PFS....Read Through!</u>	RPM Approved for Acute and Chronic Conditions 99457-58 Interactive Communication is 2-way Real Time/Synchronous, Enhanced with Video/Data
Remote Clinical Direct Supervision of Billing Provider Ok When Billed as Incident-To.	Source: https://www.cchpca.org/sites/default/files/2020-12/CY%202021%20Medicare%20Physician%20Fee%20Schedule.pdf	Independent Diagnostic Testing Facilities Cannot Bill RPM

2021 Consolidated Spending Package TH Billing Provisions

1. Adds critical access and rural emergency hospitals (<50 beds) to the list of sites eligible for TH reimbursement as long as they meet the CMS definition of “Rural.”
2. Exempts Medicare’s rural geographic requirement for individuals for purposes of diagnosis, evaluation or treatment of a mental health disorder once the COVID-19 emergency ends. Patients would also be allowed to be located in their homes when receiving services. **BUT: Practitioner must have provided an in-person service within 6 Mths prior to the first TH service and must meet in-person at regular intervals.**

What is The Future of Telehealth?

It is still being written now!

So.....

Be a Co-Author



Ernest Hemingway Image:
<https://www.google.com/search?client=firefox-b-1-d&q=images+of+hemingway>

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Questions?

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Additional Detail on CMS Proposed (Other) 2021 TH Billing Changes

COVID-19 RESOURCES PAGE :

The Arizona Telemedicine Program and Southwest
Telehealth Resource Center

<https://southwesttrc.org/resources/covid19>