ARIZONA TELEMEDICINE PROGRAM

SOUTHWEST TRC TELEHEALTH RESOURCE · CENTER™

The Business Aspects of Telemedicine & Telehealth

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What We Will Be Covering

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

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Revenue Streams

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

Contracts & Grant Funding

- There are many government and private 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
   - Will it be profitable?
   - If so, when?
   - Shows you have thought through the finances

3. Forces author to make decision for Go/No go

Sustainability/Business Plans

- There are many formats available to produce business plans
- 15 Steps to Writing a Telehealth Business Plan (National Consortium of TRCs)
  - https://www.umtrc.org/clientuploads/Resources/Getting_Started_Guides/15_Step_Business_Model_June_2018.pdf
- Be sure and point out alternatives and why you ruled them out

Parent Organization and Philanthropy

- Some organizations or donors will fund the initiation of a new telehealth program
- Biz plan must align with organization's mission and must answer the question for your funder: WIIFM
- The support will probably be time-limited and a sustainability plan will be needed

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”

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Expense Considerations

- Fixed and Variable Expenses
- Expense Categories

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

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

Equipment and operations – all sites

	Fixed	Variable
• 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

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

Overhead

	Fixed	Variable
• 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 ??		

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Billing & 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**

Disclaimer and Resources

- I am not an expert on:
  - COVID-19 Telehealth changes
  - Specific Billing Code Practices

- 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**

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)

Medicare Reimbursement: COVID-19

HHS temporarily waived or modified certain Medicare requirements including:

- Expanded Services: >160 Temp codes including >20 new codes in March 2021
  - (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 delivered via TH allowed

Other Waivers: COVID-19

- **FQHCs and RHCs Telehealth services – Check Details!**
  - CMS: 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

- **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

Other Waivers: COVID-19

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

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

http://www.phi.org/resources/?resource=state-telehealth-laws-and-medicaid-program-policies

Patient Services Reimbursement - Private Insurance

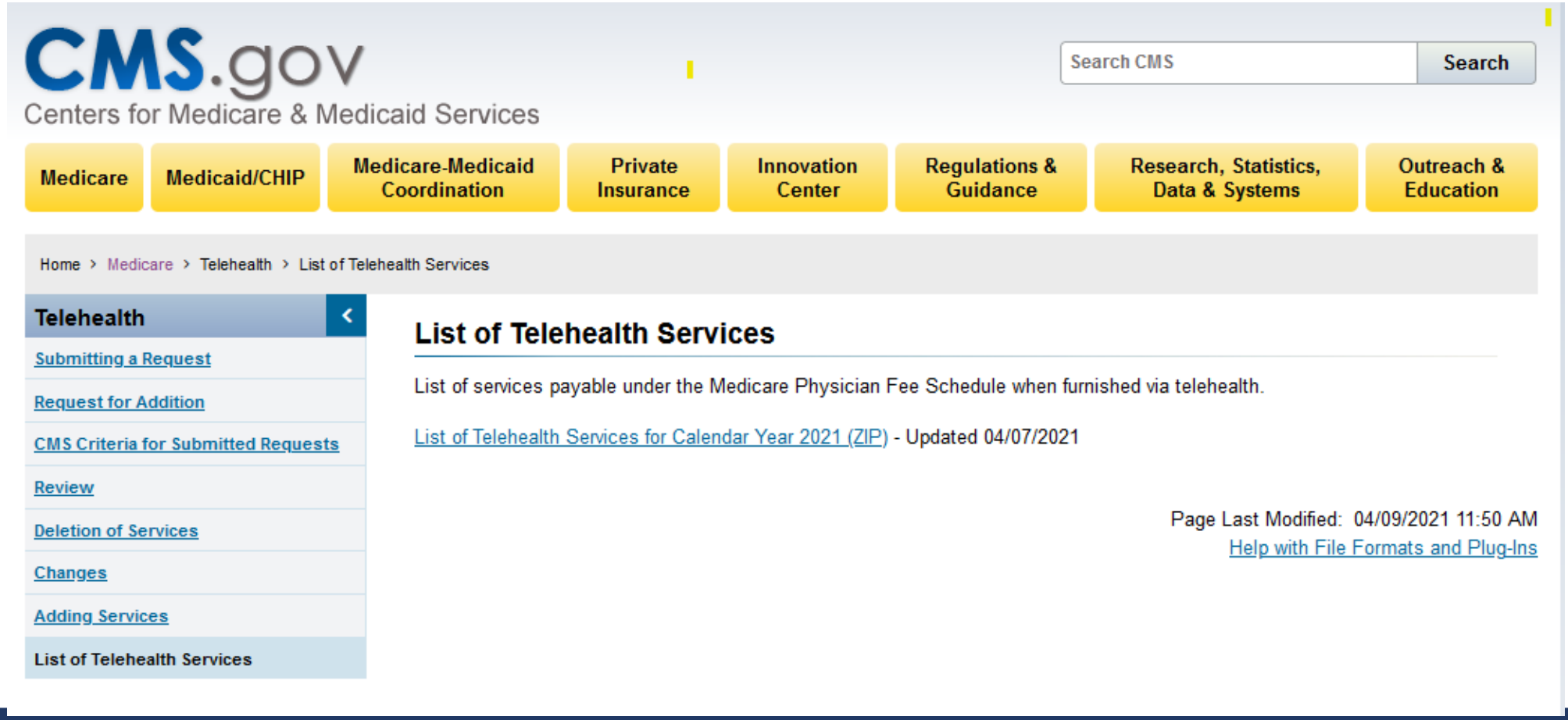
Private Insurance

- COVID-19 guidelines are ”fluid”
  - Some Priv Ins are starting to roll back some TH services; moving dates
  - Check what is going on in your state!

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 – 3 Categories



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

G2211 - Visit Complexity with certain Office/Outpatient E&M Services (Delayed 3 years)
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 Use 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 2- TH Services Different than Current TH List

- Services that are not similar to current list of TH services.
  - Further Review needed
  - Evaluate whether TH service is accurately described in the current code
  - Decide if there is a clinical benefit to have the service delivered via TH

Category 3: Services Added During PHE, Effec Thru End of CY PHE Ends 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	

Source: https://www.cchpca.org/sites/default/files/2020-08/Proposed%20CY%202021%20Physician%20Fee%20Schedule%20PDF.pdf

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 Billed as In-person and TH Limitations Do Not Apply.	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 Eliminated) 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 3rd location; Primary Care Exception Outside MSA Also Ok. – Please Read Regs Carefully.	Real Time Periodic Assessments OK as Part of Opioid Use Disorder New TH, Virtual Care etc. Found Throughout 2021 PFS….Read Through!	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.		Independent Diagnostic Testing Facilities Cannot Bill RPM

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

Creating Opportunities Now for Necessary & Effective Care Technologies (CONNECT) Act 2021

- Removes geographic restrictions on TH services
- Expands Originating Sites
- Gives HHS Sec full authorization to waive TH restrictions
- Provides provision to waive TH restrictions during PHEs
- Authorizes a study on use of TH during COVID-19 PHE
- Requires CMS process to add TH services and determine clinical benefit
- Allows FQHC and RHCs to continue as distant providers
- Eliminates restrictions for IHS/Native Hawaiian HC facilities
- Allows TH to continue for recertification of hospice care

https://www.schatz.senate.gov/imo/media/doc/CONNECT%20for%20Health%20Act%20of%202021_Summary.pdf

Update on Telehealth in Arizona

AZ SENATE BILL 1089

- Passed in Feb 2019/Went into Effect Jan 2021

- 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."

  - Disallows higher copays, deductibles, co-insurance

AZ HOUSE BILL 2454

- One of many bills introduced in states throughout the country this year to continue TH coverage post PHE
- HB 2454 permanently sustains the emergency measures put into place in response to the COVID-19 pandemic last March
- Puts Arizona as one of the states in the forefront for TH coverage
  - Includes a provision for a 25-member telehealth advisory committee (Governor-appointed)
- The passage of this and other states' legislation could put pressure on the Federal Government to develop a more inclusive TH policy post PHE

AZ HB2454

- Telemedicine now called Telehealth and aligns all state definitions of TH
- Payment parity for In-person and TH
- Telehealth delivery cannot be more restrictive/less favorable than in-person
- Audio only is included as telehealth and is paid at in-person rates, based on patient preference, no video or broadband availability, decision by provider
  - No Faxes, E-mail, Voice mail or Instant Messaging
- Broadening of POS – Distant Site (Provider) & Originating Site (Pat home is a covered site)
- Expansion of heath care providers

Source: AHCCCS and Telehealth for the Public Health Emergency and Beyond
2nd Annual Arizona Policy Symposium

AHCCCS Public Health Emergency Changes

- Eliminates in-person exam requirement for prescription
- Informed consent ok by electronic means
- Requires providers to make “good faith” effort to determine if services should be delivered via TH and best medium to use
- Allows out-of-state HC providers to provide services in AZ if they are licensed and in good standing with home state licensing board
  - Must comply with liability coverage, follow AZ standard of care and consent to AZ jurisdiction for litigation
- Worker’s Comp Med Exams ok by TH
- Continues Prohibition for use of TH for abortion

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

Questions?

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COVID-19 RESOURCES PAGE :

The Arizona Telemedicine Program and Southwest Telehealth Resource Center

https://southwesttrc.org/resources/covid19