

ARIZONA
TELEMEDICINE
PROGRAM



The Business Aspects of Telemedicine & Telehealth

Gail Barker
Arizona Telemedicine Program
Phoenix, Arizona

What We Will Be Covering

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

Terms

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- The U.S. Department of Health and Human Services (HHS):
Telehealth is broader in scope and covers remote clinical and non-clinical health care services Telemedicine refers *solely* to remote clinical services.
- The World Health Organization (WHO) :
“...recognizes telehealth as computer-assisted telecommunications to support management, surveillance, literature and access to medical knowledge while telemedicine uses telecommunications solely to diagnose and treat patients.”
- American Telemedicine Association (ATA): The terms are interchangeable
- Virtual Care – Health care delivered remotely –synonymous with telehealth
- Digitally-Enabled Care - Fully integrated in-person and virtual care models that hybridize care delivery based on clinical appropriateness and other factors such as convenience and cost.

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Revenue Streams

- Contracts and Grants
- Parent Organization Support
- 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)

Parent Organization and Philanthropy

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

Sustainability/Business Plans

- Introduces discipline into the process and determine viability
- 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

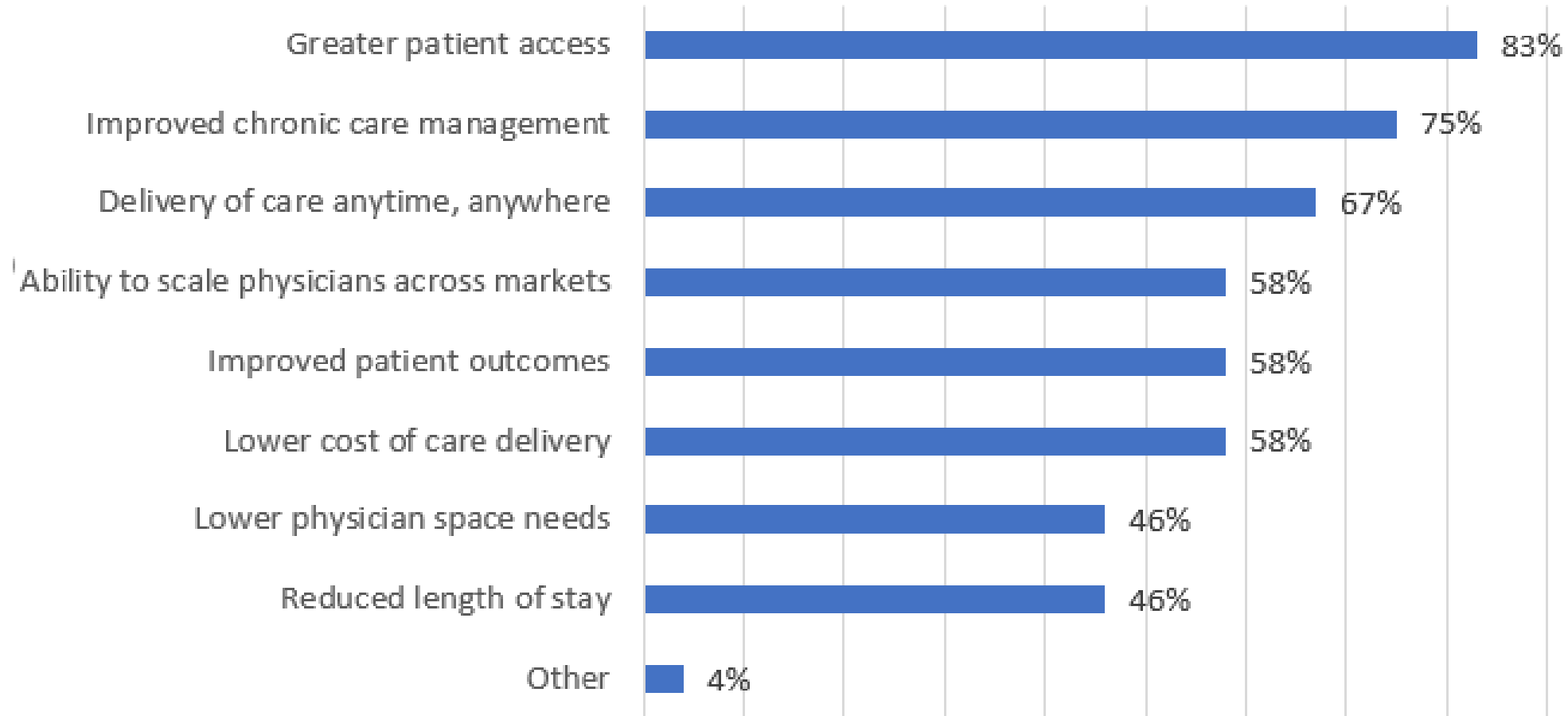
Building a Sustainable Telehealth Program



Source: Curfman A, McSwain SD, Chuo J, et al. Pediatric Telehealth in the COVID-19 Pandemic Era and Beyond. *Pediatrics*. 2021;148(3):e2020047795. doi:10.1542/peds.2020-047795

Health system executive virtual care goals*

Considering all possible use cases, in which areas do you expect the greatest impact from virtual care?



Patient Services Reimbursement

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

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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

Expense Categories

Personnel

- Medical director
- Site coordinator
- Other clinical
- Technical
- Administrative

Equipment and Operations

- Space cost
- Network equip
- Installation costs
- User end equip
- Transmission costs
- Supplies (clin,tech,ops)
- Travel and training

Technical and Maintenance

- Maintenance contracts
 - Help Desk
 - Equip refresh fund
 - Other??
-
- Overhead
 - Medical records
 - Billing & Collection
 - Human Resources
 - Contracting
 - Legal and Compliance
 - Malpractice
 - Central Administration
 - Other ??

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The Long and Winding Road of Reimbursement

Disclaimer:
I am not a certified coder

Image: Road to Mt.
Lemmon, AZ
(personal photo)



Patient Services

- Clinical needs identified
 - Which technology?
 - Consulting versus ongoing treatment
 - Referring provider & patient expectations
 - Payment/Reimbursement mechanism
 - Block time
 - Fee for Service
 - Value Based
 - Cash Based
 - 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 PANDEMIC TO BREAK OPEN TELEHEALTH REIMBURSEMENT

Key Medicare changes at a glance

Requirement Type	Pre-COVID-19 PHE Policy	Current COVID-19 PHE Policy
Patient site/geographic location	<p>Payment available only for care at certain facility types with limited services for home-based patients</p> <p>Patient location must be rural or outside a <u>metropolitan statistical area (MSA)</u></p>	<p>No restrictions on geographic location</p> <p>Patients can be at home or any other setting</p>
Services	<p>Payment available for about 90 services, as captured by <u>CPT/HCPCS codes</u></p>	<p>Payment available for about <u>250 services</u>, as captured by CPT/HCPCS codes, as of March 2021</p>
Telehealth modality	<p>Payment for live video only, except for certain demonstration projects in Alaska and Hawaii</p>	<p>Payment available for live video, with audio-only phone for E/M services, behavioral health counseling, and educational services</p>
Provider type	<p>Payment available for services furnished by limited list of 9 provider types</p>	<p>Payment available for all health care professionals who are eligible to bill Medicare for professional services</p>

Source: Telehealth for Providers: What you need to know <https://www.cms.gov/files/document/telehealth-toolkit-providers.pdf>

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

Post Public Health Emergency Medicare PFS Changes

An official website of the United States government [Here's how you know](#) ▾

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Home > Medicare > Telehealth > List of Telehealth Services

Telehealth <

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- [Request for Addition](#)
- [CMS Criteria for Submitted Requests](#)
- [Review](#)
- [Deletion of Services](#)
- [Changes](#)
- [Adding Telehealth Services](#)
- List of Telehealth Services**


List of Telehealth Services

List of services payable under the Medicare Physician Fee Schedule when furnished via telehealth.

[List of Telehealth Services for Calendar Year 2022 \(ZIP\)](#) - Updated 01/05/2022

Page Last Modified: 01/05/2022 04:38 PM
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[Home](#) **CMS.gov** A federal government website managed and paid for by the U.S. Centers for Medicare & Medicaid Services. 7500 Security Boulevard, Baltimore, MD 21244



Note: PHE is currently scheduled to expire mid July 2022....151 day rule)

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

G2211 - Visit Complexity with certain Office/Outpatient E&M Services (Delayed until CY2024)

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

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

- *No Category 3 codes were added to M-Care Telehealth Services List (Cat 1)*
- *Extended waiver period into end of year that PHE ends (Dec 2022?) to allow more time for evaluation*
 - *Will CMS extend through 2023??*

Now What? 2022 Professional Fee Schedule

1. Back to the ~~Future~~ Past – Back to non-MSA/HPSA geographic patient location for most services
2. Telemental Health – Grand Prize Winner
 - Permanent access to telemental health services w/no geographic limit; patient home ok
 - But patient must be seen by provider within 6 mths initial visit and every 12 mths thereafter
 - Audio services still ok (may require additional documentation & lower level codes only)
3. No Category additional 3 Services were added to T-health but will continue to evaluate
4. RTM New set of codes for Remote Therapeutic monitoring (for non-physiologic data)

Now What? 2022 Professional Fee Schedule

5. Extended Virtual Check-in (G2252: Brief Communication technology-based service). Can include brief audio communications by qualified provider for an established patient (read this one carefully, as this code is not for E&M services and use is quite specific)
6. Medical Nutrition Therapy & Diabetes Self-Management Training Services. Must be provided by registered dietitians and nutrition professionals acting as distant site providers and must be based on a physician's referral.

In Other News.....



U.S. Department of Health and Human Services
Office of Inspector General

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Telehealth

Last Updated: 04-04-2022

Generally, telehealth is the remote or virtual delivery of health care services. Patients can receive a wide range of telehealth services, including check-ins with their primary care providers, mental health care, and specialty services. Similarly, telehealth can be provided through a wide range of technologies, including video chats, remote patient monitoring devices, and phone calls. The Department of Health and Human Services (HHS) has significant influence on how telehealth services are delivered and paid. For example, the Centers for Medicare & Medicaid (CMS) services establish payment and coverage



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Area to Watch – Pending Legislation

- [H.R. 7097](#): Telehealth Treatment and Technology Act of 2022 (3/2022)
- [2021 CONG US S 3593](#): Telehealth Extension and Evaluation Act (2/2022)
- [S. 150](#): Ensuring Parity in MA for Audio-Only Telehealth Act of 2021 (2/2021)
- [S. 155](#): Equal Access to Care Act (2/2021)
- [S. 340](#): Telehealth Response for E-prescribing Addiction Therapy Services (TREATS) Act (2/2021)
- [S. 368](#): Telehealth Modernization Act (2/2021)
- [S. 445](#): Mainstreaming Addiction Treatment Act of 2021 (2/2021)
- [S. 620](#): KEEP Telehealth Options Act of 2021 (3/2021)
- [S. 660](#): Tele-Mental Health Improvement Act (3/2021)
- [S. 801](#): Connected MOM Act (3/2021)
- [S. 1309](#): Home Health Emergency Access to Telehealth (HEAT) Act (4/2021)
- [S. 1704/H.R.5981](#): Telehealth Expansion Act (5/2021 & 6/2021)
- [S. 2061](#): Telemental Healthcare Access Act of 2021 (6/2021)
- [S. 2097](#): Telehealth Health Savings Account (HSA) Act (6/2021)
- [H.R. 1397](#): Telehealth Improvement for Kids' Essential Services (TIKES) Act (2/2021)
- [H.R. 2166](#): Ensuring Parity in MA and PACE for Audio-Only Telehealth Act (3/2021)
- [H.R. 2168](#): Expanded Telehealth Access Act (3/2021)
- [H.R. 3447](#): Permanency for Audio-Only Telehealth Act (5/2021)
- [H.R. 3755](#): Women's Health Protection Act of 2021 (6/2021)
- [H.R. 4012](#): Expanding Access to Mental Health Services Act (6/2021)
- [H.R. 4036/S.2112](#): Enhance Access to Support Essential Behavioral Health Services (EASE) Act (6/2021)
- [H.R. 5248](#): Temporary Responders for Immediate Aid in Grave Emergencies Act of 2021 (9/2021)
- [H.R. 318](#): Safe Testing at Residence Telehealth Act of 2021 (1/2021)
- [H.R. 5425](#): Protecting Rural Telehealth Access Act (9/2021)
- [S. 2110](#): Increasing Rural Telehealth Access Act of 2021 (6/2021)
- [S. 2111](#): Audio-Only Telehealth for Emergencies Act (6/2021)
- [S. 2173](#): Promoting Responsible and Effective Virtual Experiences through Novel Technology to Deliver Improved Access and Better Engagement with Tested and Evidence-based Strategies (PREVENT DIABETES) Act (6/2021)
- [S. 2197](#): Rural and Frontier Telehealth Expansion Act (1/2021)
- [H.R. 341](#): Ensuring Telehealth Expansion Act of 2021 (1/2021)
- [H.R. 366](#): Protecting Access to Post-COVID-19 Telehealth Act of 2021 (1/2021)
- [H.R. 596](#): The Advancing Connectivity During the Coronavirus to Ensure Support for Seniors (ACCESS) Act (1/2021)
- H.R. 708: (see S. 155) Temporary Reciprocity to Ensure Access to Treatment Act (TREAT) (1/2021)
- [H.R. 726](#): COVID-19 Testing, Reaching, And Contacting Everyone (TRACE) Act (2/2021)
- [H.R. 937](#): Tech To Save Moms Act (2/2021)
- [H.R. 1149](#): Creating Opportunities Now for Necessary and Effective Care Technologies (CONNECT) (4th reintroduction 4/2021)
- [H.R. 1406](#): COVID-19 Emergency Telehealth Impact Reporting Act (2/2021)
- [H.R. 2228](#): Rural Behavioral Health Access Act (3/2021)
- [H.R. 2903](#): CONNECT for Health Act (4/2021)
- [H.R. 3371](#): Home Health Emergency Access to Telehealth (HEAT) Act (5/2021)
- H.R. 4058/ [S.2061](#): Telemental Health Care Access Act of 2021 (6/2021)
- [H.R. 4437](#): HEALTH Act of 2021 (7/2021)
- [H.R. 4480](#): Telehealth Coverage and Payment Parity Act (7/2021)
- [H.R. 4670](#): Advanced Safe Testing at Residence Telehealth Act (A-START) (7/2021)
- [H.R. 4770](#): Evaluating Disparities and Outcomes of Telehealth (EDOT) (8/2021)
- [H.R. 4918](#): Rural Telehealth Expansion Act (8/2021)

Patient Services Reimbursement: Medicaid

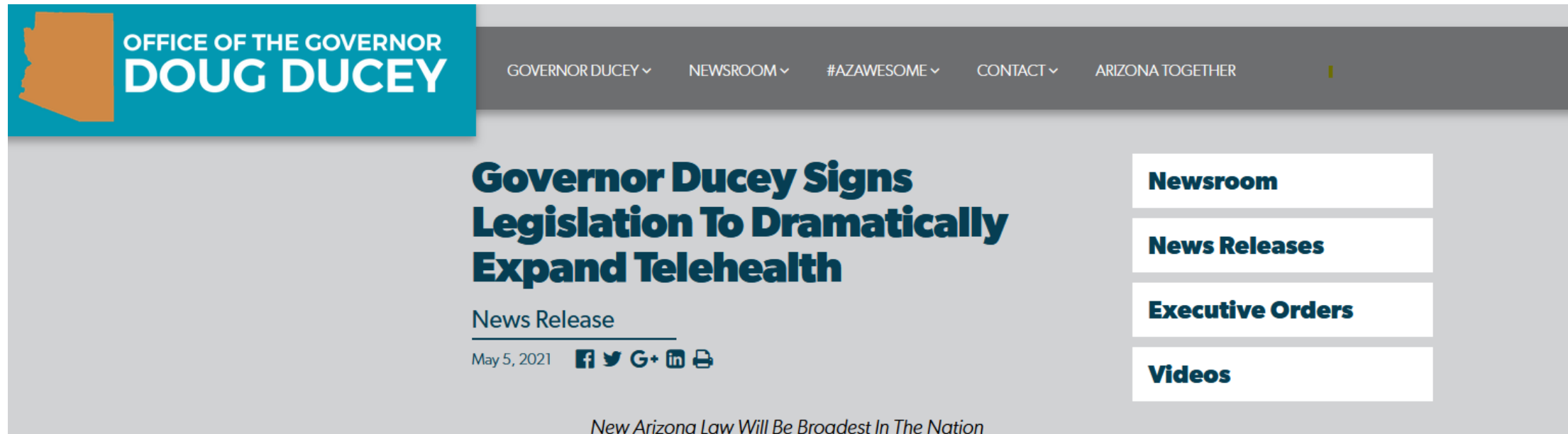
Medicaid – significant variability, determined state by state

- All 50 states & DC have some type of TH coverage

During PHE: Medicaid programs were given broad authority to utilize telehealth

Some states are now starting to pull back PHE waivers.

Update on Telehealth in Arizona



The screenshot shows the official website of the Office of the Governor Doug Ducey. The header features the state of Arizona logo and the text "OFFICE OF THE GOVERNOR DOUG DUCEY". Navigation links include "GOVERNOR DUCEY", "NEWSROOM", "#AZAWESOME", "CONTACT", and "ARIZONA TOGETHER". The main content area displays a news release titled "Governor Ducey Signs Legislation To Dramatically Expand Telehealth", dated May 5, 2021, with social media sharing icons. A sidebar on the right contains links to "Newsroom", "News Releases", "Executive Orders", and "Videos". A quote at the bottom reads, "New Arizona Law Will Be Broadest In The Nation".

**OFFICE OF THE GOVERNOR
DOUG DUCEY**

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Governor Ducey Signs Legislation To Dramatically Expand Telehealth

News Release

May 5, 2021 [f](#) [t](#) [G+](#) [in](#) [p](#)

New Arizona Law Will Be Broadest In The Nation

Newsroom

News Releases

Executive Orders

Videos

In 2020 Four TH Executive Orders were Passed in AZ

1. **3/11/2020 E.O. 2020-07: *Proactive Measures to Protect Against Covid-19***
 - Required insurers to cover TM payments at same rate as in-person
2. **3/25/2020 E.O. 2020-15: *Expansion of Telemedicine***
 - Required insurers to fully cover TM services, patient home was an approved location and expanded types of healthcare providers able to use TM
3. **3/25/2020 E.O. 2020-19: *Telemedicine for Pets and Animals***
 - Ensured individuals had access to TM to treat their pets and animals
4. **4/11/2020 E.O. 2020-29: *Increased Telemedicine Access for Workers Comp***
 - Ensured injured workers could utilize TM within WC system



In May 2021: AZ HOUSE BILL 2454

- One of many bills introduced in states throughout the country this year to continue TH coverage allowed in the post PHE
- HB 2454 permanently sustains the emergency measures put into place in response to the PHE in March 2020

AZ HB 2454 Passed May 5, 2021

- Telemedicine now called Telehealth and aligns all state definitions of TH
- Payment parity for In-person and TH services
- Services delivered in person also be covered though Telehealth unless weight of evidence demonstrates otherwise.
- Documentation and record-keeping cannot be more restrictive or less favorable to providers or patients than in-person
- Further expands the definition of telehealth to include audio-only to meet patient needs
 - No Faxes, E-mail, Voice mail or Instant Messaging
- Expands the list of recognized telehealth providers
- Telehealth coverage regardless of where the patient is located or the type of site

AZ HB 2454 Passed May 5, 2021

- Using best practices, lets providers determine when telehealth should be deployed and what technology s/b used.
- 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 AZ liability coverage, follow AZ standard of care and consent to AZ jurisdiction for litigation
 - In March 2022 temporary licenses were extended until Jan 1, 2023
- Establishes Advisory Committee on telehealth best practices appointed by the Governor
- Prohibits agencies from requiring in-person examination when issuing prescriptions.
- Worker's Comp Med Exams ok by TH

Summary of HB2454: https://www.azleg.gov/legtext/55leg/1R/summary/H.HB2454_012921_HHS.DOCX.htm

Private Insurance

Private Insurance

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

According to UnitedHealth CMO:

- In 2021 UnitedHealth Group saw TH visits increase to 28M (2500% incr from pre-PHE)
 - Almost same as in 2020 and continuing in 2022
- 50% of virtual visits were for BH
 - 63% of all BH was virtual, up from 1.5% pre-PHE
- Virtual care users aged 25-44 grew from 36% in 2020 to 38% in 2021
- Women VC users grew from 62% in 2020 to 64% in 2021
- Net cost savings per telemedicine visit was calculated to range from \$19-\$121 per visit

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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Summary of HB2454: https://www.azleg.gov/legtext/55leg/1R/summary/H.HB2454_012921_HHS.DOCX.htm

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Questions?

Gail Barker

barkerg@arizona.edu