Update on Telehealth Policies

March 2, 2021

LOMA LINDA UNIVERSITY
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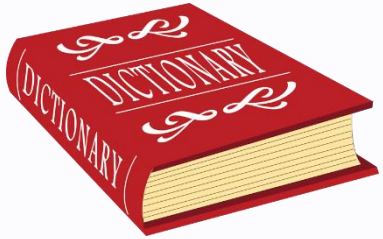
Key Telehealth Terminology

- **Originating site**: site where a patient is located at the time health services are provided via a telecommunications system or where the asynchronous store and forward interaction originates

- **Distant site**: site where a healthcare provider is located while providing health services via a telecommunications system

- **Synchronous interaction:** real-time interaction between a patient and healthcare provider

- **Asynchronous interaction (or store and forward):** transmission of a patient's medical information from an originating site to the healthcare provider at a distant site without the patient being present

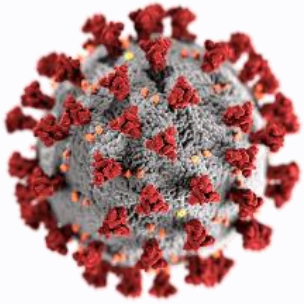


Reminder on Public Health Emergency

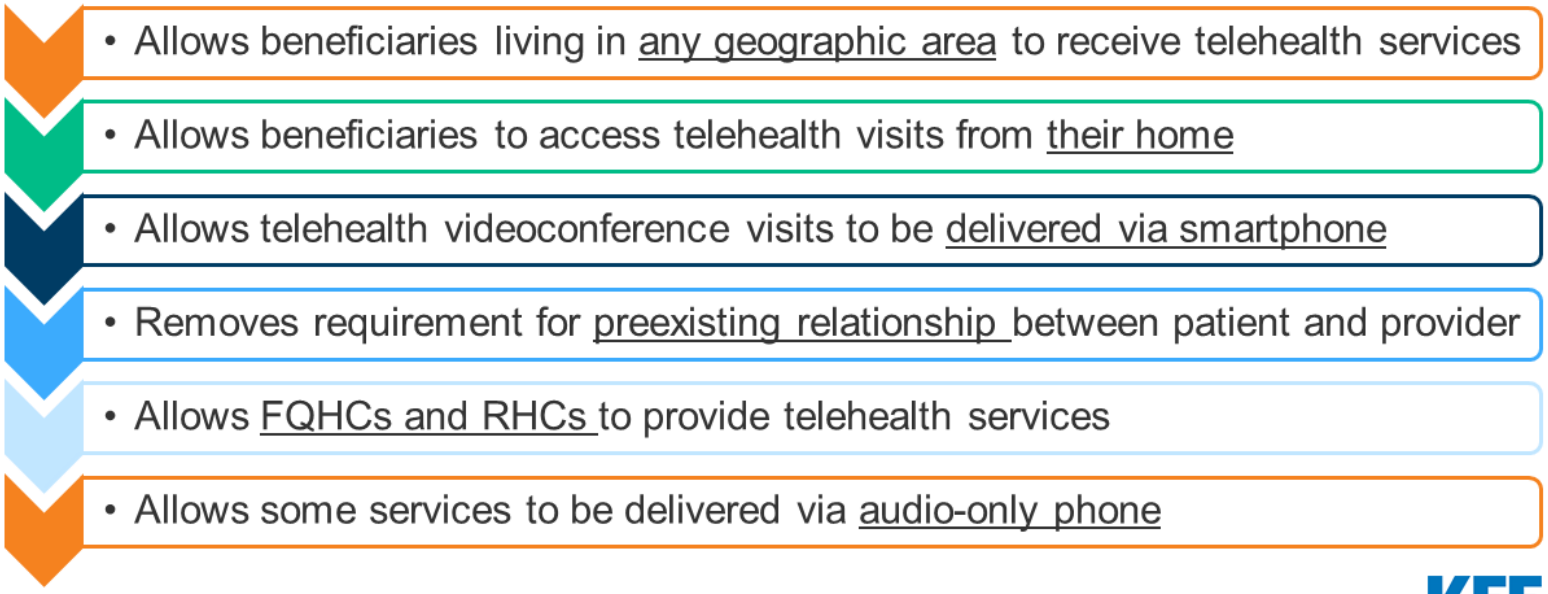
- The U.S. Secretary of Health and Human Services (**HHS**) declared COVID-19 pandemic a **Public Health Emergency (PHE)** on January 31, 2020, and it has been renewed every 90 days.

- The current PHE is valid until April 20, 2021, and it will likely remain in place for the duration of 2021.

- All the temporary waivers and changes regarding telehealth that were effected during the PHE and covered at the September presentation are still in place as a result.



Reminder on Key Temporary Federal Changes during the PHE



NOTES: Changes enacted as part of the Coronavirus Preparedness and Response Supplemental Appropriates Act and the CARES Act.
SOURCE: Centers for Medicare and Medicaid Services (CMS), Medicare Telemedicine Health Care Provider Fact Sheet, March 2020. CMS Press Release. March 30, 2020.

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2021 Medicare Physician Fee Schedule Final Rule by CMS & Telehealth

- Finalized 114 Category 2 codes for telehealth which are cleared for use outside of CMS' normal restrictive distant-and-originating-site requirements and are eligible for other flexibilities under the PHE

- Created a new Category 3 for services that will remain on the telehealth list through the calendar year in which the PHE ends and added 13 codes to Category 3

- Did NOT expand the geographic region or permanently remove the geographic restrictions that limit telehealth to Medicare beneficiaries in rural areas (so once the PHE ends, the restrictions will return)

- Did NOT finalize separate payment for audio-only telehealth services following the conclusion of the PHE

Proposed Policy Changes: Federal

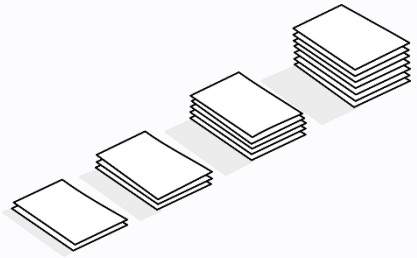
- Many bipartisan telehealth bills introduced in the 117th Congress
- Some are reintroduced versions of legislation proposed in the 116th Congress
- **Protecting Access to Post-COVID-19 Telehealth Act of 2021 (HR 366)**: introduced by a bipartisan group in late January 2021 to permanently expand many of the temporary telehealth flexibilities allowed during the PHE

Proposed Policy Changes: Federal

- Some of the key components of the **Protecting Access to Post-COVID-19 Telehealth Act of 2021 (HR 366)**:
  - Eliminates Medicare's geographic restrictions starting Dec 31, 2021
  - Allows the home as an originating site for all eligible services starting January 1, 2022
  - Grants the Department of Health & Human Services (HHS) permanent disaster waiver authority to expand telehealth
  - Authorizes CMS to reimburse for telehealth 90 days after the PHE is rescinded
  - Requires HHS to conduct a comprehensive study on telehealth utilization, costs, and geographic disparities
  - Allows FQHCs and RHCs to bill as distant site providers

Proposed Policy Changes: Federal

- **Ensuring Telehealth Expansion Act of 2021 (HR 341)** by Rep Roger Williams (R-TX)
  - Removes the originating site restrictions
  - Allows FQHCs and RHCs to bill as distant site providers
  - Permanently waives the face-to-face visit requirement between home dialysis patients and physicians
  - Allows the use of telehealth to conduct a “face-to-face” encounter for the recertification of eligibility for hospice care
- Many other federal bills currently in the works but without published texts containing details (stay tuned)



Proposed Policy Changes: California

- On **January 8, 2021**, Governor Newsom unveiled his FY 2022 budget proposal which includes $94 million in total funds to implement Medi-Cal coverage of remote patient monitoring (RPM) services and make permanent certain telehealth flexibilities allowed during the pandemic

- On **February 2, 2021,** the Department of Health Care Services (DHCS) released a description of proposed policy changes for Medi-Cal

- On the same date, trailer bill language for telehealth policy proposals contained in Governor Newsom's FY 2022 budget was released, providing additional details on which flexibilities are proposed to become permanent post-pandemic

Proposed Policy Changes: California

- Both the DHCS proposal and the trailer bill language propose the following temporary changes to become permanent, effective **July 1, 2021**, or in accordance with federal approvals:
  - Require payment parity for the following:
    - Synchronous telehealth modalities, excluding telephonic/audio-only
    - FQHCs/RHCs when using synchronous modalities
    - Synchronous modalities and services in both FFS and managed care
  - Allow the use of clinically appropriate telephonic/audio-only, other virtual communication, and RPM for **established patients only**
    - Not billable by FQHCs/RHCs
    - Subject to a separate fee schedule and additional, unspecified billing, reimbursement, and utilization management policies of DHCS

Proposed Policy Changes: California

- Proposed changes continued…
  - Allow the patient's home to be an originating site if within federal designated service areas for FQHCs and RHCs
  - Allow specified FQHC and RHC providers to establish a new patient through synchronous telehealth if the patient is located within its federal designated service area and the service is provided through synchronous telehealth
  - Expand synchronous and asynchronous telehealth services to 1915(c) waivers, Targeted Care Management (TCM) and Local Education Agency Medi-Cal Billing Option Program (LEABOP)
  - Add synchronous telehealth and telephonic/audio-only services to State Plan Drug-Medi-Cal, subject to DHCS' billing, reimbursement and utilization management policies

Proposed Policy Changes: California

- **AB 32. Telehealth**
  - Requires DHCS to indefinitely continue the telehealth flexibilities allowed during the COVID-19 pandemic state of emergency
  - Requires DHCS to convene by January 2022 an advisory group with specified membership to provide input on the development of a revised Medi-Cal telehealth policy that promotes specified principles
  - Requires DHCS to complete by December 2024 an evaluation to assess the benefits of telehealth in Medi-Cal, including an analysis of improved access for patients, changes in health quality outcomes and utilization, and best practices for the right mix of in-person visits and telehealth
  - Requires DHCS to report its findings and recommendations from the evaluation to the appropriate policy and fiscal committees of the Legislature by no later than July 1, 2025

Proposed Policy Changes: California

- **AB 935. Telehealth: Mental Health**
  - Requires health care service plans and health insurers, by July 1, 2022, to provide access to a telehealth consultation program that meets specified criteria and provides providers who treat children and pregnant and certain postpartum persons with access to a mental health consultation program
  - Requires the consultation by a mental health clinician with expertise appropriate for pregnant, postpartum, and pediatric patients to be conducted by telephone or telehealth video and to include guidance on the range of evidence-based treatment options, screening tools, and referrals
  - Requires health care service plans and insurers to communicate information related to telehealth program at least twice a year in writing

Future Outlook

- Stay tuned for what happens with these proposed bills!
- Telehealth will play a bigger role in the future compared to the pre-pandemic era
- Federal and state policy makers will need to be proactive and enact sound telehealth policies that can improve health and address gaps/disparities
- Telecommunications technology will need to also expand/improve

Thank You!

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