



Coverage of and payment for telemedicine

Categories of telemedicine technologies

Store-and-forward telemedicine involves the transmittal of medical data (such as medical images and bio signals) to a physician or medical specialist for assessment. It does not require the presence of both parties at the same time and has thus become popular with specialties such as dermatology, radiology and pathology, which can be conducive to asynchronous telemedicine.

Remote monitoring, or self-monitoring or testing, enables medical professionals to monitor a patient remotely using various technological devices. This method is typically used to manage chronic diseases or specific conditions (e.g., heart disease, diabetes mellitus or asthma) with devices that can be used by patients at home to capture such health indicators as blood pressure, glucose levels, ECG and weight.

Interactive telemedicine services provide real-time, face-to-face interaction between patient and provider (e.g., online *portal* communications). Telemedicine, where the patient and provider are connected through real-time audio and video technology (generally a requirement for payment), has been used as an alternative to traditional in-person care delivery, and in certain circumstances can be used to deliver such care as the diagnosis, consultation, treatment, education, care management and self-management of patients.

Current health plan coverage of and payment for telemedicine services

- The coverage of and payment for telemedicine services vary widely. While public and private payers have continued to develop formal mechanisms to pay for telemedicine services, inconsistencies remain that create barriers to the further adoption of telemedicine.
- Medicare provides payment to physicians and other health professionals for a relatively narrow list of Part B services that are provided via telemedicine. The originating sites where Medicare beneficiaries receiving services via telemedicine are located are limited to qualified centers in areas defined as rural Health Professional Shortage Areas (HPSAs), counties outside

metropolitan statistical areas, and areas approved by the government for demonstration of telemedicine. The telemedicine services covered by Medicare are required to have both interactive audio and video with real-time communication. Coverage of store-and-forward telemedicine services is currently only allowed in Hawaii and Alaska as part of a demonstration program. Additional requirements for in-person visits exist for certain illnesses. Medicare Advantage plans can provide additional coverage of telemedicine services through the provision of supplemental benefits.

- Forty-six states and the District of Columbia (DC) offer some form of Medicaid payment for telemedicine services. While the Medicaid programs in all of these states and DC pay for some services administered via real-time audio and video technologies, the Medicaid programs in only nine states at some level pay for store-and-forward, and 14 states pay for remote patient monitoring.
- Some of the leading private health insurers provide coverage and payment for telemedicine, with varying approaches to doing so. Nineteen states and DC have adopted laws mandating that private payers cover what the states deem as telemedicine services, with definitions varying by state.

AMA principles for ensuring the appropriate coverage of and payment for telemedicine services

- A valid patient-physician relationship must be established *before* the provision of telemedicine services, through:
 - A face-to-face examination, if a face-to-face encounter would be required in the provision of the same service in the real world;
 - A consultation with another physician who has an ongoing patient-physician relationship with the patient; or
 - Meeting evidence-based practice guidelines on telemedicine regarding establishing a patient-physician relationship developed by major medical specialty societies.

Exceptions to the foregoing include on-call, cross coverage situations; emergency medical treatment; and other exceptions that become recognized as meeting or improving the standard of care.

- Physicians and other health practitioners delivering telemedicine services must be licensed in the state where the patient receives services, or be providing these services as otherwise authorized by that state's medical board. They must also abide by state licensure laws and state medical practice laws and requirements in the state in which the *patient* receives services. The delivery of telemedicine services must be consistent with state scope of practice laws.
- The standards and scope of telemedicine services should be consistent with related in-person services. The delivery of telemedicine services must follow evidence-based practice guidelines, to the degree they are available, to ensure patient safety, quality of care and positive health outcomes.
- Patients seeking care delivered via telemedicine must have a choice of provider, and have access to the licensure and board certification qualifications of the health care practitioners who are providing the care in advance of their visit. Patients must also be made aware of their cost-sharing responsibilities and any limitations in drugs that can be prescribed in advance of the provision of the telemedicine service.
- The patient's medical history must be collected as part of the provision of any telemedicine service. The provision of telemedicine services must be properly documented and should include providing a visit summary to the patient. Telemedicine services must abide by laws addressing the privacy and security of patients' medical information.
- The provision of telemedicine services must include care coordination with the patient's medical home and/or existing treating physicians. Protocols for referrals for emergency services must also be established.

Strategies to improve coverage of and payment for telemedicine services

At the state level:

- Support regulations created by your state's medical board that ensure the safe and appropriate practice of telemedicine.
- Support state legislation that authorizes or requires coverage of and payment for telemedicine services.

- Support state legislation that requires physicians and other health practitioners delivering telemedicine services to patients in your state to be licensed in your state or provide these services as otherwise authorized by your state's medical board.
- Consider state legislation that ensures the safe and appropriate practice of telemedicine, such as by ensuring that physicians and others practicing telemedicine abide by your state's licensure and medical practice laws and requirements, and ensuring that telemedicine services are provided consistent with state scope of practice laws.

At the federal level:

- Support additional research to develop a stronger evidence base for telemedicine by increasing funding for research under the Center for Medicare & Medicaid Innovation (CMMI) and the Patient Centered Outcomes Research Institute.
- Support the expansion of pilot programs under Medicare to enable coverage of telemedicine services, including, but not limited to, store-and-forward telemedicine.
- Support demonstration projects under the auspices of the CMMI to address how telemedicine can be integrated into new payment and delivery models.
- Allow telemedicine services not currently covered under Medicare to be covered services for alternative payment models (APM) and qualifying APM participants.
- Explore expanding access to telemedicine services under the Medicare program by removing current law geographic restrictions.
- Consider increasing the telemedicine coverage of dual-eligible beneficiaries to the level of their Medicaid-only counterparts.
- Encourage national medical specialty societies to take the lead in the development of telemedicine clinical practice guidelines, and develop appropriate and comprehensive practice parameters, standards, and guidelines to address the clinical and technological aspects of telemedicine.