

CENTER FOR CONNECTED HEALTH POLICY

The Center for Connected Health Policy (CCHP) is a nonprofit, nonpartisan organization that develops and advances telehealth policy solutions that promote improvements in health and health care systems.

Telehealth is poised to improve health service access and outcomes, particularly among the medically underserved, all while improving costs. With these benefits in mind, CCHP:

- Serves as a state and national resource on telehealth policy issues;
- Identifies policy barriers through objective research;
- Provides unbiased policy analyses and recommendations;
- Educates decision makers about telehealth's optimal role in the evolving health care landscape.

As the federally designated National Telehealth Policy Resource Center (NTRC-P), CCHP provides technical assistance to twelve Regional Telehealth Resource Centers (TRCs) nationwide, and serves as a national resource on telehealth policy issues. The NTRC-P project is made possible by Grant #G22RH20214 from the Office of the Advancement of Telehealth, Health Resources and Services Administration, Department of Health and Human Services.

CCHP was created in 2008 by the California Health Care Foundation, who remains its lead funder. CCHP is a program of the Public Health Institute.

Changes to Medicare Telehealth Policy

On December 2, 2013, CMS released its final rule on their July 19, 2013 proposed change to the Medicare Program's definition of "rural" as it relates to telehealth. Additionally, CMS published which additional telehealth-delivered services will be reimbursable under the Medicare program. These changes will go into effect on January 1, 2014.

RURAL DEFINITION

CMS will not modify the proposed rural definition change, originally published in July 2013. Current law requires that the patient must physically be located at an originating site in one of three possible geographical locations in order for telehealth delivered services to be eligible for reimbursement under Medicare:

- An originating site located in a county that is not a Metropolitan Statistical Area (MSA);
- An originating site located in an area designated as a rural health professional shortage area (HPSA) under section 332(a)(1)(A) of the Public Health Service Act (PHSA); **or**
- A site participating in a federal telemedicine demonstration project as of December 31, 2000.¹

CMS will now define rural HPSAs to be those areas located in rural census tracts as determined by the Office of Rural Health Policy (ORHP). This will allow inclusion of geographic areas located in rural census tracts within MSAs as additional HPSAs eligible to be telehealth originating sites. Additionally, the geographic eligibility for an originating site will be established and maintained on an annual basis.

Due to comments received to the proposed definition, CMS has also agreed to two other elements:

- Data to determine which areas are “rural” will be updated to reflect 2010 census information; and
- Due to the complexity in determining the eligibility of a location under the new definition, CMS will be working with the Health Resources and Services Administration (HRSA) to develop a website tool to provide assistance to determine eligibility of potential originating sites.

ADDITIONAL SERVICES TO LIST OF MEDICARE TELEHEALTH SERVICES

Each year CMS considers adding services to the list of reimbursable telehealth delivered services in the Medicare program. To be added to the list, the proposed services must fall into one of two categories:

- **Category 1:** Services that are similar to professional consultations, office visits, and office psychiatry services that are currently on the list of telehealth services. The request is evaluated based on the similarities between the services already eligible for reimbursement, and that of the requested service.
- **Category 2:** Services that are not similar to the current list of telehealth services. The assessment will be based on whether the service is accurately described by the corresponding code when delivered via telehealth, and whether the use of a telecommunications system to deliver the services produces a demonstrated clinical benefit to the patient. Supporting documentation should be included.

This year, CMS will be adding CPT codes 99495 and 99496 to the list of reimbursable telehealth delivered services in Medicare.

- **99495** - Transitional care management services with the following required elements:
 - Communication (direct contact, telephone, electronic) with the patient and/or caregiver within 2 business days of discharge
 - Medical decision making of at least moderate complexity during the service period
 - Face-to-face visit within 14 calendar days of discharge
- **99496** – Transitional care management services with the following required elements:
 - Communication (direct contact, telephone, electronic) with the patient and/or caregiver within 2 business days of discharge
 - Medical decision making of high complexity during the service period
 - Face-to-face visit within 7 calendar days of discharge

CMS is still soliciting public requests to add services to the list of Medicare telehealth services. To be considered for CY 2015, requests must be submitted by December 31, 2013 or the close of the comment period for this final rule (5 pm on January 27, 2014).

For telehealth services provided on or after January 1, 2014, the telehealth originating site facility fee is increased by 0.8 percent.