

MEDICAID SERVICES MANUAL
TRANSMITTAL LETTER

July 26, 2017

TO: CUSTODIANS OF MEDICAID SERVICES MANUAL

FROM: LYNNE FOSTER, CHIEF OF DIVISION COMPLIANCE

SUBJECT: MEDICAID SERVICES MANUAL CHANGES
CHAPTER 3400 – TELEHEALTH SERVICES

BACKGROUND AND EXPLANATION

Revisions to Medicaid Services Manual (MSM) Chapter 3400, Telehealth Services, are being proposed for language change to clarify the telehealth originating site. If the originating site is not enrolled in Medicaid, the site is not eligible for a facility fee from the Division of Health Care Financing and Policy (DHCFP).

Throughout the chapter, grammar, punctuation and capitalization changes were made, duplications removed, acronyms used and standardized and language reworded for clarity. Renumbering and re-arranging of sections was necessary.

Entities Financially Affected: Outpatient Surgery (Provider Type (PT) 10), Hospital, Inpatient (PT 11), Hospital, Outpatient (PT 12), Psychiatric Hospital, Inpatient (PT 13), Behavioral Health Outpatient Treatment (PT 14), Special Clinics (PT 17), Nursing Facility (PT 19), Physician, M.D., Osteopath, D.O. (PT 20), Podiatrist (PT 21), Dentist (PT 22), Advanced Registered Nurses (PT 24), Optometrist (PT 25), Psychologist (PT 26), Radiology & Noninvasive Diagnostic Centers (PT 27), Home Health Agency (HHA) (PT 29), Personal Care Aide (PCA) (PT 30), Ambulance, Air or Ground (PT 32), Durable Medical Equipment (DME) (PT 33), Therapy (PT 34), Chiropractor (PT 36), Home & Community Based Waiver – Waiver for Individuals with Intellectual Disabilities and Related Conditions (ID) (PT 38), Adult Day Health Center (PT 39), Primary Care Case Management Services (PT 40), Optician, Optical Business (PT 41), Outpatient Psychiatric Hospital Private and Community Health Center (PT 42), Laboratory Pathology/Clinical (PT 43), Swing Bed Acute Hospital (PT 44), End Stage Renal Disease (ESRD) Facility (PT 45), Ambulatory Surgical Centers (ASC) (PT 46), Indian Health Programs (IHP) and Tribal Clinics (PT 47), Home and Community Based Waiver for the Frail Elderly (PT 48), Indian Health Program Hospital Inpatient (PT 51), Indian Health Program Hospital Outpatient (PT 52), Transitional Rehabilitative Center, Outpatient (PT 55), Rehabilitation, Specialty and Long Term Acute Care Hospital (PT 56), Elderly in Adult Residential Care Waiver (PT 57), Waiver for People with Physical Disabilities (PT 58), Home and Community Based Assisted Living Waiver (PT 59), School Based (PT 60), Health Maintenance Organizations (HMO) (PT 62), Residential Treatment Center (RTC) (PT 63), Hospice (PT 64), Hospice Long Term Care (PT 65), Intermediate Care Facilities for Individuals with Intellectual Disabilities/Private (PT 68), Nurse Anesthetist (PT 72), Nurse Midwife (PT 74), Critical Access Hospital Inpatient (PT 75), Audiologist (PT 76), and

Physician’s Assistant (PT 77), Indian Health Program (IHP) Hospital Inpatient (Non-Tribal) (PT 78), IHP Hospital Outpatient (Non-Tribal) (PT 79), IHP Travel (Non-Tribal) (PT 80), Behavioral Health Rehabilitative Treatment (PT 82) and Personal Care Aide (PCA) – Intermediary Service Organization (PT 83).

There will be no financial impact on local government.

These changes are effective July 27, 2017.

MATERIAL TRANSMITTED

CL 30886
TELEHEALTH SERVICES

MATERIAL SUPERSEDED

MTL 30/15, 22/16
TELEHEALTH SERVICES

Manual Section	Section Title	Background and Explanation of Policy Changes, Clarifications and Updates
3403.1	Telehealth Originating Site	Capitalization correction in Section A with language revision in Section B, removing “without an enrolled Medicaid provider onsite,” adding, an originating site “not enrolled in Medicaid,” punctuation correction in Section C, and removal of the word “then.”

DRAFT	MTL 22/16CL
DIVISION OF HEALTH CARE FINANCING AND POLICY	Section: 3403
MEDICAID SERVICES MANUAL	Subject: POLICY

3403 TELEHEALTH POLICY

The DHCFP reimburses for telehealth services. The originating site must be located within the state. "Telehealth" is defined as the delivery of service from a provider of health care to a patient at a different location through the use of information and audio-visual communication technology, not including standard telephone, facsimile or electronic mail. Services provided via telehealth must be clinically appropriate and within the health care professional's scope of practice as established by its licensing agency. Services provided via telehealth have parity with in-person health care services. Health care professionals must follow the appropriate Medicaid Services Manual (MSM) policy for the specific service they are providing.

- A. Photographs must be specific to the patient's condition and adequate for rendering or confirming a diagnosis or a treatment plan. Dermatologic photographs (e.g., photographs of a skin lesion) may be considered to meet the requirement of a single media format under this instruction.
- B. Reimbursement for the DHCFP covered telehealth services must satisfy federal requirements of efficiency, economy and quality of care.
- C. All participating providers must adhere to requirements of the Health Insurance Portability and Accountability Act (HIPAA). The DHCFP may not participate in any medium not deemed appropriate for protected health information by the DHCFP's HIPAA Security Officer.

3403.1 TELEHEALTH ORIGINATING SITE

The originating site is defined as the location where a patient is receiving telehealth services from a provider of health care located at a distant site (via a HIPAA-compliant telecommunications system).

- A. In order to receive coverage for a telehealth facility fee, the originating site must be an enrolled Medicaid ~~P~~provider.
- B. If a patient is receiving telehealth services at an originating site ~~not enrolled in without an enrolled~~ Medicaid ~~provider onsite~~, ~~theat~~ originating site is not eligible for a facility fee from the DHCFP. Examples of this include, but are not limited to, cellular devices, home computers, kiosks and tablets.
- C. Facilities that are eligible for encounter reimbursement (e.g. Indian Health (IH) programs, Federally Qualified Health Centers (FQHCs), Rural Health Centers (RHCs)) may bill for an encounter in lieu of an originating site facility fee, if the distant site is for ancillary services (i.e. consult with specialist). If, for example, the originating site and distant site are two different encounter sites, ~~then~~ the originating encounter site must bill the telehealth

	MTL 22/16
DIVISION OF HEALTH CARE FINANCING AND POLICY	Section: 3403
MEDICAID SERVICES MANUAL	Subject: POLICY

originating HCFA Common Procedural Coding System (HCPCS) code and the distant encounter site may bill the encounter code.

3403.2 TELEHEALTH DISTANT SITE

The distant site is defined as the location where a provider of health care is providing telehealth services to a patient located at an originating site. The distant site provider must be an enrolled Medicaid provider.

3403.3 SYNCHRONOUS TELEHEALTH SERVICES

Synchronous telehealth interactions are defined as real-time interactions between a recipient located at an originating site and a health care provider located at a distant site. A provider has direct visualization of the patient.

3403.4 ASYNCHRONOUS TELEHEALTH SERVICES

Asynchronous telehealth services, also known as Store-and-Forward, are defined as the transmission of a patient's medical information from an originating site to the health care provider distant site without the presence of the recipient. The DHCFP reimburses for services delivered via asynchronous telehealth, however, these services are not eligible for originating site facility fees.

3403.5 COVERAGE AND LIMITATIONS

The following coverage and limitations pertain to telehealth services:

- A. The medical examination of the patient is under the control of the health care professional at the distant site.
- B. While the distant physician or provider may request a telepresenter, a telepresenter is not required as a condition of reimbursement.
- C. Licensed Clinical Psychologist (LCP), Licensed Clinical Social Worker (LCSW) and clinical staff employed and determined by a state mental health agency to meet established class specification qualifications of a Mental Health Counselor, Clinical Social Worker or Psychological Assistant may bill and receive reimbursement for psychotherapy (via a HIPAA-compliant telecommunication system), but may not seek reimbursement for medical evaluation and management services. Refer to MSM Chapter 400, Mental Health and Alcohol and Substance Abuse Services, for medical coverage requirements.