

MEDICAID SERVICES MANUAL
TRANSMITTAL LETTER

July 26, 2016

TO: CUSTODIANS OF MEDICAID SERVICES MANUAL

FROM: LYNNE FOSTER, CHIEF OF DIVISION COMPLIANCE *(Lynne Foster)*

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 to further clarify previous changes and definitions, and ensure alignment with AB 292, a Nevada bill that expanded telehealth to remove restrictions on providers and services. This creates parity between in-person and telehealth appropriate services. Language that described limitations to specific categories for telehealth consultations has been deleted. The chapter was restructured for ease of reading and to eliminate redundancy. Group therapy has been added as an allowable service via telehealth. Clarification is added stating that facilities billing encounters for services can also bill encounters in lieu of the facility fee of the originating site.

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.

These changes are effective September 8, 2016.

MATERIAL TRANSMITTED	MATERIAL SUPERSEDED
MTL 22/16 Telehealth Services	MTL 30/15 Telehealth Services

Manual Section	Section Title	Background and Explanation of Policy Changes, Clarifications and Updates
Section 3403 (old)	Policy	Section deleted as unnecessary.
Section 3403 (new)	Telehealth Policy	Replaced “in rural, suburban or urban locations with no geographical restrictions within the state Nevada” to “within the state.”

Manual Section	Section Title	Background and Explanation of Policy Changes, Clarifications and Updates
Section 3403.1 (new)	Telehealth Originating Site	Renumbered to Section 3403.1; Renamed from “Telehealth Services at Originating Site” to “Telehealth Originating Site.” Provides NRS definition of an originating site; adds HIPAA-compliant requirement for a telehealth telecommunications system. Updated to require originating site to be an enrolled Medicaid provider to be eligible for facility fee reimbursement. States that facilities using encounter reimbursement can be reimbursed an encounter in lieu of a facility fee for ancillary services.
Section 3403.2 (new)	Telehealth Distant Site	Renumbered to Section 3403.2; Renamed from “Telehealth Service Providers at Distant Site” to “Telehealth Distant Site;” Provides NRS definition of distant site. Removes duplicative language pertaining to the distant site.
Section 3403.3 (new)	Synchronous Telehealth Services	New section added. Defines synchronous telehealth services.
Section 3403.4	Asynchronous Telehealth Services	Section name updated from Covered Telehealth Services as unnecessary due to expansion. Defines Asynchronous telehealth services as now covered service under telehealth expansion. Language deleted due to redundancy.
Section 3403.5	Coverage and Limitations	Changed “patient” to “recipient.” Deleted language regarding Subsequent Hospital Care, Subsequent Nursing Facility Care and Inpatient Telehealth Consultations that applied telehealth limitations and are no longer applicable. Removed “individual” from reference to psychotherapy. Moved language up to subsection C from subsection a stating that mental health workers cannot be reimbursed for evaluation and management services, only psychotherapy. Changes “face-to-face” to the correct term, “in-person.” Removes irrelevant language related to smoking cessation policy.
Section 3403.6	Non Covered Services	Removes language that prevents asynchronous telehealth reimbursement. Removed section A. and B. regarding telecommunications and radiology.

Manual Section	Section Title	Background and Explanation of Policy Changes, Clarifications and Updates
Section 3403.7 (old)	Recipient Responsibility	Section deleted as it is duplicative to prior sections.
Section 3403.7 (new)	Prior Authorization	Renumbered.
Section 3403.8	Hearings	Renumbered.

DIVISION OF HEALTH CARE FINANCING AND POLICY

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3400 INTRODUCTION

Telehealth is the use of a telecommunications system to substitute for an in-person encounter for professional consultations, office visits, office psychiatry services and a limited number of other medical services.

All providers participating in the Medicaid and Nevada Check Up (NCU) programs must offer services in accordance with the rules and regulations of the Division of Health Care Financing and Policy (DHCFP).

Telehealth services are an optional benefit within the DHCFP.

All Medicaid policies and requirements (such as prior authorization, etc.) are the same for NCU. For further clarification, please refer to the NCU Manual, Chapter 1000.

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3401 AUTHORITY

The State Legislature grants authority to the relevant professional licensure boards to set the standard of practice for licensed professionals in the Nevada Revised Statutes (NRS) for the following specialists:

- A. NRS-Chapter 449-Hospitals;
- B. NRS-Chapter 629-Healing Arts Generally;
- C. NRS-Chapter 630-Physicians and Physician Assistants;
- D. NRS-Chapter 632-Nursing;
- E. NRS-Chapter 633-Osteopathic Medicine; and
- F. NRS-Chapter 641-Psychologists, Social Workers.

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3402 RESERVED

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3403 TELEHEALTH POLICY

The Division of Health Care Financing and Policy (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 Provider.**
- B. **If a patient is receiving telehealth services at an originating site without an enrolled Medicaid provider onsite, that 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**

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are two different encounter sites, then the originating encounter site must bill the telehealth originating 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.

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D. End Stage Renal Disease (ESRD)

1. ESRD visits must include at least one **in-person** visit to examine the vascular access site by a provider; however, an interactive audio/video telecommunications system may be used for providing additional visits.
2. Medical records must indicate that at least one of the visits was furnished **in-person** by a provider. Refer to MSM Chapter 600 **Physician Services**, for medical coverage requirements.

3403.6 NON-COVERED SERVICES

- A. **Telephone calls;**
- B. **Images transmitted via facsimile machines (faxes);**
- C. **Text messages;**
- D. **Electronic mail (email); and**
- E. **The following services must be provided in-person and are not considered appropriate services to be provided via telehealth:**
 1. **Basic skills training and peer-to-peer services provided by a Qualified Behavioral Assistant (QBA) as identified in provider qualifications found in MSM Chapter 400, Mental Health and Alcohol and Substance Abuse Services;**
 2. **Personal care services provided by a Personal Care Attendant (PCA) as identified in provider qualifications found in MSM Chapter 2600, Intermediary Service Organization and MSM Chapter 3500, Personal Care Services;**
 3. **Home Health Services provided by a Registered Nurse, Physical Therapist, Occupational Therapist, Speech Therapist, Respiratory Therapist, Dietician or Home Health Aide as identified in provider qualifications found in MSM Chapter 1400, Home Health Agency; and**
 4. **Private Duty Nursing services provided by a Registered Nurse as identified in provider qualifications found in MSM Chapter 900, Private Duty Nursing.**

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3403.7 PRIOR AUTHORIZATION

Telehealth services follow the same prior authorization requirements as services provided in person. Utilization of telehealth services does not require prior authorization, however, individual services delivered via telehealth may require prior authorization. It is the provider’s responsibility to refer to the individual medical coverage policies through the MSM for coverage requirements.

3403.8 HEARINGS

Please reference MSM Chapter 3100, Hearings for Medicaid recipient hearing procedure.

