

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**

MTL 16/17  
TELEHEALTH SERVICES

**MATERIAL SUPERSEDED**

MTL 30/15, 22/16  
TELEHEALTH SERVICES

<b>Manual Section</b>	<b>Section Title</b>	<b>Background and Explanation of Policy Changes, Clarifications and Updates</b>
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**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.”

DIVISION OF HEALTH CARE FINANCING AND POLICY

MEDICAID SERVICES MANUAL  
TABLE OF CONTENTS

TELEHEALTH SERVICES

3400	INTRODUCTION .....	1
3401	AUTHORITY .....	1
3402	RESERVED .....	1
3403	TELEHEALTH POLICY .....	1
3403.1	TELEHEALTH ORIGINATING SITE .....	1
3403.2	TELEHEALTH DISTANT SITE .....	2
3403.3	SYNCHRONOUS TELEHEALTH SERVICES .....	2
3403.4	ASYNCHRONOUS TELEHEALTH SERVICES .....	2
3403.5	COVERAGE AND LIMITATIONS .....	2
3403.6	NON-COVERED SERVICES .....	3
3403.7	PRIOR AUTHORIZATION .....	4
3403.8	HEARINGS .....	4

	MTL 30/15
DIVISION OF HEALTH CARE FINANCING AND POLICY	Section: 3400
MEDICAID SERVICES MANUAL	Subject: INTRODUCTION

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.

	MTL 30/15
DIVISION OF HEALTH CARE FINANCING AND POLICY	Section: 3401
MEDICAID SERVICES MANUAL	Subject: AUTHORITY

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.

	MTL 30/15
DIVISION OF HEALTH CARE FINANCING AND POLICY	Section: 3402
MEDICAID SERVICES MANUAL	Subject: RESERVED

3402            RESERVED

	<b>MTL 16/17</b>
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 provider.
- B. If a patient is receiving telehealth services at an originating site **not enrolled in** Medicaid, the 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, 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.



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

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 (RN), Physical Therapist (PT), Occupational Therapist, Speech Therapist, Respiratory Therapist, Dietician or Home Health Aide as identified in provider qualifications found in MSM Chapter 1400, Home Health Agency (HHA); and
  4. Private Duty Nursing services provided by an RN as identified in provider qualifications found in MSM Chapter 900, Private Duty Nursing.

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

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.

