



**TEXAS SESSION:
NEW TELEMEDICINE RULES FOR TEXAS
Presentation to the National Association of
Rural Health Clinics**

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Background- Nora Belcher

- 20+ years in public policy with an emphasis on health care technology
- Senior leadership roles in Texas Medicaid and the Governor's Office
- Involved in starting the SXSW Health and MedTech Expo
- Won computer programming contest in the 1980s and still has the trophies

What is the Texas e-Health Alliance?

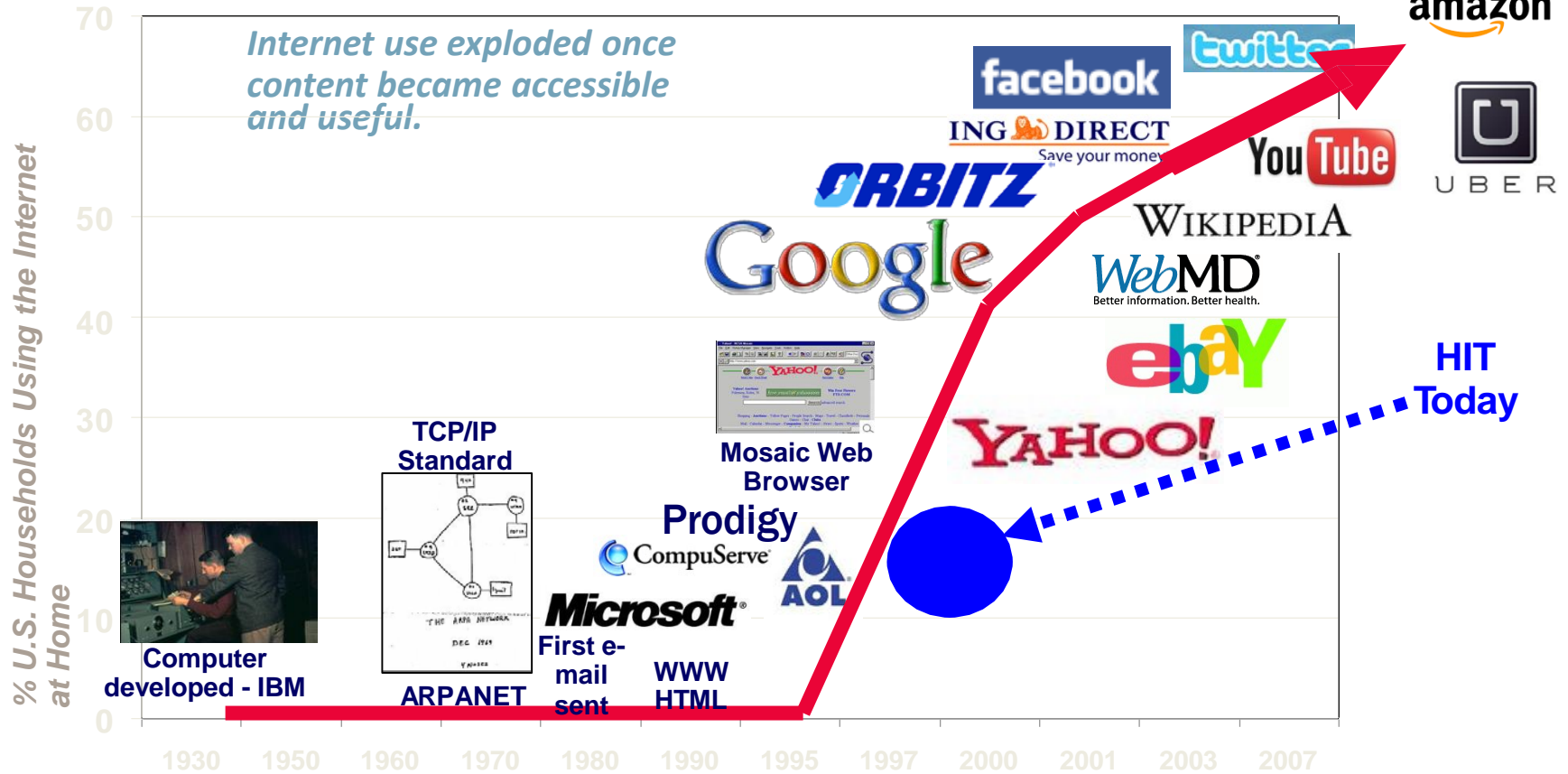
- State's leading advocate, from local communities to the national level, for the use of health information technology to improve the health system for patients
- 501(c)6 non-profit started in 2009 and serves as a trade association for HIT companies
 - As such, cannot recommend or endorse specific products

Role of the Patient is Changing

Health information technology landscape is generally thought of as lagging behind the Internet in terms of maturity



Internet Revolution: Value to Us



Today, health care information technology (HIT) is at the “2000” of the Internet age

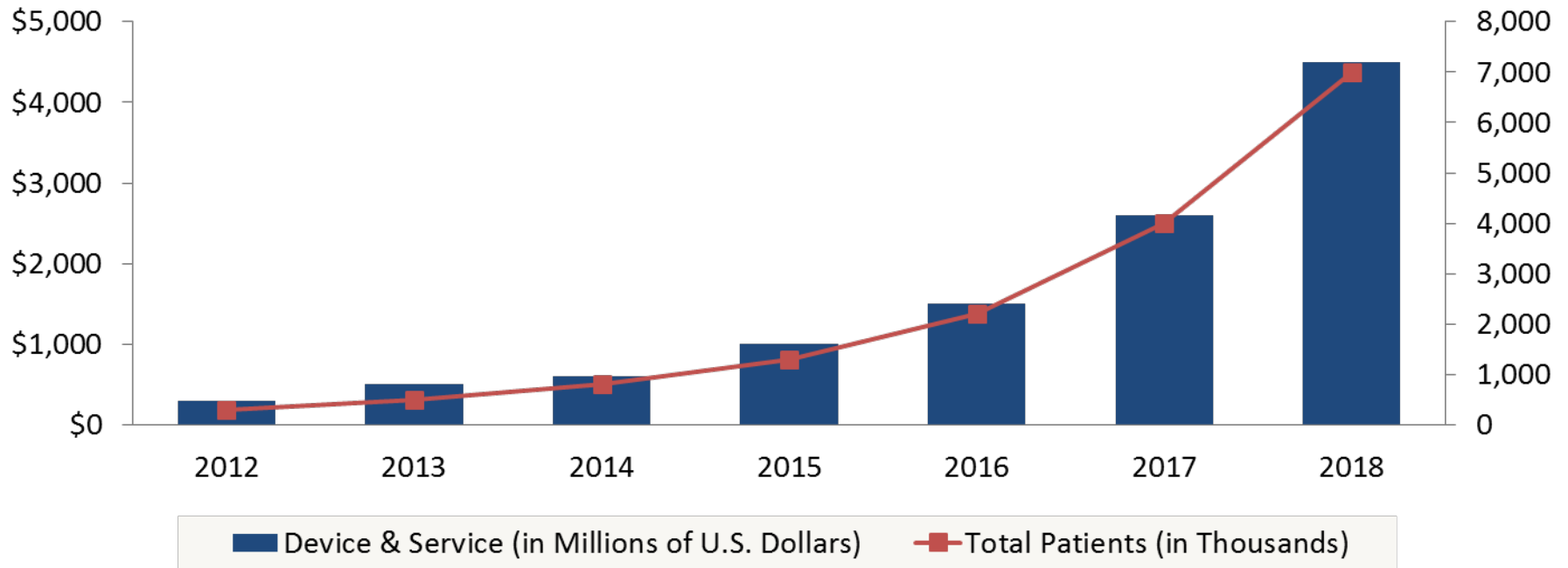
Understanding Telemedicine

Telemedicine has three major components by which it succeeds or fails in any state, country or program:

- Reimbursement
- Regulation
- Rhetoric

A study conducted by IHS predicted that by 2018, the use of telehealth technology will be more than 10 times that of the 2012 rate.

Global Forecast of Telehealth Patients and Device and Service Revenue



Source: IHS Technology, January 2014.



Reimbursement Landscape

- Medicaid has shifted in terms of policy and now views telemedicine/telehealth as an essential tool
- Medicare telehealth limitations still highly restrictive
- Commercial insurers are aggressively pursuing virtual care models
- Scope of practice was the battleground issue- now it's reimbursement

- Developed through a working group led by Texas e-Health Alliance, Texas Medical Association and Texas Academy of Family Physicians
- Authored by Sen. Charles Schwertner, MD, sponsored in the House by Representative Four Price
- Passed with overwhelming bipartisan votes in both chambers and signed by the Governor

- Makes a major change in the way the Texas Medical Board will be regulating telemedicine services that result in a prescription.
 - A practitioner-patient relationship, which is needed for a valid prescription, can now be established using either audio-visual interaction or store and forward technology. The standard of care must still be met, and the practitioner must use clinical information relevant to the encounter.

Texas Medical Board Rulemaking

- Rules were complete in November 2017
 - Mental health services were exempt (per SB 1107)
 - Providers must still provide a notice of privacy practices and the TMB complaint process
 - Fraud and abuse prevention protocols are still required
 - Limitations on chronic pain treatment based on existing state and federal law (Ryan Haight Act)

- Makes a major change in the way the Texas Medical Board will be regulating telemedicine services that result in a prescription.
 - Joint rulemaking will be done between the Medical Board, Nursing Board, Physician Assistant Board and Pharmacy Board
 - All health professional boards must review their rules to ensure they are not a higher standard of care than the rules adopted by TMB

- Modifies the Insurance Code related to telemedicine, which impacts fully insured plans in Texas
 - Requires fully insured plans to publish their policies and payment practices for telemedicine and telehealth on their websites.
 - Clarifies that insurers to not have to pay for text-only emails, phone calls or faxes as part of the telemedicine benefit

- Modifies the Insurance Code related to telemedicine, which impacts fully insured plans in Texas
 - Clarifies that if a physician who chooses to use telemedicine for a contracted service to a contracted patient, a fully insured plan cannot deny the claim just because telemedicine was used instead of a face to face visit.
 - These changes become effective January 1, 2018

SB 1107

- Removes language from the HHSC statutes that govern the Medicaid telemedicine benefit:
 - a requirement that providers go through an approval process before being permitted to provide telemedicine services
 - a requirement for a telepresenter to be involved in Medicaid telemedicine services, and
 - a rulemaking provision that charged TMB with adopting rules governing those situations where a face to face visit would be required before a telemedicine service

Next Steps

- Medicaid is moving into rulemaking mode
 - Amend HHSC’s telemedicine rules in 1 Texas Administrative Code Sec. 354.1430 and 354.1432.
 - Amend Medicaid Telemedicine Services Medical Policy.
 - State Plan Amendment to update the definition of telemedicine services.
 - Minor amendments to the STAR Kids and STAR Health contracts to remove reference to televideo services.

- Medicaid Benefit Updates
 - Remove patient site presenter requirements.
 - Exception for school-based telemedicine services.
 - Remove requirements for initial in-person, face-to-face visit between the physician and patient prior to telemedicine service.
 - Distinguish between fee for service and managed care requirements concerning telemedicine service delivery modalities.
 - Optional reimbursement by MCOs of services provided through audio or text modalities.

- Medicaid Reimbursement Changes
 - There are no anticipated changes to reimbursable provider types or procedure codes as a result of the S.B. 1107 implementation activities.
 - There are no anticipated changes to the fee schedules available through the Texas Medicaid & Healthcare Partnership (TMHP) as a result of the S.B. 1107 implementation activities.

Other “Tele” Bills

- HB 1697 by Representative Four Price establishes a grant program through HHSC to assist rural hospitals in purchasing teleNICU and tele-ICU equipment. HHSC has established a workgroup to work on:
 - Technical specifications for pilots that use open standards to ensure connectivity
 - Leveraging resources available through UTMB to potentially provide equipment for pilot sites
 - Using data to identify pilot sites

Other “Tele” Bills

- SB 922 by Senator Dawn Buckingham, MD, requires HHSC to ensure that Medicaid reimbursement is provided for telehealth services provided through a school district or charter school by a health professional, even if the health professional is not the patient's primary care provider.

Other “Tele” Bills

- SB 1633 by Senator Charles Perry allows pharmacies to establish remote dispensing sites, defined as a location licensed as a telepharmacy that is authorized by a Class A provider pharmacy through a telepharmacy system to store and dispense prescription drugs and devices. The remote dispensing sites cannot dispense controlled substances and may not be located within 25 miles by road of an existing Class A pharmacy.

So What?

- Less Regulatory Uncertainty
- More Clarity on Reimbursement



Questions?

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