

ATA 2006 Medicaid Handbook

DEVELOPING YOUR STRATEGY FOR TELEHEALTH REIMBURSEMENT

A telehealth organization must conduct an assessment of their state Medicaid agency and the telehealth organization's readiness to begin approaching the state for reimbursement. A comprehensive strategy using specific data about one's own state supported by research data reflecting specific state population's health issues is the best approach. Simultaneously putting together a team of strategists, mapping out a plan, and moving forward building relationships will increase the likelihood of success. Telehealth organizations should be prepared to write an initial document outlining the issues, and a specific plan for reimbursement on which to begin discussions with the state.

Telehealth organizations should answer the questions posed in this Medicaid guide, complete the assessment tools, and then move on to the tool for developing a Medicaid strategy that follows this section. Although this guide is not intended to cover every single option available to the telehealth organization seeking Medicaid reimbursement, it is useful in directing the background work that is necessary to position the organization for success. Good Luck!

STEPS TO SUCCESSFULLY NEGOTIATING MEDICAID REIMBURSEMENT

2. Create a task force within your organization comprised of financial services experts in Medicaid and Medicare reimbursement experts, strategic planners, the telehealth clinical and administrative team, and your government liaison (if you have one).

- i. List your organization's top five Medicaid primary diagnoses.
- ii. List Medicaid's top three expenditures
- iii. List your geographic demographic top three health problems.
- iv. List any disease management programs that you have.

3. List the cost data and/or outcomes data that you have to support the use of telehealth related to the conditions identified in #1. Include the reference citation.

4. Based on what you know about your state:

- i. Is your state more or less likely to come to the table with you to discuss expanding reimbursement for telehealth?
 1. Yes – Develop your formal plan of approach
 - a. Write a letter of request
 - b. Make the initial contacts
 - c. Develop relationships with staff of key departments
 2. No- Why not? Can you address the concerns? Can you overcome the barriers?
- ii. Is your state more or less likely to use a regulatory or internal directive approach to expanding telehealth reimbursement?
 1. Yes – Develop your written request
 - a. Write a letter of request
 - b. Develop two or three options for payment with your preference listed first.
 - c. Support the options with your cost and outcomes data.
 - d. Develop a list of what is needed to cover your program and what you might consider 'giving up' in negotiations
 2. No – Why not? What can you do to convince them that a regulatory route is the most efficient and effective for them?
- iii. Is your state more or less likely to hold out for a legislative mandate?
 1. Yes – Develop a strategy that lists the pros and cons
 - a. Why would the state take this position?
 - b. Do you know any legislators that would be willing to sponsor a bill?
 - c. What is the likelihood of bipartisan support?
 - d. What is the likelihood of passage?

- e. What is the likelihood that the intent of a legislative fix will create a broad reimbursement policy?
- f. What is the political fallout of taking this route?
- 2. No – What is your next option?

iv. Is there an office in your state that would be more or less likely to issue a directive?

- 1. Yes – Which office is more likely?
 - a. Gubernatorial directive
 - b. Office of the Insurance Commissioner
 - c. Office of the Secretary of Health
 - d. Develop a written plan of approach
 - e. Who do you know in this office?
- 2. No – What is your next option?

b. Develop your written plan

- 1. Identify the top priorities for payment
 - i. Populations
 - ii. Services
 - iii. Sites
 - iv. Codes
- 2. Support your request with research – both anecdotal and scientific.
- 3. Use a budget analyst from your organization to check your financial forecasts.
- 4. Identify the gaps in your plan in terms of financial discussion, support, pros and cons, etc., and develop a response to have ready when these gaps are identified by the Medicaid staff.

c. Make your initial contact!

Remember that you are acting on behalf of the patients that you serve. Your passion and commitment to access and quality care through telehealth is the most important part of your presentation. Enthusiasm is contagious! Remember to be tenacious! Your Medicaid agency has a lot on its plate, and they may put your issue on a back burner, may accidentally forget about it, or it just make take them a long time to make a decision. Don't be afraid to keep calling and working with them. Offer to participate in a work group. Being a member of a work group gives you an advantage of being able to drive the timeline without being too pushy. The group also gives you a chance to develop relationships with a larger group of people.