Transforming Health Care with Telehealth:
Today’s Barriers and Tomorrow’s Solutions

Mario Gutierrez, Executive Director
August 28, 2014
Webinar for the Northwest Telehealth Resource Center

Center for Connected Health Policy • 877-707-7172
cchpca.org • telehealthpolicy.us
Disclaimers

• Any information provided in today’s talk is not to be regarded as legal advice. Today’s talk is purely for informational purposes.

• Always consult with legal counsel.

• CCHP has no relevant financial interest, arrangement, or affiliation with any organizations related to commercial products or services to be discussed at this program.
• Created with funds from the California HealthCare Foundation in 2008

• We develop and advance state and national telehealth policy solutions to promote improvements in health and health systems
www.telehealthpolicy.us

- A one-stop shop for accurate, up-to-date information on telehealth policy and legal issues
- Includes an interactive policy map that reveals telehealth laws, regulations, state Medicaid policies, and pending legislation for all 50 states and DC
Federal Policies

- **Medicare**: Outdated & limited to live video & only in strictly defined rural locations
- **HHS FedTel Working Group - 26 Agencies**
  - Identified 7 unique definitions of telehealth in use across federal govt
  - Store-and-Forward has five definitions from four agencies
  - M-Health defined in only three agencies
Current Federal Legislation

- **S 596** (Thune, D-SD) – Fostering Independence Through Technology (FITT) Act
- **HR 2001** (Rangel, D-NY) – VETS Act of 2013
- **HR 3077** (Nunes, R-CA) – TELE-MED Act of 2013
- **HR 3303** (Blackburn, R-TN) – SOFTWARE Act of 2013
- **HR 3306** (Harper, R-MS) – Telehealth Enhancement Act
- **HR 3507** (Peters, D-CA) – 21st Century Care for Military Veterans Act
- **HR 3577** (Peters, D-CA) – Commission on Health Care Savings Through Innovative Wireless Technologies
- **HR 3750** (Matsui, D-CA) – Definition for Telehealth
- **HR 5380** (Thompson, D-CA) – Medicare Telehealth Parity Act of 2014
FEDERAL LANDSCAPE 2014 FORWARD

FEDERAL LEGISLATION
• HR 5380 (Thompson, Harper & Welch)
  • For Medicare, phased-in increase of eligible geographic locations; adding home as eligible site; reimbursing for RPM; reimbursing for S&F
• HR 3306 (Harper, Nunes, Thompson & Welch) & S 2662 (Cochran, Wicker)
  • For Medicare, expand list of eligible originating sites including the home; small expansion of S&F to CAHs & sole community hospitals; for liability purposes services furnished at the provider’s location; allows for the use of RPM in specialty medical homes contracts

OTHER FEDERAL AGENCIES
• Food & Drug Administration - mHealth
• Federal Communications Commission – Open Internet

OTHER FEDERAL ACTIVITIES
• Federation of State Medical Boards – Licensing Compact/Interstate Licensure
• Professional Organizations Telehealth/Telemedicine Guidelines – FSMB & AMA
• NPRM Medicare expansion of reimbursable services to include psychiatric care
CMS Proposed New Rules Regarding Telehealth

- Psychotherapy, psychoanalysis & wellness using telehealth to be covered as category 1 service for rural beneficiaries
- A new billing category for non-face-to-face chronic care management (CCM) services, as a unique, covered service designed to pay separately for non-face-to-face care coordination services furnished to beneficiaries with two or more chronic conditions.
  - Exempt from telehealth definition-can include asynchronous and patient monitoring, and rural residency requirement for beneficiary
The National Telehealth Policy Resource Center

www.telehealthpolicy.us

- Provides thorough, accurate, and current information on telehealth policy and issues
- Provides telehealth policy tracking, analysis, and technical assistance for twelve regional telehealth resource centers (TRCs)
- Independent, nonpartisan national resource on telehealth policy issues
41 states have a definition for “telemedicine”
17 states have a definition for “telehealth”
2 states have no definition for either

44 states reimburse for live video
10 states reimburse for remote patient monitoring
7 states reimburse for store-and-forward

Most common reimbursements: consultations, mental health, and radiology
Most common providers reimbursed: physicians and nurses

Most states have some form of reimbursement by Medicaid for telehealth delivered services, but NO TWO STATES ARE ALIKE!

As of Feb. 2014
21 states require informed consent in statute and/or Medicaid policy
23 states have some special law that applies to cross-state licensure
21 states (and DC) passed laws that impact private payers

8 states have geographic limitations
10 states include SNFs and LTCs as eligible sites
7 states include a specific list of facilities as eligible sites
23 states are silent about location

Unique reimbursement services: home health, dental, speech-language pathology
Unique reimbursement providers: physician assistants, physical therapists, speech pathologists, dieticians, genetic counselors

As of Feb. 2014
ACTIVE STATE LEGISLATION:
192 ACTIVE BILLS* as of April, 2014

- Reimbursement
- Pilots, councils, workgroups
- Mental health services
- RPM, home monitoring, chronic diseases
- Licensing
- Patient-provider relationship, e-prescribing
Remote Health Monitoring
MEDICAID: RPM REIMBURSEMENT

- Ten state Medicaid programs reimburse some form of remote patient monitoring

As of Feb. 2014
NWTRC STATES – RPM & S&F

- Alaska – RPM & S&F
- Washington & Utah – RPM
- Montana – S&F

As of Feb. 2014
NWTRC STATES – RPM & S&F

Alaska Medicaid
• Reimburses for S&F
• Reimburses for “self-monitoring” defined as “patient is monitored in his or her home via a telemedicine application, with the provider indirectly involved from another location.”

Montana Private Payers
• Private payer law requires coverage for services delivered through store & forward technology.
NWTRC STATES – RPM & S&F

Utah Medicaid
• Reimbursement available under UT Medicaid Telehealth Skilled Nurse Pilot Project for Patients in Rural Areas – Series of requirements including must be for diabetes, for patient to be eligible needs to travel over more than 50 paved road miles to obtain in-person services, etc. Unknown how many actually participate in this pilot.

Washington Medicaid
• Assessment & monitoring of clinical data
• Detection of condition changes based upon telemedicine encounter
• Implementation of a monitoring plan
Private Payer Laws

22 states (and DC) have laws related to private payer reimbursement of telehealth.
States with Private Payer Parity Laws

As of Feb. 2014
“A health insurance carrier shall reimburse for telehealth services under the same reimbursement policies that the benefit plan permits for in-person encounters”.

State of Tennessee: effective October 1, 2014
THE CHANGING HEALTHCARE LANDSCAPE: 2014

- Rising health care costs: $3 trillion/year
- Aging/sicker population
- Primary care/specialist shortage
- More newly insured with Obamacare
THE ANSWER TO OUR NATIONAL HEALTH CARE DILEMMA

What can…

• Dramatically **EXPAND ACCESS**?

• **IMPROVE QUALITY**?

• **ENHANCE** the patient experience?

• And **SAVE MONEY**??
Telehealth and the Triple Aim: A Forum For Advancing Knowledge And Practice

Sacramento, CA
April 23, 2014
Triple Aim

Better health

Better care

Lower cost
Getting from Volume-to-Value

**Volume-based**
- Pay for service (volume)
- Cost-based reimbursement
- Hospital/physician independence
- Inpatient focus
- Stand-alone care systems
- Illness care

**Value-based**
- Pay for results (quality/efficiency)
- Shared risk
- Partnerships and collaborations
- Continuum of care
- Community health improvement (HIT)
- Wellness care
GETTING TO SCALE: SIX DRIVERS OF CHANGE

Policy

Financing

Technology

Practice Change

Getting to Scale

Consumer Demand

Evidence/Research
Disruptive Operational Policies

• Digital communications-moving outside traditional four walls
  – Public/Private payers assign value to care delivered virtually comparable to in-person

• Health systems must shift thinking from ROI to R&D to be competitively positioned

• Patient and Provider Incentives Work---Use them.
Solutions in action

Payers & Providers Working Together
Kaiser Permanente

- Nation’s largest **nonprofit** health plan
- Integrated health care delivery

3 Organizations in one: Health insurer, hospital system, physician partnerships

- 9.3M members
- 17K physicians
- 174K employees
- $53B revenue
- 60% of adult members on kp.org
- Kp.org is part of EHR – a patient portal
Transforming Primary Care Encounters

Care is not just delivered in face-to-face visits now. It is now done on the phone and through secure emails. In 2003, there were essentially 0% secure emails – Now it represents 33% of the primary care patient encounters.

* 4376 in 2013

Source: UCDA Core Value Metrics
Improved engagement, quality, and satisfaction

Member retention
- My Health Manager users were 2.6 times more likely to remain members ¹

Quality of care improved
- 2.0 to 6.5% improvement - glycemic (HbA1c), cholesterol, and blood pressure screening and control²
- Refill improves outcomes (LDL) ³

High patient satisfaction
- 85% rated encounters 8 or 9 on a 9 pt scale⁴

³ Sarkar, Urmimala, Lyles, Courtney; Parker, Melissa; Allen, Jill, et al., “Use of the Refill Function Through an Online Patient Portal is associated With Improved Adherence to Statins in an Integrated Health System,” Medical Care, Vol 00, No 00 (2013)
⁴ Internal KP study, “Harvesting Value: Early Findings from Kaiser Permanente HealthConnect™” presented to Center for Information Therapy by T Garrido, C Serrato, J Oldenburg (1/15/2008)
Sisters of Mercy Health System in St. Louis

Nation’s First Virtual Care Center-Opening 2015

• Largest Tele-ICU network & 75 other services
“Telemedicine lets us provide the best possible care to people where and when they need it – even when patients wouldn’t otherwise have access to specialists, such as neurologists and pediatric cardiologists,…We’ve pioneered a telehealth plan that no longer limits advanced care because of age, illness or geography. We can deliver a higher level of care to more people, and the virtual care center is at the heart of it – providing care for today while also developing the health care of tomorrow.”

---Lynn Britton, Mercy president and CEO
Thank You

Mario Gutierrez
Executive Director
mariog@cchpca.org
www.telehealthpolicy.us