TRANSFORMING HEALTH CARE WITH CONNECTED HEALTH

STATE AND NATIONAL TELEHEALTH TRENDS AND ISSUES

Alaska State Legislature

House Health and Social Services Committee

March 24, 2016

877-707-7172
cchpca.org

CENTER FOR CONNECTED HEALTH POLICY

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Executive Director

Disclaimers

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

- CCHP has no relevant financial interest, arrangement, or affiliation with any organizations related to commercial products or services to be discussed at this program.

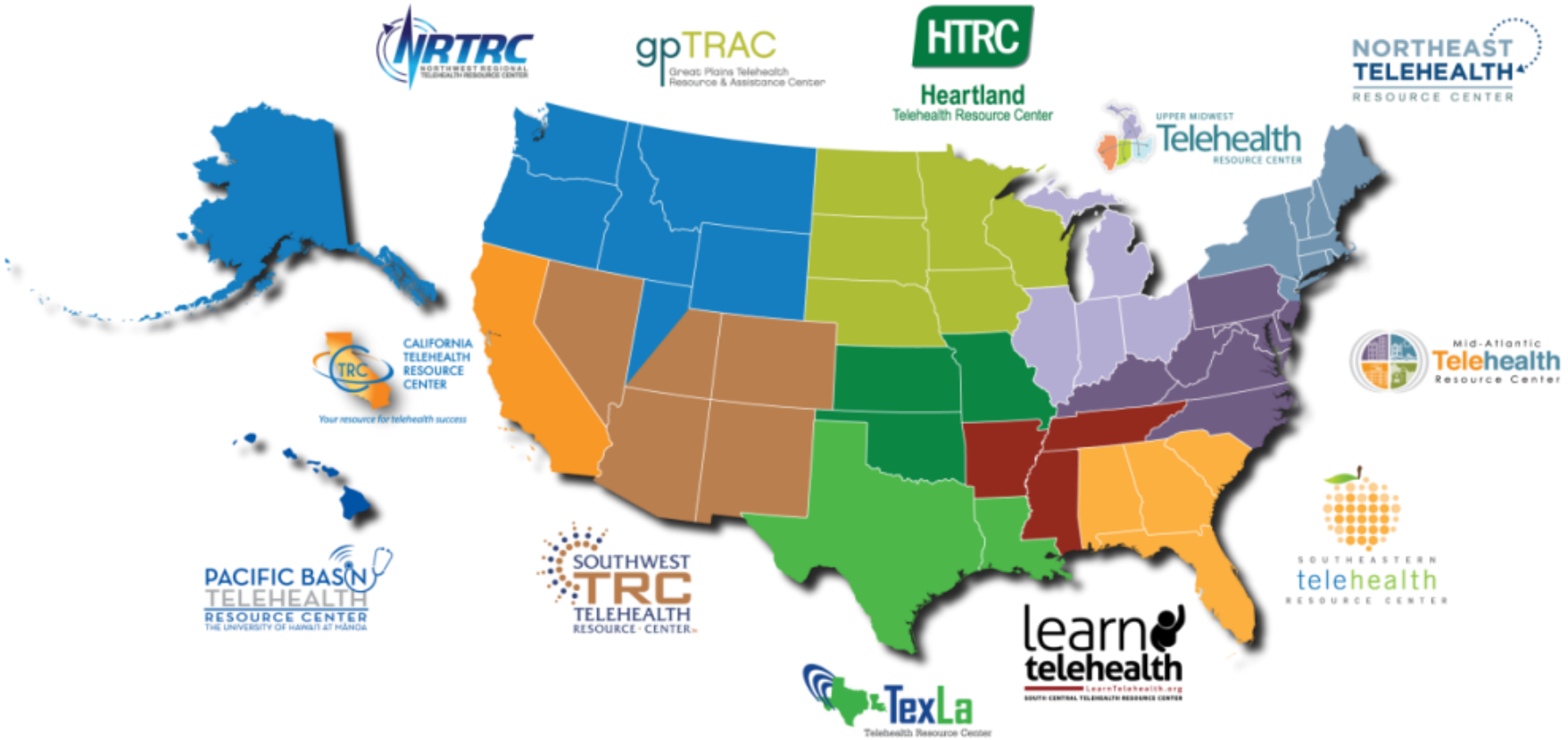
Center for Connected Health Policy

The National Telehealth Policy Resource Center

We are part of the Public Health Institute, an independent, ***public interest*** organization dedicated to promoting better systems of care improved health outcomes & provide greater ***equity of health access to quality, affordable care and services for all***

Salud by Xavier Cortada

TelehealthResourceCenters.org



TTAC
TelehealthTechnology.org

Center for Connected Health Policy
The National Telehealth Policy Resource Center

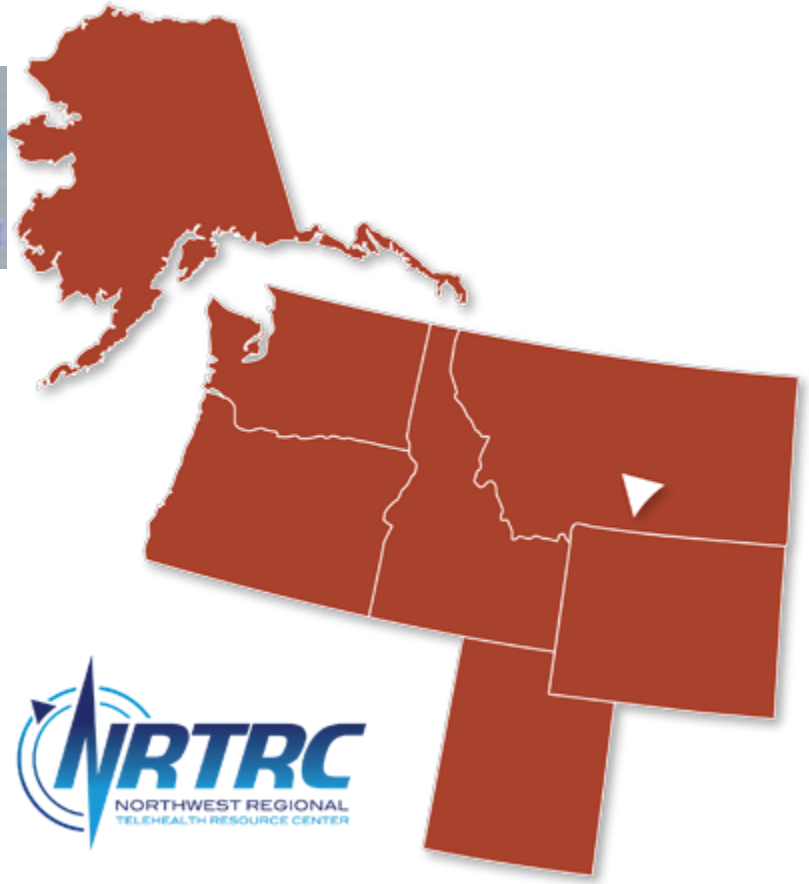
2 National Resource Centers

NRTRC	gpTRAC	NETRC
CTRC	HTRC	UMTRC
SWTRC	SCTRC	MATRC
PBTRC	TexLa	SETRC

12 Regional Resource Centers

NRTRC Regions Served:
Alaska, Idaho, Montana, Oregon, Utah, Washington, and Wyoming

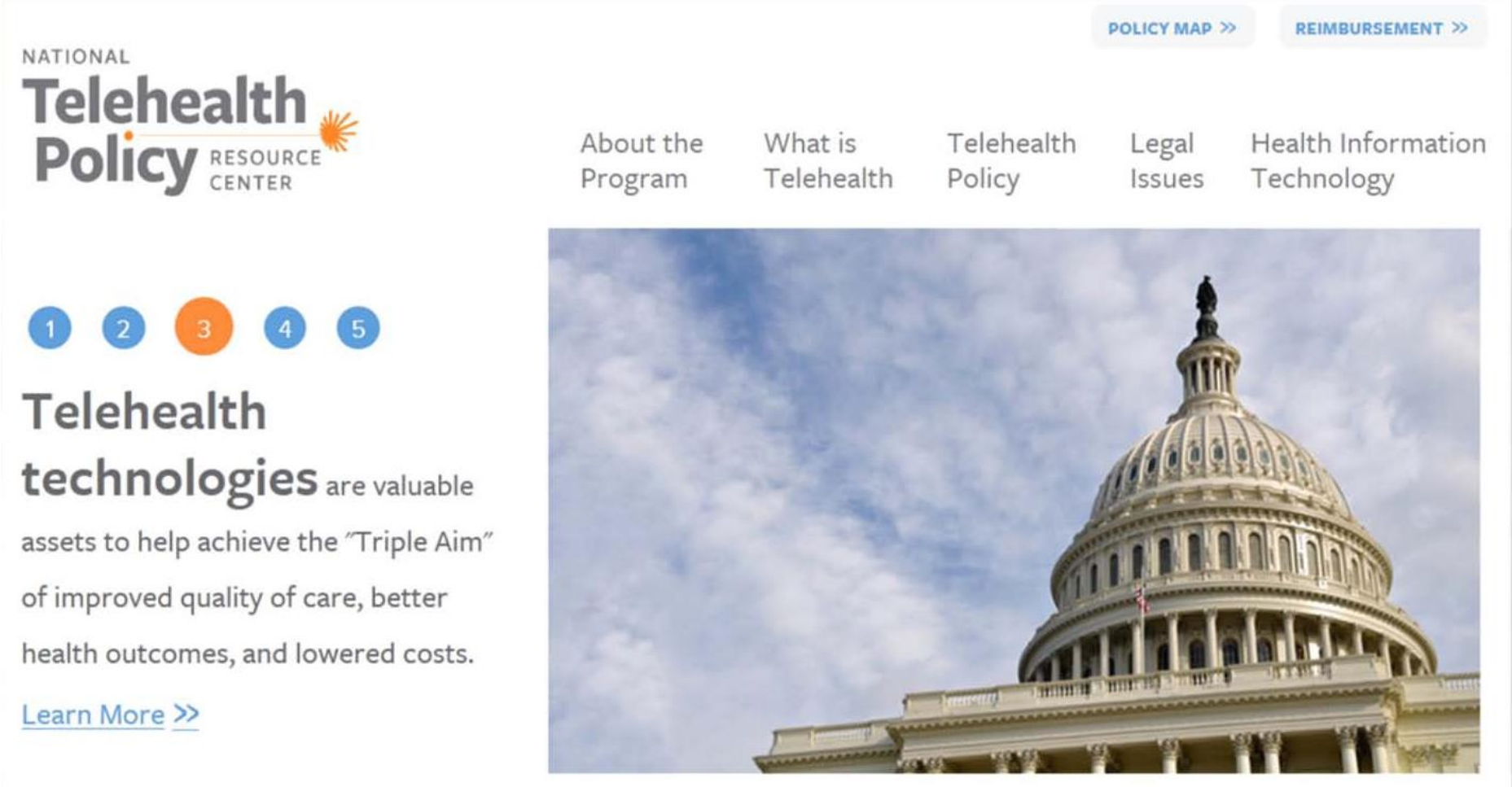
TTAC



National Telehealth Technology Resource Center

NRTRC
NORTHWEST REGIONAL
TELEHEALTH RESOURCE CENTER

HRSA/OAT GRANT 2012-2016



WWW.CCHPCA.ORG

TELEHEALTH PIONEER?

A doctor's diagnosis "by radio" on the cover of the February, 1925 issue of *Science and Invention* magazine.

THE VALUE PROPOSITION FOR TELEHEALTH

*Advances in telecommunication technologies can help **redistribute** health care **expertise** to where and when it is needed, and create greater **value** among consumers, public & private payers, and health systems*

VALUE OF TELEHEALTH

1. Timely Access to Diagnosis & Treatment

- Primary and Specialty Care Services (Live or Asynchronous Store & Forward)
- Direct to Consumer
- Acute, Chronic, & Emergency Care

Cost Avoidance

Patients spend an average of nearly **two hours** for each out-patient visit, including travel, waiting, filling out forms and finally seeing a doctor. That equates to $43 in lost time for each visit.

JAMA Internal Medicine

VALUE OF TELEHEALTH

2. Enhanced Consultation/Communication

- Patient/Consumer ⟺ Health Care Team
  - Uses secure portal for email communication or live video using smart phone, tablet or computer.
  - Directly Connects Consumers to Care Team

PRIMARY TO SPECIALIST CONSULTATION

- **eConsult:** a web-based system that allows PCPs and specialists to securely share health information and discuss patient care---NOT "warm handoff"

PROJECT ECHO MODEL

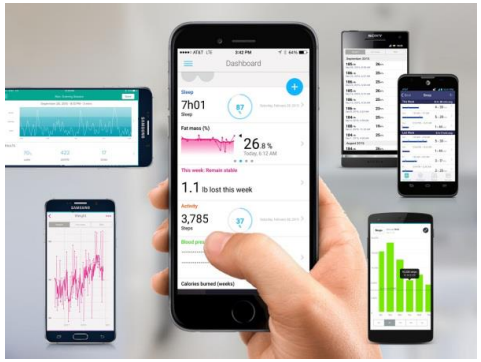
Project Echo Model: a hub-and-spoke knowledge-sharing network, led by expert teams who use multi-point videoconferencing to conduct virtual clinics with community providers

primary care doctors, nurses, and other clinicians learn to provide excellent specialty care to patients in their own communities, while increasing their own knowledge and skills

3. VALUE OF TELEHEALTH

Remote Monitoring

- Management of Chronic Conditions
- In Home-Aging in Place
- Acute Intensive Care (Tele-ICU)
- Bluetooth or broadband connected



Digital Therapeutics- Omada

- Non-infectious diseases (diabetes, hypertension) exceeds infectious disease for the first time in history
- A new category of medicine that sits at the intersection of science, technology, and design.
- offers each employer and health plan a full-service team - at no cost
- High compliance rate after one year

Remote Monitoring Can Improve Quality & Save Money

- **Congestive heart failure** best managed by long-term telemonitoring
- **Obstructive pulmonary disease** best treated with telepulmonology that remotely measures lung function
- **Stroke** most effectively treated via telestroke methods that prompt early tPA interventions
- A 2014 Canadian study showed **telehomecare** saved 14% ($1,613 per patient per year) over traditional care, by reducing hospitalizations by 45%, emergency department visits by 35%, and achieving 50% shorter hospital stays

"We now feel it's cheaper to do surgery via Skype. So, go home and lie down in front of your computer."

POWER OF CONNECTED-HEALTH TECHNOLOGY

health
evidence
aging
policy
technology
assessment
demographics
costs
death
economics
risk factors
services
capacity
disability

STATE POLICY ANALYSIS & TRENDS

MEDICAID PROGRAM

CMS reimbursement policy for Medicaid:

"States may reimburse for telehealth under Medicaid so as long as the service satisfies federal requirements of efficiency, economy, and quality of care"

TELEHEALTH STATE-BY-STATE POLICIES, LAWS & REGULATIONS

Telehealth Policy

National Policy

- State Laws and Reimbursement Policies
- Medicare
- Medicaid

Home » Telehealth Policy » National Policy » State Laws and Reimbursement Policies

State Laws and Reimbursement Policies

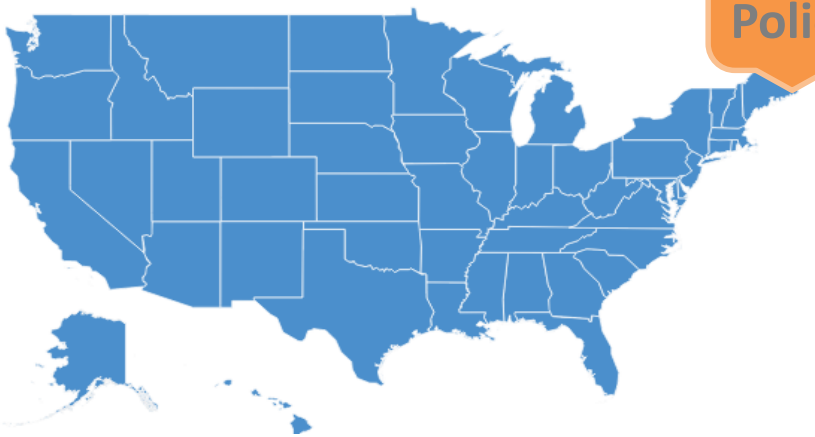
The Center for Connected Health Policy helps you stay informed about telehealth-related laws, regulations, and Medicaid programs. We cover current and pending rules and regulations for the U.S. and all fifty states.

Laws, Regulations, Pending Bills State & Federal

- **All Current Laws and Policies**
- **All Pending Legislation and Regulations**
- **Full Report** "State Telehealth Laws and Reimbursement Policies"

Law and Policies by State:

Interactive Policy Map



Calendar

Government Health Care Congress 2015 ; Medicaid Summit »

JULY 14-16, 2015

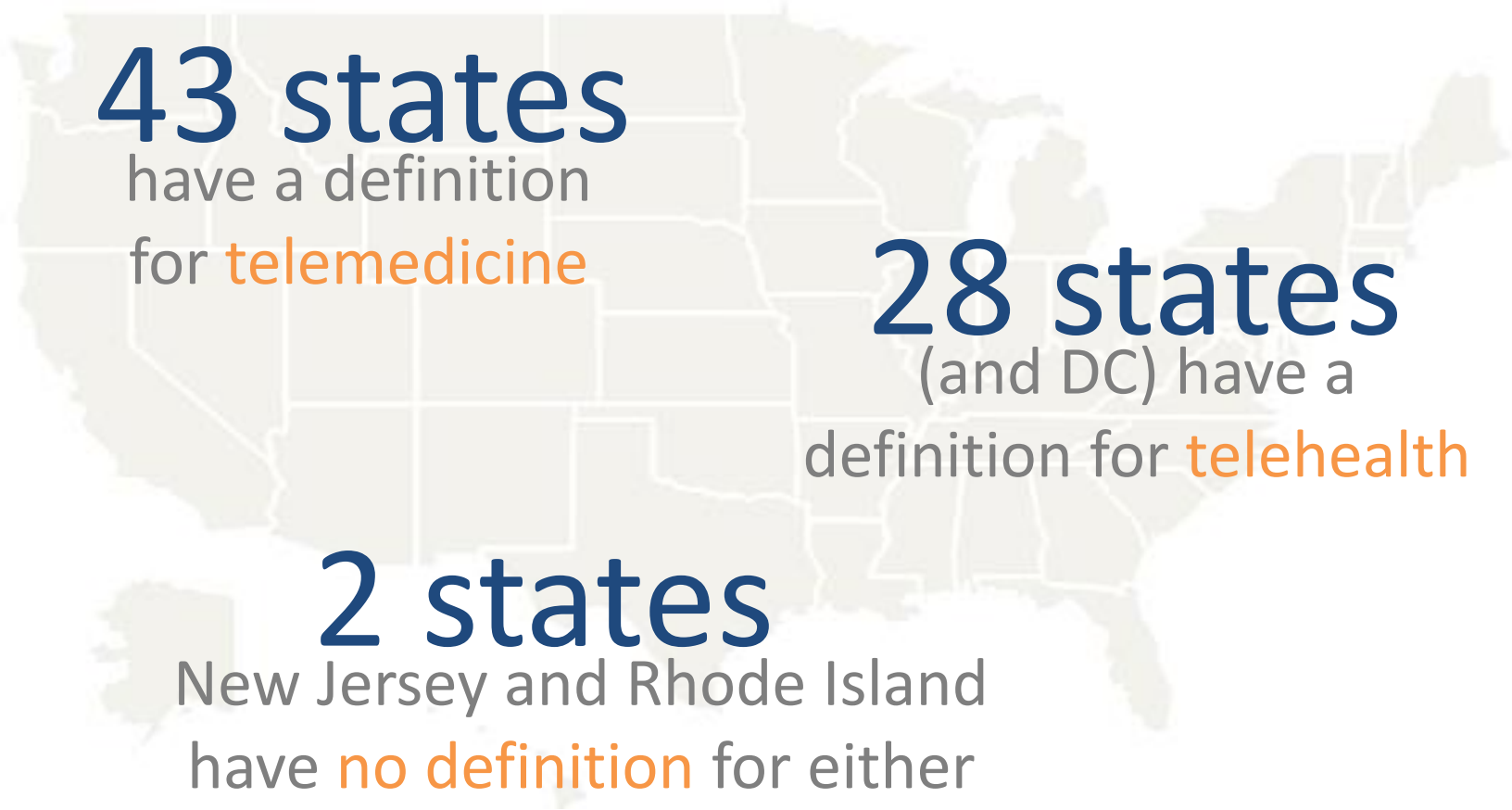
Arlington, Virginia

Don't miss the opportunity to hear CCHP's executive director, Mario Gutierrez, speak at the 2015 Government Health Care Congress; Medicaid Summit! Health insurance executives, state and federal officials will gather across three summits to discuss the future of Medicaid expansion, Medicare regulations, access to care, cost savings and Dual Eligible demonstrations. For more information or to register for this

KEY POLICY AREAS OF ANALYSIS & REFORM

- **Definition:** Telemedicine or telehealth?
- **Reimbursement:** by modality (live video, Store and forward, remote patient monitoring)
- **On-line Prescribing:** In-person exam required?, who is eligible, and what type of drugs)
- **Consent:** (written, verbal, none?)
- **Cross-state licensing:** conditional practice, FSMB compact
- **Private Payer Parity:** (parity of service, payment, conditioned to terms of policies?)
- **Location of Service:** originating site requirements
- **Site Transmission Fee:** yes, no?

NO TWO STATES ARE ALIKE!



43 states
have a definition
for telemedicine

28 states
(and DC) have a
definition for telehealth

2 states
New Jersey and Rhode Island
have no definition for either

REIMBURSEMENT BY SERVICE MODALITY

Live Video

47 states and DC

Store and Forward

Only in 9 states

Remote Patient Monitoring

16 states

PARITY IN PAYMENT WITH IN-PERSON

27 states and DC

have active telehealth private payer laws

This is the most common policy change at the state level!

Parity is difficult to determine:

-Parity in services covered vs. parity in payment

-many states make their telehealth private payer laws

"subject to the terms and conditions of the contract"

In 2015 over 200 bills in 42 states

- **Reimbursement**
- **Telehealth professional standards (need for in-person exam, prescribing, etc.)**
- **Pilot Projects**
- **Cross-State Licensing**

Bills for 2016 so far

- **Telehealth professional standards**
- **Licensing**
- **Prescribing**
- **Changes to existing telehealth laws**

HIGHLIGHTS OF INDIVIDUAL STATES

NEVADA

- **AB 292 (Effective as of July 1, 2015):**

"Telehealth means 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."

- *Prior authorization for the provision of telehealth services is expressly prohibited*

CALIFORNIA

- **CA Telehealth Advancement Act of 2011 (AB 415):**
  - Replaced "telemedicine" with "telehealth", and defined it broadly enough to include store & forward and RPM
    - Reimbursement dermatology and ophthalmology store/forward
    - Still no reimbursement for RPM in Medicaid program
  - Removed limits on the geographic and institutional location of where telehealth services can take place
  - Includes all CA licensed professionals as telehealth providers
  - Requires telehealth reimbursement parity by private payers and Medicaid

MISSISSIPPI SB 2646 (2014)

- Requires all health insurance and employee benefit plans to cover store-and-forward telemedicine and RPM, in addition to live video
- Store and forward must be reimbursed to the same extent as if performed in-person. RPM reimbursement must include a minimum daily rate of $10
- Prohibits geographic restrictions

MINNESOTA

Medicaid Program definition:

*"**Telemedicine**" is "the use of telecommunications to furnish medical information and services. Telemedicine consultations must be made via two way interactive **video** or **store-and-forward** technology."*

Live Video Reimbursement:

Telemedicine consults shall be paid at the same rate as in-person services

Store and Forward:

Store and forward technology includes telemedicine consults that do not occur in real time, and that do not require a face-to-face encounter with the patient for all or any part of the consult

Remote Monitoring:

There is reimbursement for "telehomecare" under Elderly Waiver (EW) and Alternative Care (AC) programs

INDIANA

Act 1263 signed into law March, 2016 highlights:

- "Telemedicine" means the delivery of health care services using electronic communications and information technology, including (1) secure videoconferencing; (2) interactive audio-using store and forward technology; or (3) remote patient monitoring technology between a provider in one location and a patient in another location.
- Allows physicians, **physician assistants and advanced-practice nurses** to treat patients via telemedicine without a prior in-person visit.
- Allows physician assistance, advance practice nurses and optometrists to prescribe using telemedicine even if the patient has not been seen previously by the provider in person, with some conditions.

STATE POLICY BEYOND LEGISLATION:

- **Regulatory** and administrative actions still needed to fully implement legislation
- Professional **licensing** boards can limit the benefits of legislation
- **Courts** can also play a role in interpretation of legislative policy

CROSS-STATE LICENSING
FSMB INTERSTATE LICENSURE COMPACT

- Creates an **Interstate Commission** to implement an expedited licensure process
- Current status (7 state minimum)
  - **12** states have now passed the language
    - Idaho, Montana, Nevada, South Dakota, Utah, West Virginia, Wyoming, Wisconsin, Minnesota, & Alabama
  - 8 states have pending legislation to adopt the language including Alaska
- Implementation is moving forward: First meeting to establish the framework- October, 2015.

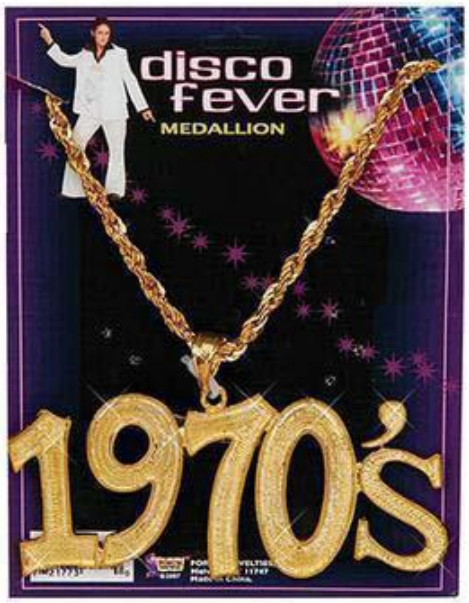
TELEHEALTH IN THE COURTS

- ***Planned Parenthood of the Heartland, Inc. & Jill Meadows v. Iowa Board of Medicine:*** Board of Medicine requirement that an MD must conduct an in-person examination and be physically present prior to administering an abortion inducing drug and at the follow-up visit--- Ruled unconstitutional by State Supreme Court

- ***Teledoc, Inc v. Texas Medical Board:*** Antitrust suit filed against the TX Medical Board on the basis that recently passed **regulations requiring an MD face-to-face visit** before physicians may prescribe medication illegally limits competition--- Case moving forward

FEDERAL TELEHEALTH POLICIES

TITLE XVIII OF THE SOCIAL SECURITY ACT



1960s → 1970s → 1980s → 1990s → 2000s → 2010s

FEDERAL MEDICARE TELEHEALTH POLICY: OUTDATED!

- Reimbursement is available for only a limited number of Medicare Part B services
- Reimbursement limited to ***live video only*** substituting for in-person encounter
- This **originating site** must be a medical facility and **not** the patient's home. (so patient still has to travel)
- Can ***only*** occur when the originating site is in a defined **rural area**:
  - a Health Professional Shortage Area (HPSA),
  - a county outside of any Metropolitan Statistical Area (MSA), or
  - an AK/HI demonstration project

Medicare & Advantage Plans

- Nearly 20 years after such videoconferencing technology has been available for health services, fewer than **one percent** of Medicare beneficiaries use it.
- Anthem and a University of Pittsburgh Medical Center health plan in western Pennsylvania are the **only two** Medicare Advantage insurers offering the virtual visits 6/15

HR 2: MEDICARE ACCESS AND CHIP REAUTHORIZATION ACT (APRIL 2015)

- Incremental changes in reimbursement methodologies
- Shift from traditional fee-for-service model towards ACOs - focus on quality and population health
- Telehealth and RPM are included in sub-category of care coordination of "Clinical Practice Improvement Activities"
- "Alternative Payment Models" may include payment for telehealth services
- 2 studies on telehealth are required
  - First on telehealth and Medicare
  - Second on remote patient monitoring and Medicare

Next Generation ACO- Breakthrough for Telehealth

- Greater access to home visits, telehealth services, and skilled nursing facilities;
- "benefit enhancements" allow circumvention of Medicare rules that go beyond benefits of Medicare Advantage -Alternative Payment Model
- Would allow ACOs to utilize the technology *regardless of a patient's geographic location*.
- Only 20 Pilots in first two years

Federal Legislative Landscape 2015/16

- **HR 6 The 21st century CURES Bill:** Passed House Energy & Commerce Committee; **dropped** provisions for Medicare to waive some telehealth restrictions---calls for studies by CMS and MedPAC on telehealth potential benefits, & what services should be reimbursed.
- **HR 2066 (Rep Harper) Telehealth Enhancement Act of 2015:**
  - Authorizes an Accountable Care Organization to include coverage of telehealth and remote patient monitoring as supplemental health care benefits to the same extent as in a Medicare Advantage plan
  - Recognizes telehealth services and remote patient monitoring in the national pilot program on payment bundling, Includes additional originating sites for TH any critical access hospitals, sole community hospitals, home telehealth sites, etc
  - **S. 2484 - Creating Opportunities Now for Necessary and Effective Care Technologies (CONNECT) for Health Act**
  - exempts participating entities under the demonstration waiver from telehealth requirements (modality, geographic restrictions, type of professional etc)

FEDERAL HEALTH & SAFETY LAWS AND REGULATIONS STILL APPLY!

- **HIPAA:** Consider not only protection of the electronic health information, but the physical setting of the encounter
- **Licensing**
- **Informed Consent**
- **Anti-Kickback Laws**
- **Prescribing**
- **Malpractice Liability**
  - Malpractice insurance
  - Malpractice lawsuits

Without High Speed Connectivity…

FCC says Alaska among nation's 10 worst states for broadband Internet

- **Alaska is Different-size**, weather, transportation, spacely populated outside of Anchorage
- **Rural Health Care Technology Triage** – Alaska is a pioneer when it comes to the adoption and use of communications technology to deliver health care services -community health aides use “AFHCAN carts” for store & forward health care to remote villages
- **Schools Need Connectivity Not Wi-Fi**
- **Public FCC subsidies have distorted the marketplace**

Source: FCC Commissioner Michael O’Rielly report-2014

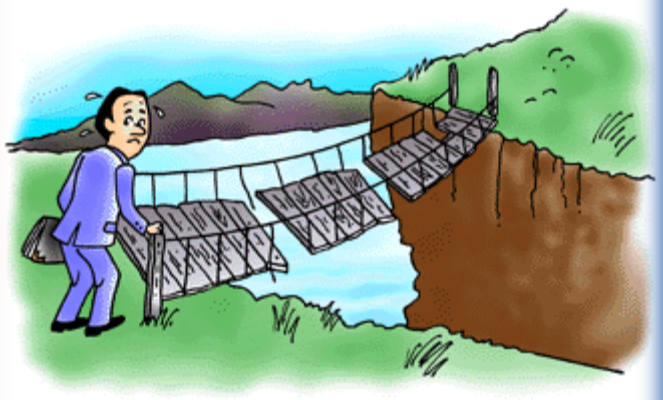
TECHNOLOGY-ENABLED HEALTH CARE TRENDS IN THE 21ST CENTURY

"THE INTERNET OF HEALTHY THINGS"- JOSEPH KVEDAR, M.D.,

1. MOVING FROM VOLUME TO VALUE

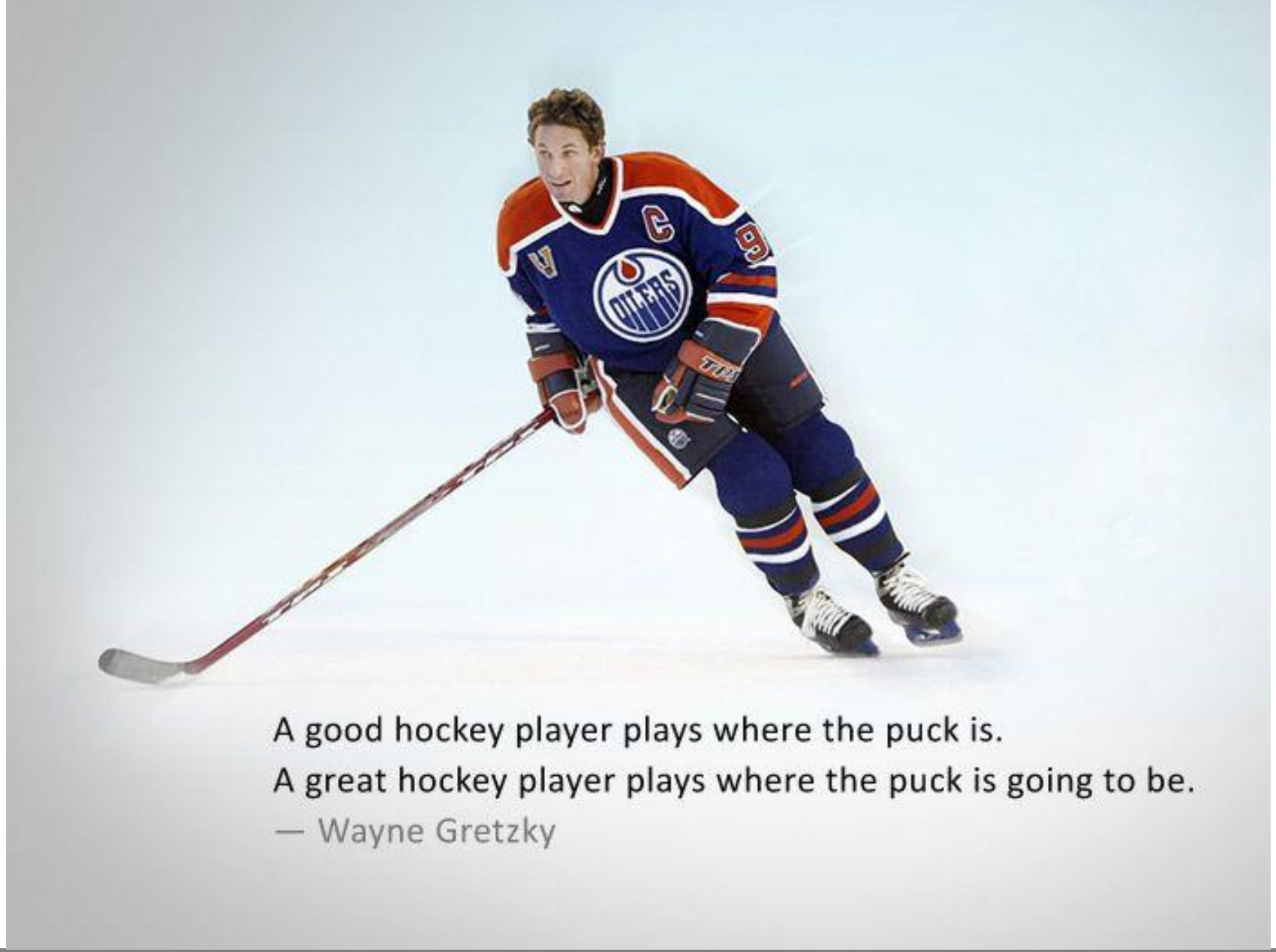
Volume-based

- 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


A good hockey player plays where the puck is.
A great hockey player plays where the puck is going to be.
— Wayne Gretzky

Traditional Model: Physician-centric

Consumer-Centric Health care

2. COMMERCIALIZATION OF HEALTH CARE: A FACT OF LIFE

take care clinic℠ at select Walgreens

American Well®

CVS CAREMARK

minute clinic®

Teladoc®

Dr DOCTOR on DEMAND

Talk to a board-certified physician from the comfort of home immediately!

A review, plus a $200 Target Gift Card Giveaway!

www.vivaveltoro.com

The Happy Healthy Care Company

- Walgreens has partnered with Providence Health & Services for coordinating patient care and improving patient access in 25 new retail clinics to Oregon and Washington.
- Walgreens also manages 8,232 stores and more than 400 Healthcare Clinic and provider practices around the country
- New partnerships with **WebMD** for health info app
- **MDLive** providing virtual telehealth visits Colo., Illinois, and Wash. The service provides 24/7 access to MDLIVE's network of U.S. board-certified doctors, and will be in 25 states by the end of this year.
- Loyalty points for healthy behavior connected to the store.
- Pharm, lab, and own EMR system in each store.

3. TECHNOLOGY IS GROWING AND HERE TO STAY

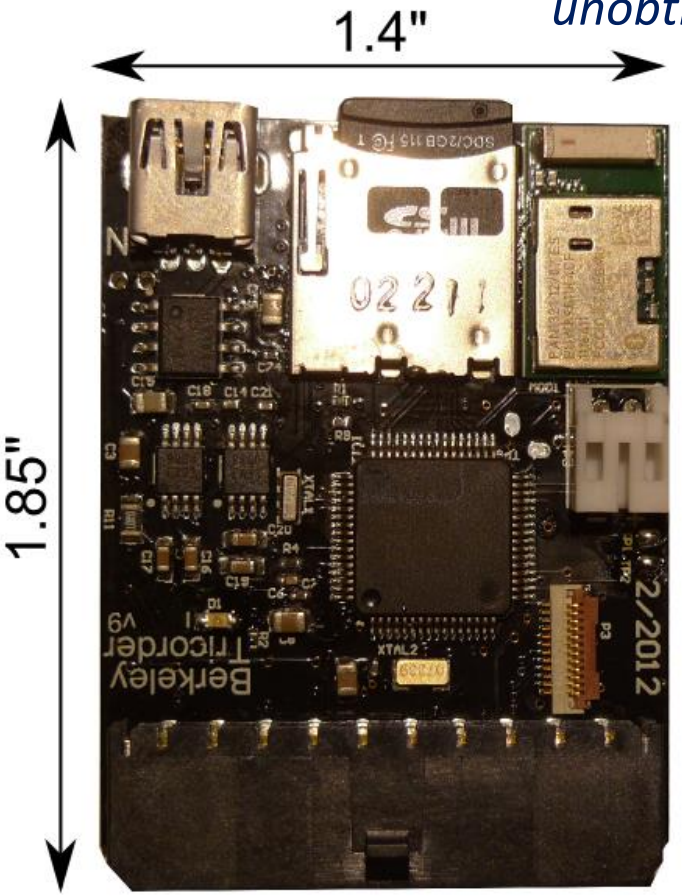
Healthcare Access Tablet (HAT)

Wireless Medical Devices

General Exam Camera
Stethoscope

BERKELEY "TRICORDER"

Smallest Remote monitoring of multiple health functions in an unobtrusive, wearable wireless device.



- Combines accelerometer, ECG, stethoscope, pulse-oximeter, EMG myography, and other functions
- Bluetooth radio with connectivity to PC and telephone
- 2GB data storage capacity: two days of continuous monitoring

FDA-APPROVED DIGESTIBLE MICROCHIP MONITORING RX ADHERENCE

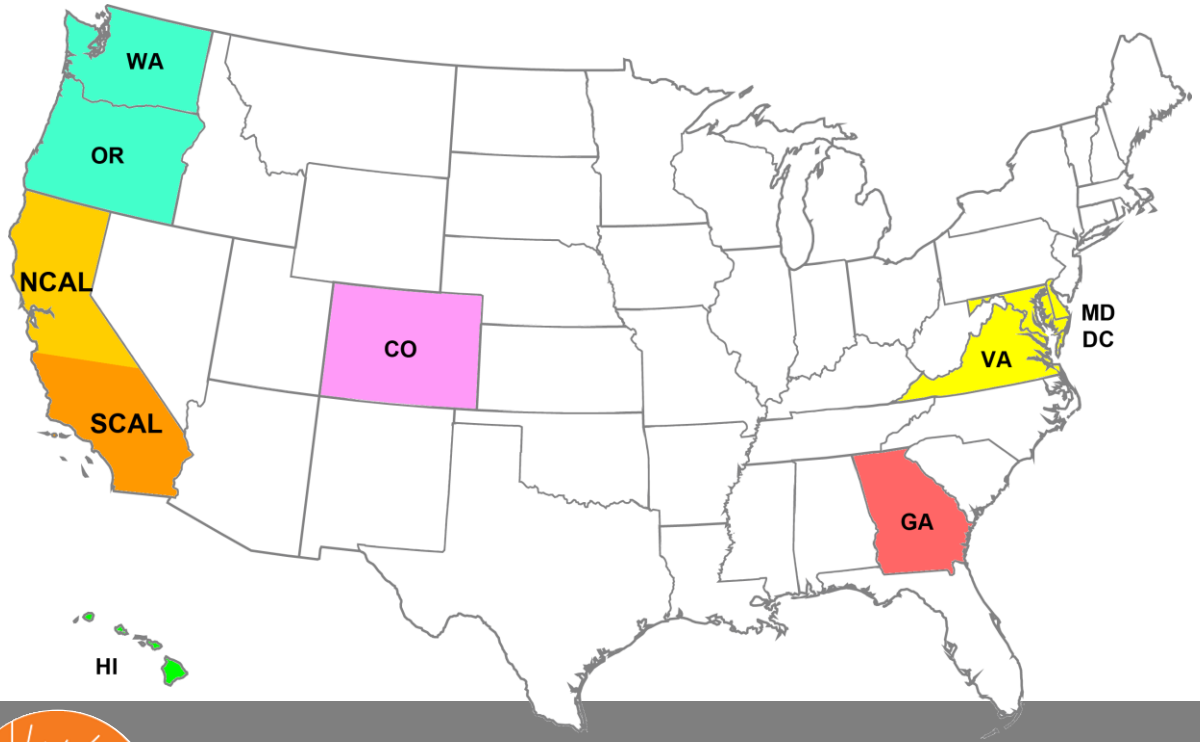
4. VIRTUAL CARE ANYWHERE

- A new report from information and analytics firm IHS says video consultations in US will jump to **75 million** virtual visits by 2020
- a recent report of Deloitte, the number of e-Visits will reach around **100 million** globally at the end of this year

Kaiser Permanente-Transforming Care

- 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 the EHR – a patient portal

VIRTUAL PRIMARY & CHRONIC CARE

- *Kaiser Permanente*
  - *10.5 million virtual by email, scheduled phone call, or video in 2013 in Kaiser Permanente Northern California & over half nationally by 2017*
  - *By he end of the year this number will exceed the number of in-person visits.*

Mercy Virtual

A hospital without beds

3 million virtual visits in the next 5 years

http://mercytelehealth.com

THANK YOU!

WWW.CCHPCA.ORG

WE ARE YOUR FREE SOURCE OF INDEPENDENT INFORMATION AND ANALYSIS OF TELEHEALTH POLICIES

MARIOG@CCHPCA.ORG