

# ALASKA STATE LEGISLATURE

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## House Bill 234

### Sponsor Statement

#### **“An Act related to insurance coverage for mental health benefits provided through telemedicine.”**

This bill seeks to require health care insurers that offer, issue, or renew insurance plans in Alaska to reimburse mental health professionals for medically necessary services delivered using telemedicine via secure phone or internet video applications. This legislation would not require an initial face to face visit but requires providers be licensed in Alaska.

There is no law in Alaska requiring private insurance companies that provide mental health benefits to reimburse for services provided through telemedicine. There are thousands of Alaskans across the state that have private health insurance but have little or no access or choice of professional mental health providers because some private insurers do not reimburse for telephonic or video mental health counseling. Currently, mental health providers and individuals must demonstrate to some insurance companies that the individual has a severe mobility issue and cannot obtain counseling where they live, or that an emergency exists. In many cases individuals are still often refused reimbursement for mental health services furnished through telemedicine.

Alaska’s Medicaid program funds most mental health services for individuals with severe or chronic mental illness. Medicaid regulations clearly allows payment for telemedicine delivery, and do not require face-to-face visits. Thus, there is currently a double standard in Alaska between public and private health care reimbursement for services furnished through telemedicine. The national trend is to allow for reimbursement for mental health services provided through telemedicine. According to the Center for Connected Health Policy, State Telehealth Laws and Medicaid Programs Policies, 32 states and the District of Columbia currently have telehealth parity

laws, some of which will go into effect by 2016 and 2017. An interactive map from the Center for Connected Health Policy can be retrieved online at <http://cchpca.org/state-laws-and-reimbursement-policies>.

Historically, there was a reluctance to reimburse for services delivered through telemedicine because there was no established code of ethics regarding electronic counseling and no secure video or telephonic resources. However, today the mental health counseling profession has to comply with the national Telemedicine Codes of Ethics addressing internet services. In addition, there are free encrypted, HIPAA compliant telephone and video conferencing applications that work with low broadband internet. Thus, with the current available technology and code of ethics regulating the professional use of this technology, there are numerous advantages to both patients and Alaskan mental health providers.

#### Advantages of Telemedicine:

- Provides for better access/privacy in rural and remote as well as urban areas of Alaska
- Early intervention is key to prevention, which saves money
- Often individuals will seek counseling earlier in distress if they aren't seen entering an office
- Alaskans with mild to moderate needs may seek help that is more convenient/accessible
- It saves time and money for many patients if they do not have to leave home or office
- Greater access for referrals to providers who specialize in treating specific issues
- Better access means a potential reduction in suicides, domestic violence and more serious crises
- Costs are expected to be the same to insurance companies as face to face counseling
- Zero impact on state budget

In summary, this proposed legislation is very limited in scope. First, it does not require insurers to provide or cover mental health benefits. It only requires insurers that presently offer mental health benefits to reimburse for these benefits delivered through telemedicine. In addition, this bill requires that the mental health service be provided "by a health care provider licensed in this state".

In conformance with the mental health profession, this bill uses the term "mental health" versus "behavioral health". Research has shown that both terms are used interchangeably by those in the mental health profession and that the term "behavioral health" is not defined within Alaska Statute or regulation.

7 AAC 12.449. Definitions. "Telemedicine" means the practice of health care delivery, evaluation, diagnosis, consultation, or treatment, using the transfer of medical data, audio, visual, or data communications that are performed over two or more locations between providers who are physically separated from the recipient or from each other.