Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Health Care & Wellness Committee

HB 1196

Brief Description: Concerning audio-only telemedicine.

Sponsors: Representatives Riccelli, Callan, Bateman, Ramos, Cody, Ortiz-Self, Duerr, Harris, Leavitt, Bergquist, Shewmake, Fitzgibbon, Macri, Tharinger, Slatter, Davis, Berg, Pollet, Orwall, Harris-Talley and Frame.

Brief Summary of Bill

• Requires reimbursement for audio-only telemedicine services.

Hearing Date: 1/25/21

Staff: Jim Morishima (786-7191).

Background:

Telemedicine is the use of interactive audio, video, or electronic media for the purpose of diagnosis, consultation, or treatment of a patient at an originating site. A health plan offered by a health carrier, a health plan offered to school or state employees and their dependents, a Medicaid managed care plan, and a behavioral health administrative services organization (for covered persons under 18 years of age) must reimburse providers for health care services provided through telemedicine or store and forward technology if:

- the services are covered services;
- the services are medically necessary;
- the services are essential health benefits under the federal Patient Protection and Affordable Care Act;
- the services are determined to be safely and effectively provided through telemedicine or store and forward technology according to generally accepted health care practices and standards; and

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• the technology meets state and federal standards governing the privacy and security of protected health information.

An originating site for telemedicine includes a hospital, rural health clinic, federally qualified health center, health care provider's office, community mental health center, skilled nursing center, renal dialysis center, or a home.

A health plan offered by a health carrier, a health plan offered to school or state employees, and a Medicaid managed care plan must reimburse a provider for a health care service provided through telemedicine at the same rate as if it was provided in person. Hospitals, hospital systems, telemedicine companies, and provider groups of 11 or more providers may negotiate a different reimbursement rate.

For purposes of these requirements, telemedicine does not include the use of audio-only telephone, facsimile, or electronic mail (e-mail).

Summary of Bill:

A health plan offered by a health carrier, a health plan offered to school or state employees and their dependents, a Medicaid managed care plan, and a behavioral health administrative services organization (for covered persons under 18 years of age) must reimburse providers for health care services provided through audio-only telemedicine. The requirements relating to audio-only telemedicine reimbursement are the same as for telemedicine, except for audio-only telemedicine the covered person must have an established relationship with the provider. An established relationship exists if the person has had at least one in-person appointment within the past year with the audio-only telemedicine provider or the covered person was referred by another provider who has had at least one in-person appointment with the person within the past year and has given relevant medical information to the audio-only telemedicine provider.

The Health Care Authority must adopt rules requiring Medicaid fee-for-service reimbursement for audio-only telemedicine services. The rules must establish a manner of reimbursement that is consistent with Medicaid managed care, except that rural health clinics must be reimbursed at the encounter rate.

For purposes of these requirements, "audio-only telemedicine" means the delivery of health care services through the use of audio-only telephone technology, permitting real-time communication between the patient at the originating site and the provider for purposes of diagnosis, consultation, or treatment. Audio-only telemedicine does not include facsimile or e-mail.

Appropriation: None.

Fiscal Note: Requested on January 22, 2021.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.