

MEDICAID POLICY INFORMATION SHEET

Policy Analyst: Laura Kilfoyle

Phone Number: 284-1228

Initial

Public Comment

Final

Brief description of policy:

The purpose of this bulletin is to update program coverage of telemedicine services including the definition, consent requirements, privacy and security requirements, allowable originating sites, distant site procedures and billing and reimbursement. It also outlines specific telemedicine considerations for Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs).

Reason for policy (problem being addressed):

Michigan Department of Health and Human Services (MDHHS) FY 2020 budget boilerplate language called for adding home, and any other site deemed appropriate by the provider, as allowable places of service and further defining distant site provider requirements for telemedicine services. Also, the following updates to current telemedicine policy are included: telemedicine definition; consent for telemedicine services; privacy and security requirements; billing and reimbursement; exclusive facility rate establishment; establishment of FQHCs and RHCs as allowable distant site providers; and specific FQHC and RHC billing processes for telemedicine services.

Budget implication:

budget neutral

will cost MDHHS \$, and (select one) budgeted in current appropriation

will save MDHHS \$

Is this policy change mandated per federal requirements?

No

Does policy have operational implications on other parts of MDHHS?

Yes - Medicaid Claims Processing Section

Does policy have operational implications on other departments?

No

Summary of input:

controversial

acceptable to most/all groups

limited public interest/comment

Supporting Documentation:

State Plan Amendment Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Public Notice Required: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If Yes, please provide status:	If yes,
<input type="checkbox"/> Approved <input type="checkbox"/> Pending <input type="checkbox"/> Denied	Submission Date:
Date: Approval Date:	

DRAFT FOR PUBLIC COMMENT Michigan Department of Health and Human Services		
	Project Number: 1944-Telemedicine	Date: March 12, 2020

Comments Due: April 16, 2020
Proposed Effective Date: As Indicated
Direct Comments To: Laura Kilfoyle
Address: Program Policy Division/MDHHS/MSA/CCC 7th Floor
E-Mail Address: KilfoyleL@michigan.gov
Phone: 517-284-1228 **Fax:** 517-335-5136

Policy Subject: General Telemedicine Policy Changes; Updates to Existing Policy; Federally Qualified Health Center and Rural Health Clinic Telemedicine Policy Changes

Affected Programs: Medicaid, Healthy Michigan Plan, Children’s Special Health Care Services, Maternity Outpatient Medical Services

Distribution: Practitioners, Hospitals, Nursing Facilities, Federally Qualified Health Centers, Local Health Departments, Rural Health Clinics, Community Mental Health Services Programs, Prepaid Inpatient Health Plans, Medicaid Health Plans, Tribal Health Centers

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Purpose: Michigan Department of Health and Human Services (MDHHS) FY 2020 budget boilerplate language called for adding home, and any other site deemed appropriate by the provider, as allowable places of service and further defining distant site provider requirements for telemedicine services.

Cost Implications: Budget neutral

Potential Hearings & Appeal Issues:

State Plan Amendment Required: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, date submitted:	Public Notice Required: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Submitted date:
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Tribal Notification: Yes No - Date:

THIS SECTION COMPLETED BY RECEIVER

<input type="checkbox"/> Approved	<input type="checkbox"/> No Comments
<input type="checkbox"/> Disapproved	<input type="checkbox"/> See Comments Below
	<input type="checkbox"/> See Comments in Text

Signature:	Phone Number
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Signature Printed:

Bureau/Administration *(please print)*

Date

Comment001

Revised 6/16

Bulletin Number: MSA 20-09

Distribution: Practitioners, Hospitals, Nursing Facilities, Federally Qualified Health Centers, Local Health Departments, Rural Health Clinics, Community Mental Health Services Programs, Prepaid Inpatient Health Plans, Medicaid Health Plans, Tribal Health Centers

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I. General Telemedicine Policy

Telemedicine is the use of telecommunication technology to connect a beneficiary with a Medicaid enrolled health care professional in a different location. The Michigan Department of Health and Human Services (MDHHS) requires a Health Insurance Portability and Accountability Act of 1996 (HIPAA) compliant real-time interactive system at both the originating and distant sites, allowing instantaneous interaction between the beneficiary and practitioner via the telecommunication system. The technology used must meet the needs for audio and visual compliance in accordance with state and federal standards. Practitioners must ensure the privacy of the beneficiary and the security of any information shared via telemedicine.

Allowable telemedicine services are limited to those listed on the telemedicine fee schedule, which can be accessed on the MDHHS website at www.michigan.gov/medicaidproviders >> Billing and Reimbursement >> Provider Specific Information >> Physicians/Practitioners/Medical Clinics >> Telemedicine Services.

A. MDHHS Definition of Telemedicine

MDHHS aligns the definition of telemedicine with Section 3476 of the Insurance Code of 1956, 1956 PA 218 MCL 500.3476, as updated on December 20, 2017. Therefore, "Telemedicine" means the use of an electronic media to link [beneficiaries] with health care professionals in different locations. To be considered telemedicine under this section, the health care professional must be able to examine the [beneficiary] via a real-time, interactive audio or video (or both) telecommunications system, and the patient must be able to interact with the off-site health care professional at the time the services are provided.

B. Consent for Telemedicine Services

MDHHS requires either direct or indirect patient consent for all services provided via telemedicine. This consent must be properly documented in the beneficiary medical record in accordance with applicable standards of practice. This requirement aligns with section 16284 of State of Michigan Public Act No. 359, effective March 29, 2017.

C. Privacy and Security Requirements

When providing services via telemedicine, sufficient privacy and security measures must be in place and documented to ensure confidentiality and integrity of beneficiary-identifiable information. Transmissions, including beneficiary email, prescriptions, and laboratory results, must be secure within existing technology (i.e., password protected, encrypted electronic prescriptions, or other reliable authentication techniques). All beneficiary-physician email, as well as other beneficiary-related electronic communications, should be stored and filed in the beneficiary's medical record, consistent with traditional recordkeeping policies and procedures.

D. Contingency Planning

A contingency plan, including referral to an acute care facility or Emergency Room (ER) for treatment as necessary for the safety of the beneficiary, is required when utilizing telemedicine technologies. This plan must include a formal protocol appropriate to the services being rendered.

E. Originating Site

Effective March 1, 2020, the originating site is defined as the location of the eligible beneficiary at the time of the telemedicine service.

Home, as defined as a location, other than a hospital or other facility, where the beneficiary receives care in a private residence, is allowed as an originating site for eligible beneficiaries for telemedicine services.

Local Health Departments, as defined in Sections 333.2413, 333.2415 and 333.2421 of the Michigan Public Health Code (PA 368 of 1978 as amended) are allowed as originating sites for eligible beneficiaries for telemedicine services.

Also, in accordance with clinical judgement, any other established site considered appropriate by the provider is considered an allowable originating site, so long as all privacy and security requirements outlined in policy are established and maintained during the telemedicine service.

Authorized originating sites include:

- County mental health clinic or publicly funded mental health facility
- FQHC
- Hospital (inpatient, outpatient, or critical access hospital)
- Office of a physician or other practitioner (including medical clinics)
- Hospital-based or Critical Access Hospital (CAH)-based Renal Dialysis Centers (including satellites)
- RHC
- Skilled nursing facility
- Tribal Health Center
- Local Health Department (LHD)
- Home
- Other established site considered appropriate by the provider

F. Distant Site

Effective March 1, 2020, the distant site is defined as the location of the practitioner providing the professional service at the time of the telemedicine visit. This definition encompasses the provider's office, or any established site considered appropriate by the provider, so long as the privacy of the beneficiary and security of the information shared during the telemedicine visit are maintained.

G. Billing and Reimbursement

i. Telehealth Facility Fee

Effective March 1, 2020, allowable originating sites are permitted to submit claims for the telehealth facility fee. This fee is intended to reimburse the provider for the expense of hosting the beneficiary at their location. In order to submit this code, the originating site must ensure the technology is functioning, the privacy of the beneficiary is secured, and that the information is shared confidentially.

Telemedicine services where "home" or another "established site considered appropriate by the provider" are utilized as the originating site are not eligible to receive the telehealth facility fee. Distant site providers in these situations are instructed to bill the appropriate Current Procedural Terminology (CPT)/Healthcare

Common Procedure Coding System (HCPCS) code (as represented by the telemedicine database) for the service(s) provided.

Neither the originating site or the distant site is permitted to bill **both** the telehealth facility fee and the code for the professional service for the same beneficiary at the same time.

ii. Facility Rate

Effective June 1, 2020, Allowable telemedicine services will be eligible for reimbursement at the facility rate exclusively.

iii. Place of Service and GT Modifier

Effective March 1, 2020, all telemedicine services, as allowable on the telemedicine database and submitted on the professional invoice, must be reported with Place of Service 02-Telehealth and the GT—interactive telecommunication modifier. For services submitted on the Institutional invoice, the appropriate National Uniform Billing Committee (NUBC) revenue code, along with the appropriate telemedicine CPT/HCPCS procedure code and modifier must be used. Telemedicine claims without these indicators may be denied.

Note: due to system enhancement changes, claims for telemedicine services with dates of service from March 1, 2020 through May 31, 2020 may not be fully adjudicated until on or after June 1, 2020.

For additional information on MDHHS telemedicine policy, refer to the Practitioner chapter of the Medicaid Provider Manual, Telemedicine section.

II. FQHC and RHC Considerations

The purpose of this section is to update program coverage of telemedicine services provided by FQHCs and RHCs acting as an originating or distant site provider effective March 1, 2020.

A. General Information

All current Medicaid policy for telemedicine services, including definitions, requirements and parameters of telemedicine, apply to FQHCs and RHCs. FQHCs and RHCs are responsible for ensuring compliance with all telemedicine policy within the Medicaid Provider Manual and any applicable supplemental Medicaid policy bulletins. The Medicaid Provider Manual and Medicaid policy bulletins can be accessed on the MDHHS website at www.michigan.gov/medicaidproviders >> Policy, Letters & Forms.

B. Distant Site Providers

Distant site services provided by qualified Medicaid enrolled practitioners may be covered when the qualified practitioner is employed by the clinic or working under the terms of a contractual agreement with the clinic. FQHCs and RHCs must maintain all practitioner contracts and provide them to MDHHS upon request. Refer to the Practitioner chapter of the Medicaid Provider Manual for additional information on distant site providers.

C. Billing, Reimbursement, and Prospective Payment System (PPS)

Claims for telemedicine services must be submitted using the ASC X 12N 837 5010 form using the appropriate telemedicine HCPCS or CPT code. All telemedicine claims must include the corresponding modifier GT—interactive telecommunication and the appropriate revenue code.

During the Medicaid provider enrollment process, contracted providers must associate to the FQHC or RHC billing National Provider Identifier (NPI). Refer to the Billing & Reimbursement for Institutional Providers chapter of the Medicaid Provider Manual for further information.

The telehealth facility fee does not qualify as a face-to-face visit and does not generate the PPS payment. Telemedicine service(s) provided at the distant site that qualify as a face-to-face visit may generate the PPS payment. All current PPS rules and encounter criteria apply to telemedicine visits. Refer to the FQHC and RHC chapters of the Medicaid Provider Manual and the FQHC and RHC reimbursement lists on the MDHHS website for further information. The FQHC and RHC reimbursement lists can be accessed at www.michigan.gov/medicaidproviders >> Billing & Reimbursement >> Provider Specific Information >> Clinic Institutional Billing.

PPS is reimbursed according to the billing rules described below.

FQHC/RHC Telemedicine Services Billing			
Originating Site	Distant Site	Billing Rules	PPS for Qualifying Visit
FQHC #1/RHC #1	FQHC #2/RHC #2	FQHC/RHC #1 bills the telehealth facility fee (for tracking purposes only) and FQHC/RHC #2 bills for professional services provided at their site.	FQHC #2/RHC #2
FQHC/RHC	Provider is employed by/contracted with the originating site FQHC/RHC	Originating site bills for the distant site provider's services per the contract.	Originating site FQHC/RHC

FQHC/RHC Telemedicine Services Billing			
Originating Site	Distant Site	Billing Rules	PPS for Qualifying Visit
FQHC/RHC	Provider is not located at an FQHC/RHC site and is not employed by/contracted with the originating site FQHC/RHC	Each provider bills for services provided at their site.	No PPS
Site is not an FQHC/RHC	FQHC/RHC	Each provider bills for services provided at their site.	FQHC/RHC

If both the originating and distant sites submit identical procedure code(s) for a telemedicine visit for the same beneficiary on the same date of service, it is considered duplicate billing. MDHHS will recover payment from the appropriate FQHC, RHC, or contracted provider. Recovery will be based on the terms specified in the contract.

Public Comment

The public comment portion of the policy promulgation process is being conducted concurrently with the implementation of the change noted in this bulletin. Any interested party wishing to comment on the change may do so by submitting comments in writing to:

Attn: Laura Kilfoyle
MDHHS/MSA
PO Box 30479
Lansing, Michigan 48909-7979
Or
E-mail: KilfoyleL@michigan.gov

If responding by e-mail, please include "Telemedicine Policy Changes" in the subject line.

Comments received will be considered for revisions to the change implemented by this bulletin.

Manual Maintenance

Retain this bulletin until the information is incorporated into the Michigan Medicaid Provider Manual.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Health and Human Services, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mailed to ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, NPI number, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

Approved

A handwritten signature in black ink, appearing to read 'K. Massey', followed by a horizontal line extending to the right.

Kate Massey, Director
Medical Services Administration