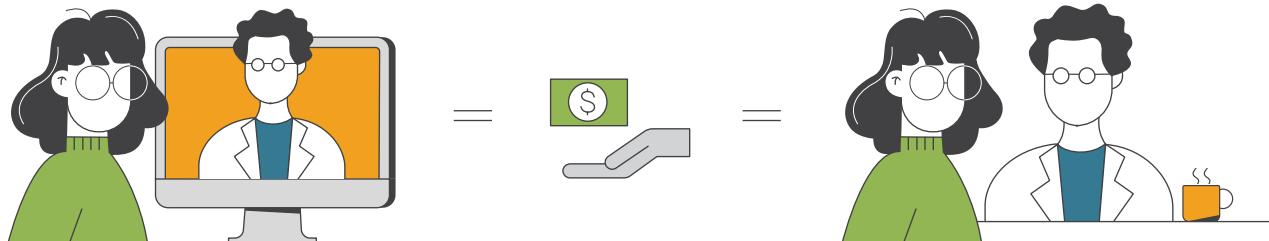


Telehealth Payment Parity

It's about the service, not the modality



JUNE 2021



What is Telehealth Payment Parity?

Payment parity simply means paying the same amount of money for a service regardless of how it was delivered—whether in-person, or through telehealth. Parity is defined as and is specific to the *service* provided, not the *modality* used (see California's payment parity law¹). For instance, payment parity does not mean paying for a phone call equal to an in-person visit or that all in-person visits can be conducted via a phone call.

Payment parity means paying for a service based upon length of the visit and complexity of health problems addressed, regardless of whether it was provided in-person, through live video, store-and-forward messaging, or potentially via audio-only technology.

Payment parity recognizes that a provider's time, care, risks, and treatment for certain services does not change simply because of where or how they provide it. Parity means that services should be compensated based upon a negotiated rate that factors in the level of service provided and includes whether or not the service was appropriate.

CPT has specific parameters that must be met in order for the medical service provided to be reimbursed.

If the service provided via telehealth is not equal to a service provided in-person, it would not be paid

equally, nor would payment parity legislation allow or require it to be - this is assured through billing code definitions in AMA's Common Procedural Terminology, or CPT codes. CPTs require detailed provider documentation for a visit with coverage denied by payors if it does not meet the definitions of that particular code.

California laws and standards of care do not change based upon mode of service delivery.

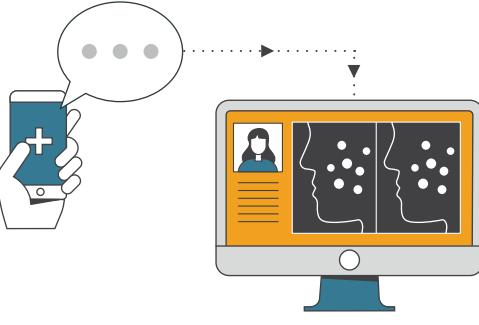
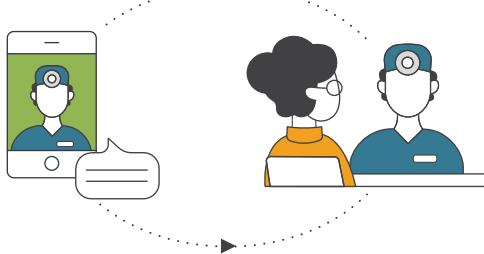
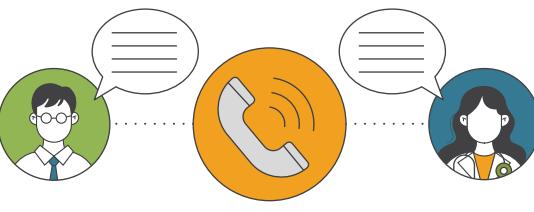
In addition to billing rules, specific sections of telehealth law already take into account the necessary considerations of clinical appropriateness and consumer protection ([BPC 2290.5](#)). As with all medical decisions, providers ultimately determine the clinical appropriateness of a telehealth visit, versus seeing the patient in-person. Not only is a provider at risk of not being reimbursed if the provision of care through telehealth is deemed not clinically appropriate, but they are at risk of malpractice and discipline through state licensing boards and other regulatory entities.

The potential for fraud does not change simply due to the modality of care delivery. In fact, the Office of Inspector General (OIG) recently released a statement cautioning against comparing "telefraud" schemes to telehealth fraud, noting that common investigations focus on providers fraudulently billing for items and services unrelated to how the visit was provided.²

¹ AB 744, Aguiar-Curry, 2019; HSC (h) of Section 1367/INS 10123.137(HSC 1374.14 (a)(2))(Ins. Code 10123.855 (a)(2)).

² Press Release, US Dept't of Health and Human Services Office of the Inspector General, Principal Deputy Inspector General Grimm on Telehealth (February 26, 2021), available at https://oig.hhs.gov/coronavirus/letter-grimme-02262021.asp?utm_source=oig-web&utm_medium=oig-covid-policies&utm_campaign=oig-grimme-letter-02262021.

Examples

<p>A provider has a phone call with a patient, only to determine the issue is not conducive to an audio-only visit and that the patient should schedule an in-person visit instead. If the law requires payment parity for telehealth, can the provider bill for this call on top of the full rate for the forthcoming in-person visit?</p> 	<p>A patient texts their provider about a dermatologic issue, and the provider asks them to send an image of their issue. Can this text now be eligible for reimbursement?</p> 
<p>NO. CPT rules state that if there is a related visit, only the full visit can be eligible for coverage; the initial phone call would be captured in the payment associated with the in-person encounter.</p>	<p>NO. Like the first scenario, there is no in-person equivalent to that text message, and CPT rules would bundle it with the store-and-forward exchange</p>
<p>A provider performs a follow-up check-in call with a patient after a surgical procedure. Would payment parity requirements allow the phone call to be billed as an in-person visit?</p> 	<p>A patient requests an appointment with their mental health provider but only has access to a phone. The provider schedules and renders a 50-minute counseling appointment where they discuss the patient's mental health status, have a counseling session and suggest a treatment plan. Is this phone call eligible for payment parity?</p> 
<p>NO. CPT rules would bundle the call with the surgical visit and it would not be eligible for separate reimbursement, as it's part of the surgical encounter plus falls within time limitations.</p>	<p>YES. During the Public Health Emergency (PHE) currently in effect, it is reimbursable and included on the CMS List of Telehealth CPT Codes as well. To maintain treatment during the PHE and given that the exact same time and care with the equivalent level of complexity as in-person was provided telephonically, it is currently eligible for parity reimbursement; however, outside of the PHE and without parity requirements, this activity would not be a covered service.</p>

The California Telehealth Policy Coalition

The coalition is the collaborative effort of over 100 statewide organizations and individuals who work to advance California telehealth policy.

The group was established in 2011 when AB 415 (The Telehealth Advancement Act) was introduced and continues as telehealth becomes integral in the delivery of health services in California. Convened by the Center for Connected Health Policy, the coalition aims to create a better landscape for health care access, care coordination, and reimbursement through and for telehealth.

Visit the coalition online at www.cchpca.org/about/projects/california-telehealth-policy-coalition.