State Telehealth Laws and Reimbursement Policies

AT A GLANCE  | Fall 2021
*Please note that many states continue to keep their temporary telehealth COVID-19 emergency policies siloed from their permanent telehealth policies. In instances where the state has made policies permanent or extended for multiple years, CCHP has incorporated those policies into this report, however policies tied to the COVID-19 emergency specifically are not included. For information on state temporary COVID-19 telehealth policies, visit CCHP’s COVID-19 Telehealth Policy tracking webpage.*

Telehealth policy trends continue to vary from state-to-state, with no two states alike in how telehealth is defined, reimbursed or regulated. A general definition of telehealth used by CCHP is the use of electronic technology to provide health care and services to a patient when the provider is in a different location.

Medicaid Policy Trends

All 50 states and D.C. now reimburse for some type of live video telehealth services in Medicaid. Twenty-two state Medicaid programs reimburse for store-and-forward and twenty-nine states reimburse for remote patient monitoring (RPM), a slight increase from Spring 2021. Additional states have laws requiring Medicaid reimbursement for store-and-forward or RPM, however no official written Medicaid policies indicating that they have been implemented have been made available yet. Some states are also adopting the Centers for Medicare and Medicaid Services’ (CMS) communication technology-based services (CTBS) codes, including the virtual check-in and remote evaluation of pre-recorded information, audio-only service codes and remote physiologic monitoring. However, states’ approaches to CTBS vary, with some separating it from their telehealth policies, while others include it under the umbrella of telehealth. Audio-only reimbursement, saw the biggest jump, with 22 Medicaid programs reimbursing the modality (up from 15 in Spring 2021). This is likely a result of policies during the pandemic either being made permanent or being extended multiple years into the future, although often on a more limited basis than what was allowed during the COVID-19 public health emergency (PHE).

Many of the reimbursement policies that do exist continue to have restrictions and limitations, creating a barrier to utilizing telehealth to deliver services. In the past, restrictions on eligible services, where the patient is located (originating site), and the type of provider eligible to deliver services have been the most common. While many states have kept these restrictions in place, over the past year we have seen many Medicaid programs expand the eligible providers (often to FQHCs, RHCs and therapy providers), originating sites (often to the home and schools) and services eligible for reimbursement. Since Spring 2021, one of the last remaining states to have a broad geographic restriction on the originating site (South Dakota), eliminated it. Thirty states and D.C. explicitly and permanently allow the home to be an eligible originating site under certain circumstances. Additionally, twenty-nine states and D.C explicitly note that their Medicaid program will reimburse telehealth delivered services in a school-based setting.

*Some states reimburse this modality solely as part of Communication Technology-Based Services, which have their own separate codes and reimbursement rates.
States approach online prescribing in different ways. Some states explicitly allow the establishment of a patient-provider relationship (needed for the prescribing of medication) via telehealth under certain circumstances. Others are silent on the issue. Most states consider an online questionnaire only as insufficient to establish the patient-provider relationship and prescribe medication. A few states have stricter requirements to meet for prescribing controlled substances vs. regular scheduled drugs, although there is sometimes an exception specifically made for the prescribing of controlled substances used in medication assisted therapy (MAT) as a result of the opioid epidemic.

States are increasingly passing legislation directing healthcare professional boards to adopt practice standards for its providers who utilize telehealth. These standards often address criteria to form a patient-provider relationship, prescribe, obtain consent and comply with privacy and practice standards. Regulatory telehealth standards are most common for Medical and Osteopathic Boards, however other professional boards (such as mental health, dentistry and therapist boards) are increasingly adopting them as well.

44 States and D.C. have a consent requirement in either Medicaid policy, law or regulation. This number has increased by two since Spring 2021.

Twelve states issue special licenses or certificates, or have a telehealth specific exception for out-of-state licensed providers, including both Arizona and Florida which now only require out-of-state telehealth providers to register with their applicable professional board. Licensure Compacts have also become increasingly common. For example:

- **States, D.C. & Guam:** Interstate Medical Licensure Compact
- **States:** Physical Therapy Compact
- **States and DC:** Psychology Interjurisdictional Compact (PSYPACT)
- **States:** Emergency Medical Services Personnel Licensure Interstate Compact (REPLICA)
- **States:** Audiology and Speech-Language Pathology Interstate Compact (ASLP-IC)
- **States:** Occupational Therapy Compact
- **States:** The Counseling Compact

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