State Telehealth Laws and Reimbursement Policies

As the temporary policies implemented during the COVID-19 pandemic continue to come to a close, states are taking steps towards implementing more comprehensive telehealth policies, especially in their Medicaid programs. This includes the incorporation of detailed clarifications and enhancements to existing Medicaid, private payer, and professional policies.

The Report’s Methodology

- States were reviewed between January and March 2023.
- CCHP only counts states as providing reimbursement if official Medicaid documentation is found confirming they are reimbursing for a specific modality. A statutory requirement alone is not enough.
- COVID-19 emergency policies are not included in CCHP’s reporting, though they may still be found in the policy finder. Only permanent policies are accounted for in the report.
- A state is counted as reimbursing for a modality/eligible site even if they do so in a very limited way. Therefore, it’s always important to check the state’s specific requirements.

Medicaid Reimbursement

While the majority of state Medicaid programs still uphold restrictions on allowable telehealth modalities, eligible originating sites, services, and providers, there is a growing trend towards incremental changes aimed at expanding telehealth access. This includes the inclusion of new services, such as school-based services and the extension of coverage to additional providers such as speech language pathologists. These changes reflect a gradual but promising shift towards broader adoption of telehealth within Medicaid programs across the states.

Audio-only Reimbursement

The number of states reimbursing audio-only more than doubled between Spring 2021 and Fall 2022. However, only two states have added reimbursement for audio-only telehealth since, indicating a slowdown in the pace of policy changes in this regard.

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- 36 STATES AND DC Audio-only telephone*
- 50 STATES AND DC Live Video
- 34 STATES Remote patient monitoring*
- 28 STATES Store-and-forward*
- 37 STATES AND DC Explicitly allow the home as an eligible originating site

*Some states that are included in the counts above reimburse this modality solely as part of Communication Technology-Based Services (CTBS), which have their own separate codes and reimbursement rates.

Some Medicaid programs indicate reimbursement of telehealth services to the home through use of the new Place of Service Code 10 (which indicates telehealth services provided to patients at home).
Private Payer Law

Forty-three states, the District of Columbia and Virgin Islands have a private payer law that addresses telehealth reimbursement. Not all of these laws require reimbursement or payment parity. Within this Spring 2023 edition, no significant changes to private payer laws were identified.

Prescribing

States are placing greater emphasis on clarifying the requirements for prescribing via telehealth, with a growing trend of establishing parameters around provider-patient relationships. Notably, rules pertaining to the prescribing of controlled substances tend to be more stringent compared to those governing non-controlled substances. This reflects a heightened focus on ensuring safe and responsible prescribing practices in telehealth, particularly in the context of controlled substances.

Example:

NEW HAMPSHIRE law makes it unlawful for any person to prescribe by means of telemedicine a controlled drug classified in schedule II through IV except in instances of treating substance use disorder in very specific circumstances.

Example:

TENNESSEE’s private payer law requires reimbursement for provider-based telemedicine encounters in a manner consistent with how the payer reimburses in-person encounters without distinction of the geographic location where the patient is located.

Licensure

Unlike the findings in CCHP’s Fall 2022 update, when more states than ever before adopted cross state licensure exceptions, registrations or licenses specific to telehealth, the Spring 2023 findings found only Washington as adopting a new, very specific allowance to its in-state licensing requirements. In previous years, CCHP noted a rise in states adding cross state licensure exceptions, out-of-state telehealth registrations, or telemedicine licenses. Florida, for example, has implemented an out-of-state Telehealth Provider registration. In total, 26 states now have special licenses, certificates or exceptions to licensing related to telehealth.

Adoption of Interstate Compacts continue to be common for states.

The Numbers:

- 26 STATES Have Special Licenses/Exceptions
- 24 STATES Have explicit payment parity.
- 3 States: Advanced Practice Registered Nurse Compact (Not yet active)
- 25 States: Audiology and Speech-Language Pathology Interstate Compact (ASLP-IC)
- 20 States: Counseling Compact
- 22 States: Emergency Medical Services Personnel Licensure Interstate Compact (REPLICA)
- 37 States, DC, and the territory of Guam: Interstate Medical Licensure Compact
- 37 States and the territory of Guam and Virgin Islands: Nurses Licensure Compact
- 25 States: Occupational Therapy Compact
- 33 States and DC: Physical Therapy Compact
- 34 States and DC: Psychology Interjurisdictional Compact
- 1 States: Physician Assistant Compact (Not yet active)
- Legislation pending in 9 states: Social Worker Interjurisdictional Compact (Not yet active)