State Telehealth Laws and Reimbursement Policies

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Medicaid Policy Trends

All 50 states and D.C. now reimburse for some type of live video telehealth services in Medicaid. Reimbursement for store-and-forward and remote patient monitoring (RPM) continues to lag behind. Eighteen state Medicaid programs reimburse for store-and-forward and twenty-one states reimburse for remote patient monitoring (RPM), with additional states having laws requiring Medicaid reimbursement for store-and-forward or RPM, yet no official written policies indicating that such policy has been implemented.

Many of the reimbursement policies that do exist continue to have restrictions and limitations, creating a barrier to utilizing telehealth to deliver services. One of the most common restrictions is a limitation on where the patient is located, referred to as the originating site. While most states have dropped Medicare’s rural geographic requirement, many Medicaid programs have limited the type of facility that can serve as an originating site, often excluding a patient’s home from eligibility. However, this is slowly changing, especially in this latest update as a result of the pandemic. Twenty-seven states and D.C. do now explicitly and permanently allow the home to be an eligible originating site under certain circumstances. Additionally, 26 states and D.C explicitly note that their Medicaid program will reimburse telehealth delivered services in a school-based setting.

* Please note that for the most part, 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, CCHP has incorporated those policies into this report, however temporary COVID-19 related policies 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.
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Other Common Telehealth Restrictions

The specialty that telehealth services can be provided for

The types of services or CPT codes that can be reimbursed (inpatient office, consult, etc.)

The types of providers that can be reimbursed (e.g., physician, nurse, etc.)

States and the District of Columbia have laws that govern private payer reimbursement of telehealth. Some laws require reimbursement be equal to in-person coverage, however most only require parity in covered services, not reimbursement amount. Not all laws mandate reimbursement.

Telephone/Audio-Only Service Delivery

5 states have added a permanent allowance for some type of telephone/audio-only delivered health care services since the COVID-19 emergency began. The addition of telephone was one of the most common COVID-19 temporary telehealth policy expansions, however not many states have taken the step to make this permanent.

Private Payer Reimbursement

43 States and the District of Columbia have laws that govern private payer reimbursement of telehealth. Some laws require reimbursement be equal to in-person coverage, however most only require parity in covered services, not reimbursement amount. Not all laws mandate reimbursement.

Consent

41 States and D.C. have a consent requirement in either Medicaid policy, law or regulation. This number has increased by two since Spring 2020.

Online Prescribing

Most states consider an online questionnaire only as insufficient to establish the patient-provider relationship and prescribe medication. Some states allow telehealth to be used to conduct a physical exam, while others do not or are silent. Some states have relaxed requirements for prescribing controlled substances used in medication assisted therapy (MAT) as a result of the opioid epidemic.

More and more states are passing legislation directing healthcare professional boards to adopt practice standards for its providers who utilize telehealth. Medical and Osteopathic Boards often address issues of prescribing in such regulatory standards.

Online Prescribing

Licensure

Eight state boards issue licenses related to telehealth allowing an out-of-state licensed provider to render services via telehealth. Licensure Compacts have become increasingly common. For example:

28 States: D.C. & Guam-Interstate Medical Licensure Compact

34 States: Nurse Licensure Compact

28 States: Physical Therapy Compact

15 States: Psychology Interjurisdictional Compact (PSYPACT)

5 States: Audiology and Speech-Language Pathology Interstate Compact (ASLP-IC)

20 States: Emergency Medical Services Personnel Licensure Interstate Compact (REPLICA)

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