

HUMAN SERVICES DEPARTMENT[441]

Notice of Intended Action

Pursuant to the authority of Iowa Code section 249A.4 and 2015 Iowa Legislature CCS 505, the Department of Human Services proposes to amend Chapter 78, “Amount, Duration, And, Scope Of, Medical And Remedial Services,” Iowa Administrative Code.

This amendment is related to a 2015 mandate by the General Assembly that administrative rules be adopted to provide for coverage of telehealth under the Medicaid program. The rules must provide that an in-person contact between a health care professional and a patient is not required as a prerequisite for payment for services appropriately provided through telehealth in accordance with generally accepted health care practices and standards prevailing in the applicable professional community at the time the services are provided. The mandate also directed that health care services provided through in-person consultations or through telehealth shall be treated as equivalent services for the purposes of reimbursement.

This amendment will formalize a long-standing (non-rule-based) coverage standard that payment may be made for services rendered via telehealth, to the same extent as such services are covered under Medicaid when rendered in-person and where provision of such services via telehealth are considered appropriate by the current standards in the medical community.

Any interested person may make written comments on the proposed amendments on or before August 25, 2015. Comments should be directed to Harry Rossander, Bureau of Policy Coordination, Department of Human Services, Hoover State Office Building, 5th Floor, 1305 East Walnut Street, Des Moines, Iowa 50319-0114. Comments may be sent by fax to (515) 281-4980 or by email to policyanalysis@dhs.state.ia.us.

These amendments do not provide for waivers in specified situations because requests for the waiver of any rule may be submitted under the Department's general rule on exceptions at 441—1.8(17A, 217).

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 249A.4 and 2015 Iowa Legislature, CCS 505, Division V, section 12 (23).

The following amendment is proposed.

ITEM 1. Adopt **new** rule **441—78.55(249A)**, as follows:

78.55(249A) Services rendered via telehealth. An in-person contact between a health care professional and a patient is not required as a prerequisite for payment for otherwise covered services appropriately provided through telehealth in accordance with generally accepted health care practices and standards prevailing in the applicable professional community at the time the services are provided. Health care services provided through in-person consultations or through telehealth shall be treated as equivalent services for the purposes of reimbursement.

Information on Proposed Rules

Name of Program Specialist Marty Swartz	Telephone Number 515-256-4651	E-mail Address mswartz@dhs.state.ia.us
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1.	<p>Give a brief summary of the rule changes:</p> <p>The rule changes being proposed are related to a 2015 mandate by the General Assembly that rules be adopted to provide for coverage of telehealth under the Medicaid program. The rules must provide that an in-person contact between a health care professional and a patient is not required as a prerequisite for payment for services appropriately provided through telehealth in accordance with generally accepted health care practices and standards prevailing in the applicable professional community at the time the services are provided. The mandate also directed that health care services provided through in-person consultations or through telehealth shall be treated as equivalent services for the purposes of reimbursement.</p>
2.	<p>What is the legal basis for the change? (Cite the authorizing state and federal statutes and federal regulations):</p> <p>249A.4</p>
3.	<p>Why is the Department requesting these changes?</p> <p>Per the Legislature's mandate.</p>
4.	<p>What will be the effect of this rule making (who, what, when, how)?</p> <p>This rule change will formalize a long-standing (non-rule-based) coverage standard that payment may be made for services rendered via telehealth, to the same extent as such services are covered under Medicaid AND where provision of such services via telehealth are considered appropriate by the current standards in the medical community.</p>
5.	<p>What are the potential costs and benefits of this rule making to the persons affected?</p> <p>The benefit is a clearly articulated coverage and reimbursement standard for providers rendering otherwise covered services via telehealth.</p>
6.	<p>What are the potential costs and benefits of this rule to the state?</p> <p>The benefit to the state will be clarity regarding Medicaid coverage of and payment for services rendered via telehealth. There is not "cost" to the state, per se, since reimbursement for an otherwise covered service will be the same, whether rendered in-person or via telehealth. Also, it is not anticipated that there would be any increase in expenditures by virtue of this new rule provision, since availability of services via telehealth would essentially mean that instead of paying for a service rendered in-person, the service would be rendered via telehealth. In other words, it is not anticipated that there would be any duplication of services.</p>
7.	<p>What are the likely areas of public comment or controversy?</p> <p>Telehealth providers would prefer additional reimbursement for specific telehealth "components of service" (e.g., line charges, site coordination services, other technical aspects), similar to such additional reimbursement provided under the Medicare program.</p>
8.	<p>Are there any alternatives to making these changes in rules that you considered and rejected?</p> <p>No, in light of the mandate from the General Assembly.</p>

<p>9. What will be the effect on other governmental bodies (federal or state agencies, county governments)? Not aware of any effect on other governmental bodies.</p>
<p>10. If rules do not contain waiver provisions, explain why: This amendment does not provide for waiver in specified situations because such may be requested under the department's general rule on exceptions at Iowa Admin. Code r. 441—1.8.</p>
<p>11. Do these rules have an impact on private-sector jobs and employment opportunities in Iowa? (If yes, describe nature of impact, categories and number of jobs affected, state regions affected, costs to employer per employee) No known impact on private-sector jobs and employment opportunities in Iowa.</p>

ADMINISTRATIVE RULE FISCAL IMPACT STATEMENT

Date: July 2, 2015

Agency: Human Services

IAC citation: 441 IAC 78.56 (249A) (This would be a new rule)

Agency contact: Marty Swartz

Summary of the rule:

The rule changes being proposed are related to a 2015 mandate by the General Assembly that rules be adopted to provide for coverage of telehealth under the Medicaid program. The rules must provide that an in-person contact between a health care professional and a patient is not required as a prerequisite for payment for services appropriately provided through telehealth in accordance with generally accepted health care practices and standards prevailing in the applicable professional community at the time the services are provided. The mandate also directed that health care services provided through in-person consultations or through telehealth shall be treated as equivalent services for the purposes of reimbursement.

Fill in this box if the impact meets these criteria:

No fiscal impact to the state.

Fiscal impact of less than \$100,000 annually or \$500,000 over 5 years.

Fiscal impact cannot be determined.

Brief explanation:

This rule change will formalize a long-standing (non-rule-based) coverage standard that payment may be made for services rendered via telehealth, to the same extent as such services are covered under Medicaid and where provision of such services via telehealth are considered appropriate by the current standards in the medical community.

Since the legislative mandate concerning coverage of telehealth services specifically provides that such services shall be treated equivalently with the same services rendered in an in-person setting, there is no additional payment for the former and, hence, no fiscal impact.

Fill in the form below if the impact does not fit the criteria above:

Fiscal impact of \$100,000 annually or \$500,000 over 5 years.

Assumptions:

Describe how estimates were derived:

Estimated Impact to the State by Fiscal Year

	Year 1 (SFY16)	Year 2 (SFY17)
Revenue by each source:		
General fund		
Federal funds		
Other (specify):		
TOTAL REVENUE		
Expenditures:		
General fund		
Federal funds		
Other (specify):		
TOTAL EXPENDITURES		
NET IMPACT	No Impact	No Impact

This rule is required by state law or federal mandate.
Please identify the state or federal law:
 2015 Senate File 505.

Funding has been provided for the rule change.
Please identify the amount provided and the funding source:

Funding has not been provided for the rule.
Please explain how the agency will pay for the rule change:
 There is no fiscal impact.

Fiscal impact to persons affected by the rule:
 No impact is anticipated, although telehealth providers would prefer additional reimbursement for specific telehealth "components of service" (e.g., line charges, site coordination services, other technical aspects), similar to such additional reimbursement provided under the Medicare program.

Fiscal impact to counties or other local governments (required by Iowa Code 25B.6):
 No impact is anticipated.

Agency representative preparing estimate: Joe Havig
 Telephone number: 515-281-6022