



TELEMEDICINE

Telemedicine utilizes information and telecommunications technology to transfer medical information for diagnosis, therapy and education. The information may include medical images, live two-way audio and video, patient medical records, output data from medical devices and sound files. The telemedical interaction may involve two-way live audio and video visits between patients and medical professionals, sending patient monitoring data from the home to a clinic, or transmitting a patient medical file from a primary care provider to a specialist.

Demonstration programs have supported the creation of hub and spoke telemedicine systems linking an academic medical center at the hub with primary care clinics at the spokes. This type of care is particularly valuable to patients who cannot physically travel to a health care provider's office or who require the services of a specialist not located within a reasonable travel distance.

Definitions

Clinician-interactive Services - these services are real-time clinician-patient interactions that, in the conventional approach, require face-to-face encounters between a patient and a physician or other health care provider.

Presenting Practitioner - the health care provider in physical attendance to the patient seeking advice from the consultant through electronic communications.

Professional Consultation Services Via Telecommunications - the use of audio visual communications equipment to permit real time communications among the patient, the presenting practitioner and the consultant for clinical assessment by the consultant.

Real Time - a term to describe audio visual communications permitting the examination to occur during the same time the communication is taking place.

Self-monitoring/Testing Services - these services enable physicians and other health care providers to monitor physiologic measurements, test results, images and sounds, usually collected in a patient's residence or a care facility.

Store & Forward Services - these services collect clinical data, store them, and then forward them to be interpreted later.

Telemedicine - the use of medical information exchanged from one site to another via electronic communications for the health and education of the patient or healthcare provider



Trilogy Claims Administrative Handbook Section 14 - Technology & Equipment Telemedicine (14.11)

and for the purpose of improving patient care.

Coverage Issues and Guidelines

The eligibility of benefits for telemedicine is determined based on the terms of the specific benefit plan in question. The Examiner should review the benefit plan to determine if there are any applicable exclusions or limitations. The provisions of the benefit plan will always govern the determination of benefits. Any applicable state mandates apply to fully insured plans and self-funded non-ERISA (e.g., government, school boards, church) plans. Unless otherwise specifically excluded, Federal mandates apply to all plans. Two resources for additional information on mandated state benefits are www.cahi.org and www.insure.com. Certain states do mandate benefits for telemedicine when it is an “appropriate” alternative to face-to-face care.

Also, a number of states have passed legislation severely restricting the practice of telemedicine across state lines. These restrictions typically require full and complete licensure for any physician external to the state providing services via telemedicine to residents of the state.

The plan should be reviewed for any provisions or limitations which would exclude coverage for services not rendered in the physical presence of the health care provider, e.g., telephone calls with providers.

If the plan does not contain an exclusion specifically relating to telemedicine, and a determination is made to consider the service, the type of telemedicine rendered must be reviewed.

Telemedicine involves two methods:

- 1) store and forward, and
- 2) an interactive patient encounter.

As defined above, the store and forward method does not involve actual contact between the patient and the provider. The provider reviews the patient’s telecommunicated medical documentation at a time which is convenient to the provider’s schedule. Examples of this method include teleradiology (the transmission of medical images to a radiologist for interpretation), transmission over the telephone or internet of electrocardiograms, and electronic analysis of single or dual chamber pacemaker systems. Most plans cover these types of telemedicine services.

The second method of telecommunications involves an interactive patient encounter between the provider and the patient. The encounter would require a “live” two way video and audio



transmission between the patient and the provider. Typically, this type of encounter would include one additional provider in the presence of the patient who is presenting the patient to a specialist for an opinion regarding the patient's condition. Unless specifically excluded by the plan, most plans providing benefits for consultations would consider the service rendered by the specialist covered. However, a determination would have to be made regarding coverage for any service rendered by the presenting provider and for any additional expense billed for the use of equipment to transmit the audiovisual necessary to render the consultation, based on the provisions and limitations of the plan.

Other telemedicine services provided as a substitute for services that are usually provided via direct provider-patient contact should be reviewed on a case-by-case basis. They may possibly be allowed for claimants located in remote regions of the country where medically necessary direct patient care is not geographically possible.

If a denial of benefits relates to an ERISA plan, the notice of denial should comply with all ERISA requirements including the specific reason or reasons for the adverse determination and a description of any additional information necessary for reconsideration of the claim.

Cross Reference:

[Section 4.3, Employee Retirement Income Security Act \(ERISA\)](#)

Medicare Telehealth Guidelines

Medicare's criteria for the payment of telehealth services is summarized below.

Beneficiaries are eligible for telehealth services only if they are presented from an originating site located in either a rural health professional shortage area (HPSA) or in county outside of a metropolitan statistical area (MSA). An exception is made for entities participating in a Federal telemedicine demonstration project.

For payment to occur, interactive audio and video telecommunications must be used (exception allows for store and forward technology used in demonstration programs), permitting real-time communication between the distant site physician and practitioner and the Medicare beneficiary. As a condition of payment, the patient must be present and participating during the telehealth visit.

A medical professional is not required to present the patient to a physician or practitioner at the distant site unless medically necessary. The decision of medical necessity will be made by the physician or practitioner at the distant site.



Trilogy Claims Administrative Handbook
Section 14 - Technology & Equipment
Telemedicine (14.11)

Effective for dates of service, 10/1/01 and forward, coverage and payment for Medicare telehealth includes consultation, office visits, individual psychotherapy, and pharmacologic management delivered via a telecommunications system. Eligible geographic areas include rural health professional shortage areas and counties not classified as a metropolitan statistical area (MSA). Additionally, Federal telemedicine demonstration projects as of 12/31/00 may serve as the originating site regardless of geographic location. An interactive telecommunications system is required as a condition of payment, however, the use of asynchronous store and forward technology is allowed in delivering these services when the originating site is a Federal telemedicine demonstration program in Alaska or Hawaii. A practitioner is not required to present the patient for interactive telehealth services.

Effective for dates of service, 10/1/03, psychiatric diagnostic interview examinations are included as covered telehealth services.

Effective for dates of service, 1/1/05, end stage renal disease related services are included as covered telehealth services.

Effective for dates of service, 1/1/06, individual medical nutrition therapy services are included as covered telehealth services.

Effective for dates of service, 1/1/08, neurobehavioral status exam is included as a covered telehealth service.

Effective for dates of service, 1/1/09, follow-up inpatient telehealth consultations are included as covered telehealth services.

Payment for the professional service performed by the distant site practitioner (i.e., where the expert physician or practitioner is physically located at the time of telemedicine encounter) is equal to what would have been paid without the use of telemedicine. Medicare also allows an originating site facility fee (location of the beneficiary).

Teleconsultations are now covered by Medicare when rendered by the following providers:

- Physicians
- Physician Assistants
- Nurse Practitioners
- Clinical Nurse Specialists
- Nurse Midwives
- Clinical Psychologist*
- Clinical Social Worker*
- Registered Dietician and Nutrition Professional (individual medical nutrition therapy)



- * Clinical psychologists and clinical social workers cannot bill for psychotherapy services that include medical evaluation and management services under Medicare (e.g., CPT codes 90805, 90807, and 90809).

The practitioner must also be licensed to perform the service under State law.

Information on Medicare's coverage of telehealth services can be found on the following Web site:

<http://www.cms.hhs.gov/MLNproducts/downloads/TelehealthSrvcsfctst.pdf>

Medicare's payment policies for telehealth services can be found in Section 190 of Chapter 12 of the Medicare Claims Processing Manual. This manual can be found at:

<http://www.cms.hhs.gov/manuals/downloads/clm104c12.pdf>

Medical Review Issues

Telemedicine services provided as a substitute for services that are usually provided via direct provider-patient contact (other than a specialist consultation) should be referred for medical review and considered on a case-by-case basis.

Billing and Coding Issues

Claims should be submitted with the appropriate CPT code for the professional service provided and the telehealth modifier "GT" to indicate the service was via an interactive audio and video telecommunications system. By using the GT modifier to bill for the telehealth service, the distant site practitioner verifies that the beneficiary was located at an eligible originating site at the time of the telehealth service.

The CPT code with a modifier "GQ" indicates the service was via an asynchronous telecommunications system. By using the GQ modifier, the distant site practitioner verifies that the asynchronous medical file was collected and transmitted to the physician or practitioner at the distant site from a Federal telemedicine project conducted in Alaska or Hawaii.

The HCPCS code Q3014 indicates the telehealth facility fee. Use of the HCPCS code Q3014 indicates that the originating site authenticates they are located in either a rural HPSA or non-MSA county.



**Trilogy Claims Administrative Handbook
Section 14 - Technology & Equipment
Telemedicine (14.11)**

Additional Information

American Telemedicine Association

www.atmeda.org/

The Agency for Healthcare Research and Quality (AHRQ) is the research arm of the U.S. Department of Health and Human Services (HHS) and is the nation's lead Federal agency for research on health care quality, costs, outcomes, and patient safety. AHRQ maintains a Web site that can be searched for evidence based practice outcomes and effectiveness, clinical practice guidelines and technology assessments. The site can be accessed at:

www.ahrq.gov