Telemedicine Update

November 12, 2020

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Telemedicine Policy Goals

The Department is committed to developing a comprehensive telemedicine policy that:

- improves access to high-quality services
- promotes health equity
- integrates with medical home & neighborhood
- prods innovation thru aligned payment policy
- ensures value for the taxpayer dollar

Agenda

- Housekeeping
- Where things stand today: current policy
- What we know: training & research to date
- Where we'd like to go: Department proposals
- What have we forgotten?
- How to provide feedback

Housekeeping

Live webinar:

- Mics are muted
- Use Question Box to enter Questions, Comments, or Suggestions

Post –Webinar:

- Visit www.colorado.gov/pacific/hcpf/stakeholder-telemedicine
- Use feedback form

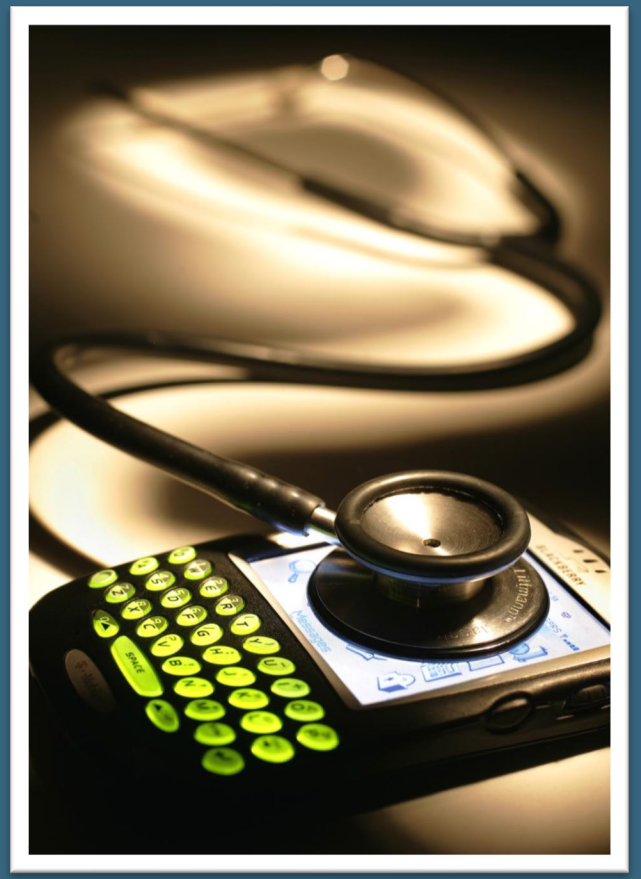
Telemedicine Current State

- **SB20-212 made emergency rules permanent**
  - Federal (CMS) approval received 9/4/20
  - Requires reimbursement = in-person services (payment parity)
  - Telephone-only modality for certain services (and live chat)
  - Federally Qualified Health Centers, Rural Health Clinics, Indian Health Services, and Community Mental Health Centers
  - Therapy providers (PT/OT/Speech, home health, hospice, pediatric behavioral health therapy)

Training & Stakeholder Outreach

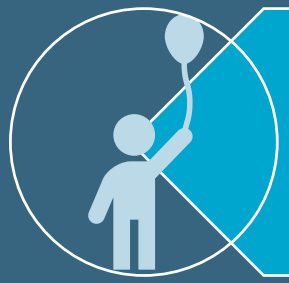
- July stakeholder engagement kick-off
- 5 tailored provider training sessions
  - ~700 participants, FAQs
  - Posted provider-specific utilization & FAQs
- Targeted outreach with provider associations & RAEs
- Member survey

Research & Data



- ❑ Literature Review
- ❑ Commissioned Research
- ❑ Stakeholder Conversations
- ❑ Member Survey Analysis
- ❑ Utilization Data Analysis
- ❑ Cost & Budget Modeling
- ❑ Collaboratives

Who is Using Telemedicine ?



Children – therapies are key driver of utilization

Adults – top diagnoses: opioid dependence, generalized depression and anxiety* and chronic disease management

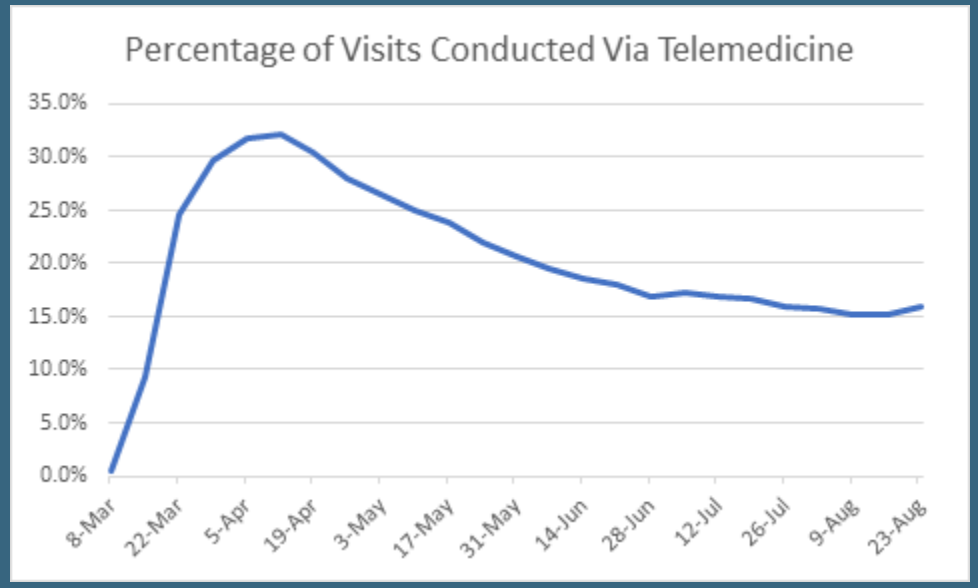
Adults with Disabilities (waiver populations) – telemedicine is most commonly used for chronic disease management

Who is Using Telemedicine ?

Urban utilization has been greater than rural for both medical and behavioral health diagnoses

ED trends are changing significantly with decrease in visits in all groups and some evidence of services shifting to telemedicine (ear infections for children)

Who is Using Telemedicine ?



Percentage of Visits Conducted Via Telemedicine as a Percentage of All Telemedicine-Eligible Visits, March – August 2020

	Telemedicine Visits	In-Person Visits
1	Clinic – Practitioner	Clinic – Practitioner
2	PT/ST/OT Home Health	CNA/RN Home Health
3	Federally Qualified Health Center	Federally Qualified Health Center
4	Non-Physician Practitioner – Group	PT/ST/OT Home Health
5	Rehabilitation Agency	Non-Physician Practitioner – Group

Most Common Billing Provider Types, Telemedicine Vs In-Person, By Total Number of Visits, March 2020 – August 22nd, 2020

Outpatient and Professional Services Eligible for Telemedicine

Service Type
Not Telemedicine
Telemedicine

Eligibility Category

Adults	$31,680,549
Children	$28,875,862
Retroactively Eligible	$18,655,966
Children in Foster Care	$4,115,073
Members with Disabilities	$2,606,326
Pregnant Adults	$1,018,200
Adults Over 65	$354,451
Partial Dual Eligibles	$89,170
Non-Citizens - Emergency Serv..	$1,061

Age Group

0-9	$33,375,341
10-19	$15,149,181
20-29	$8,697,248
30-39	$10,131,941
40-49	$8,025,707
50-59	$8,202,467
60-69	$3,565,187
70-79	$136,450
80+	$113,135

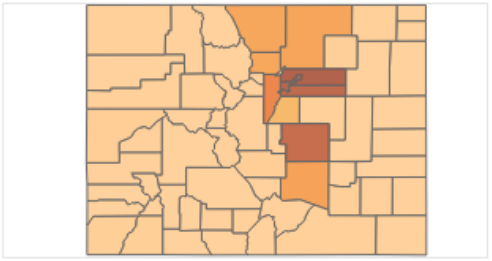
Procedure Codes

99213	OFFICE/OUTPATIENT VISIT EST	$20,754,313
99214	OFFICE/OUTPATIENT VISIT EST	$10,651,160
S9128	SPEECH THERAPY, IN THE HO..	$7,600,281
99212	OFFICE/OUTPATIENT VISIT EST	$6,659,363
92507	SPEECH/HEARING THERAPY	$6,394,724
97530	THERAPEUTIC ACTIVITIES	$4,751,452
S9129	OCCUPATIONAL THERAPY, IN ..	$4,376,394
97155	ADAPT BEHAVIOR TX PHYS/Q..	$2,510,199
S9131	PT IN THE HOME PER DIEM	$2,053,294
G0153	HHCP-SVS OF S/L PATH,EA 15..	$1,998,478

Primary Diagnosis Codes

AUTISTIC DISORDER	$6,341,893
DEVELOPMENTAL DISORDER OF SP..	$4,049,191
UNSP LACK OF EXPECTED NORMAL ..	$3,817,890
MIXED RECEPTIVE-EXPRESSIVE LAN..	$3,000,638
DELAYED MILESTONE IN CHILDHOOD	$1,998,735
SPECIFIC DEVELOPMENTAL DISORD..	$1,858,932
OPIOID DEPENDENCE, UNCOMPLICA..	$1,265,432
EXPRESSIVE LANGUAGE DISORDER	$1,230,323
DOWN SYNDROME, UNSPECIFIED	$1,141,376
ANXIETY DISORDER, UNSPECIFIED	$1,082,922
PHONOLOGICAL DISORDER	$1,050,011
ESSENTIAL (PRIMARY) HYPERTENSI..	$963,002
GENERALIZED ANXIETY DISORDER	$961,892
MAJOR DEPRESSIVE DISORDER, RE..	$883,904
FEEDING DIFFICULTIES	$821,484
MORBID (SEVERE) OBESITY DUE TO ..	$809,402
MUSCLE WEAKNESS (GENERALIZED)	$720,527
TYPE 2 DIABETES MELLITUS WITHO..	$702,606
OTHER DISORDERS OF PSYCHOLOGI..	$697,093
CONTACT W AND EXPOSURE TO OTH..	$600,253

Member County Map



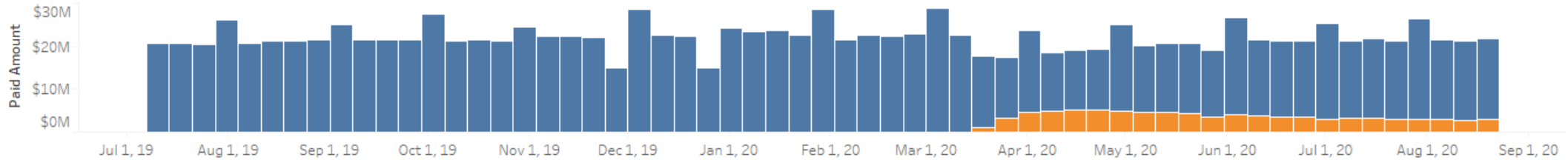
Benefit Category

Professional Services	$35,940,554
FQHC, RHC, IHS	$28,692,103
Home Health	$21,089,937
Outpatient Hospital	$1,653,267
Imaging	$16,273
Physician Administered Dr..	$4,523
Emergency Department	$0

Billing Provider Type

Federally Qualified Health Center	$28,310,173
PT/OT/ST Home Health	$21,117,006
Clinic - Practitioner	$15,073,751
Non-Physician Practitioner - Group	$9,748,286
Rehabilitation Agency	$5,368,050
Pediatric Behavioral Therapies	$3,470,740
Hospital - General	$1,970,398
Nurse Practitioner	$445,505

Trend over Time



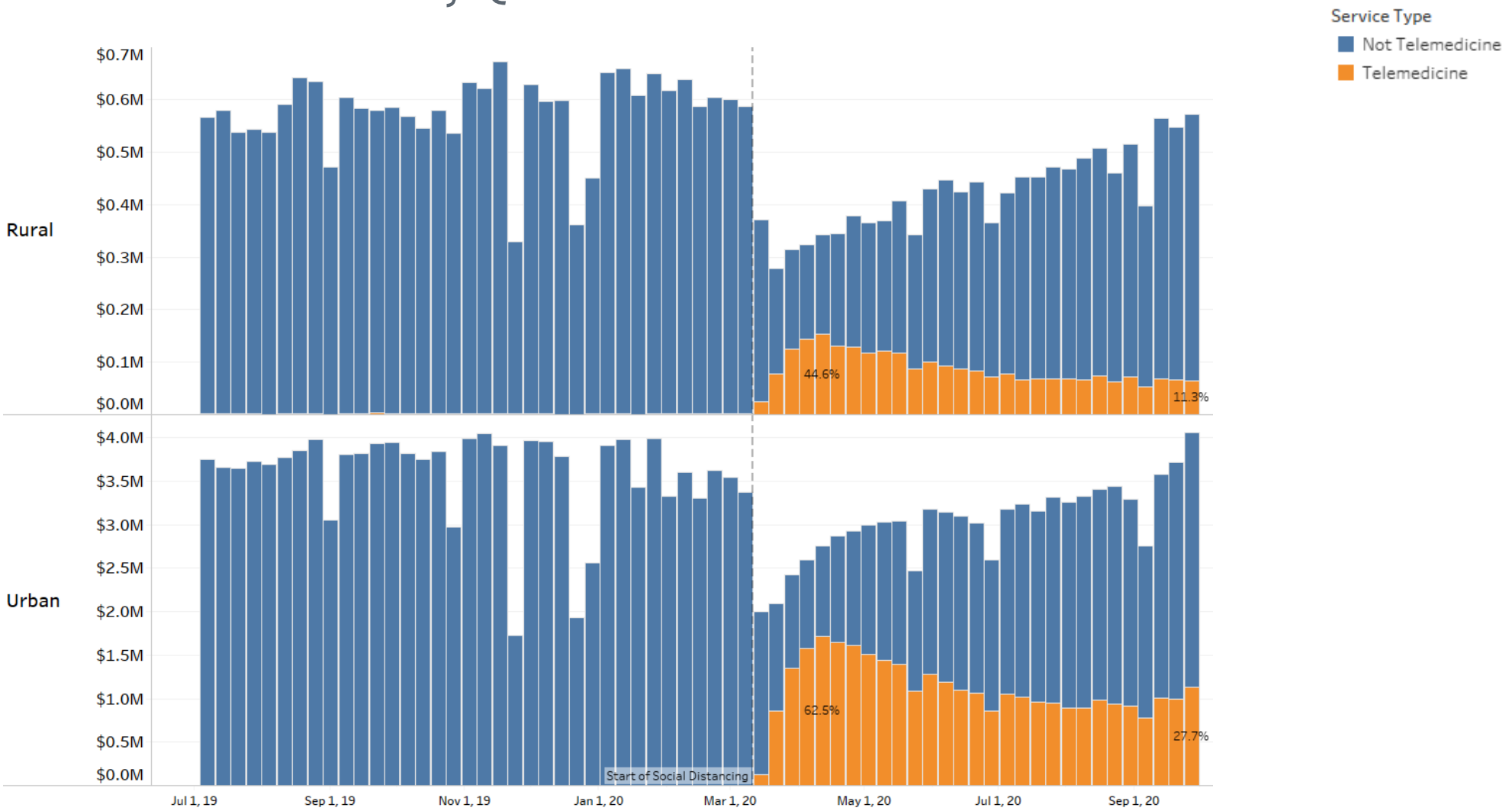
Note: Only includes services eligible for telemedicine. HCBS and Case Management Agencies do not indicate which services provided are telemedicine and therefore have been excluded from the above graph. Dental services are excluded. Data shows service dates from 7/1/19 through 8/22/20. Due to limited claims run-out, paid amounts may change over time. For outpatient services, only outpatient claim lines with the 'GT' modifier or with a telemedicine-specific procedure code were identified as telemedicine. Due to the fact that outpatient crossover paid amounts are only available at the claim header level, the header level paid amount has been distributed evenly among each claim line for the purposes of reporting paid amounts at the line level. This methodology may not be an accurate reflection of the actual distribution of costs among outpatient crossover claim lines.

Addressing Health Equity

Barriers to health equity include:

- Rural / Urban digital divide
- Ability to access and navigate technology
- Adults aged 60 and older are least likely to use
- Language (anecdotal evidence – phone only is easier to access than video – difficulty to link in translator by video)
- Cultural competency

Federally Qualified Health Centers



Note: Includes fee-for-service professional, outpatient, and dental services provided by listed provider type. Dental services data is incomplete due to data issues. Data shows service dates from 7/7/19 through 10/3/20. Bars are the weekly paid amount with IBNR adjustment. IBNR adjustment is less accurate the more recent the week. These are estimates only. Changes in provider billing patterns would make the estimates less accurate. Rural and Urban county designation was made based on provider county. For outpatient services, only outpatient claim lines with the 'GT' modifier or with a telemedicine-specific procedure code were identified as telemedicine. Due to the fact that outpatient crossover paid amounts are only available at the claim header level, the header level paid amount has been distributed evenly among each claim line for the purposes of reporting paid amounts at the line level. This methodology may not be an accurate reflection of the actual distribution of costs among outpatient crossover claim lines.


Quality??

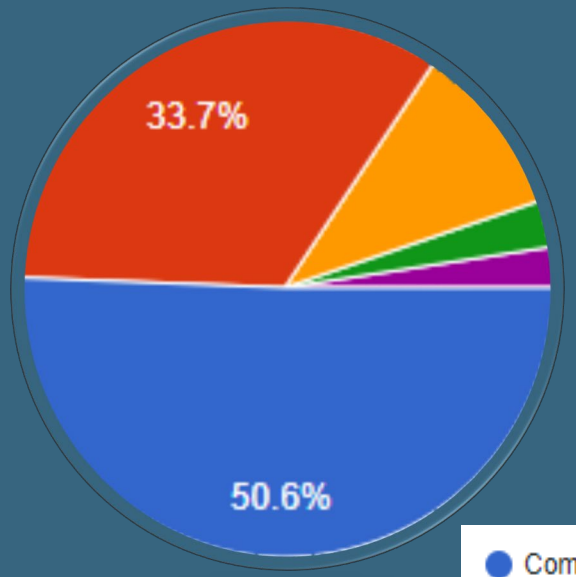
Research & Data

Member research

340 respondents

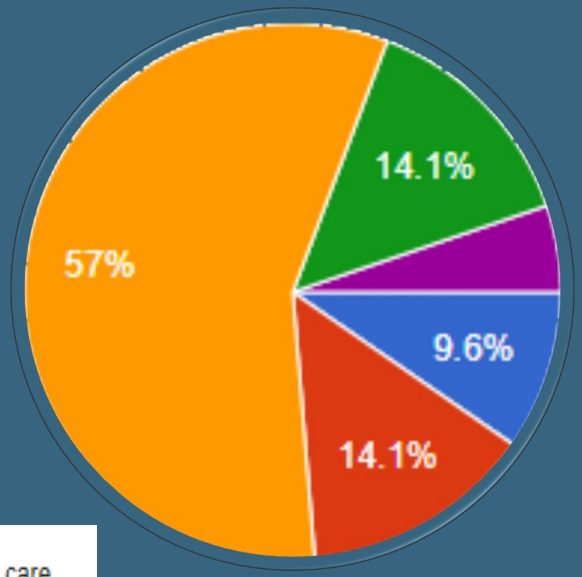
249 telemedicine visits

Positive experience



Met Need?

- Completely met my needs
- Mostly met my needs
- Met only some of my needs
- Did not meet my needs at all
- Don't know/not sure



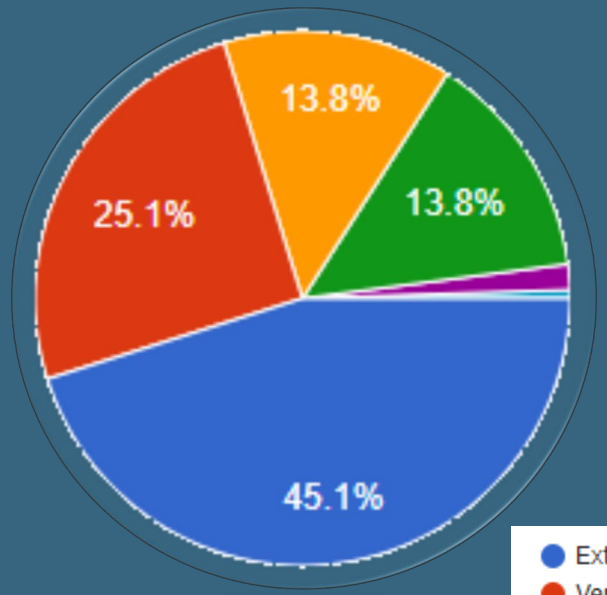
- Much better than in-person care
- Better than in-person care
- About the same as in-person care
- Worse than in-person care
- Much worse than in-person care

Compared to in-person care?

Research & Data

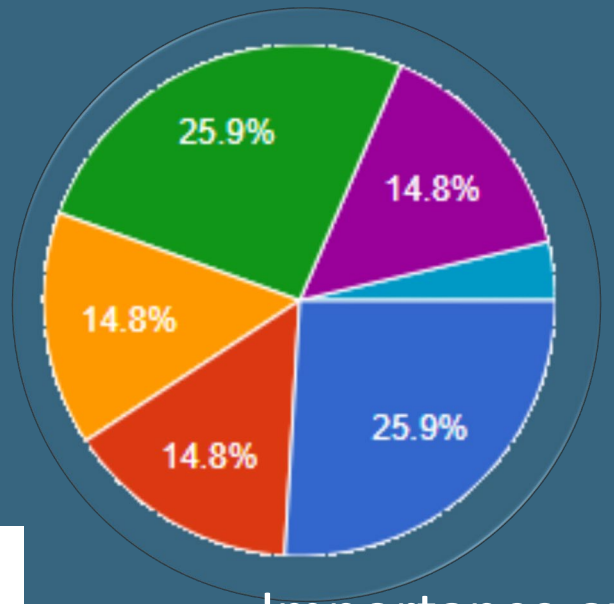
Importance of knowing the provider

195 Member visits with known providers



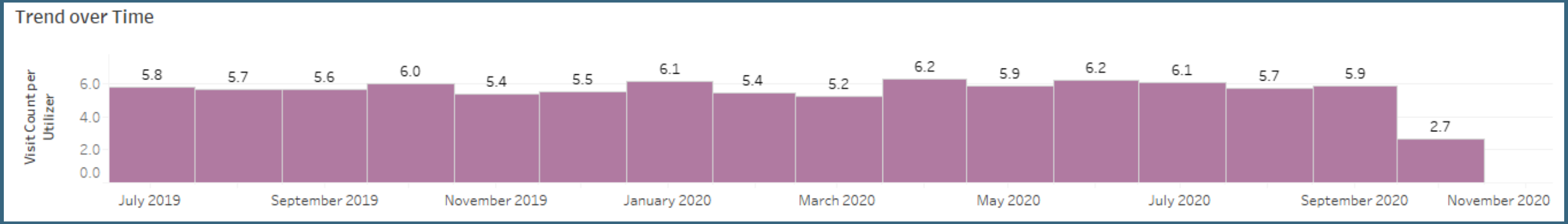
Importance of meeting with known provider

54 Member visits with new providers



Importance of meeting with known provider for future visits

Care Model Changes: More Intensity?
PT/OT/ST Home Health - Per Person Visits

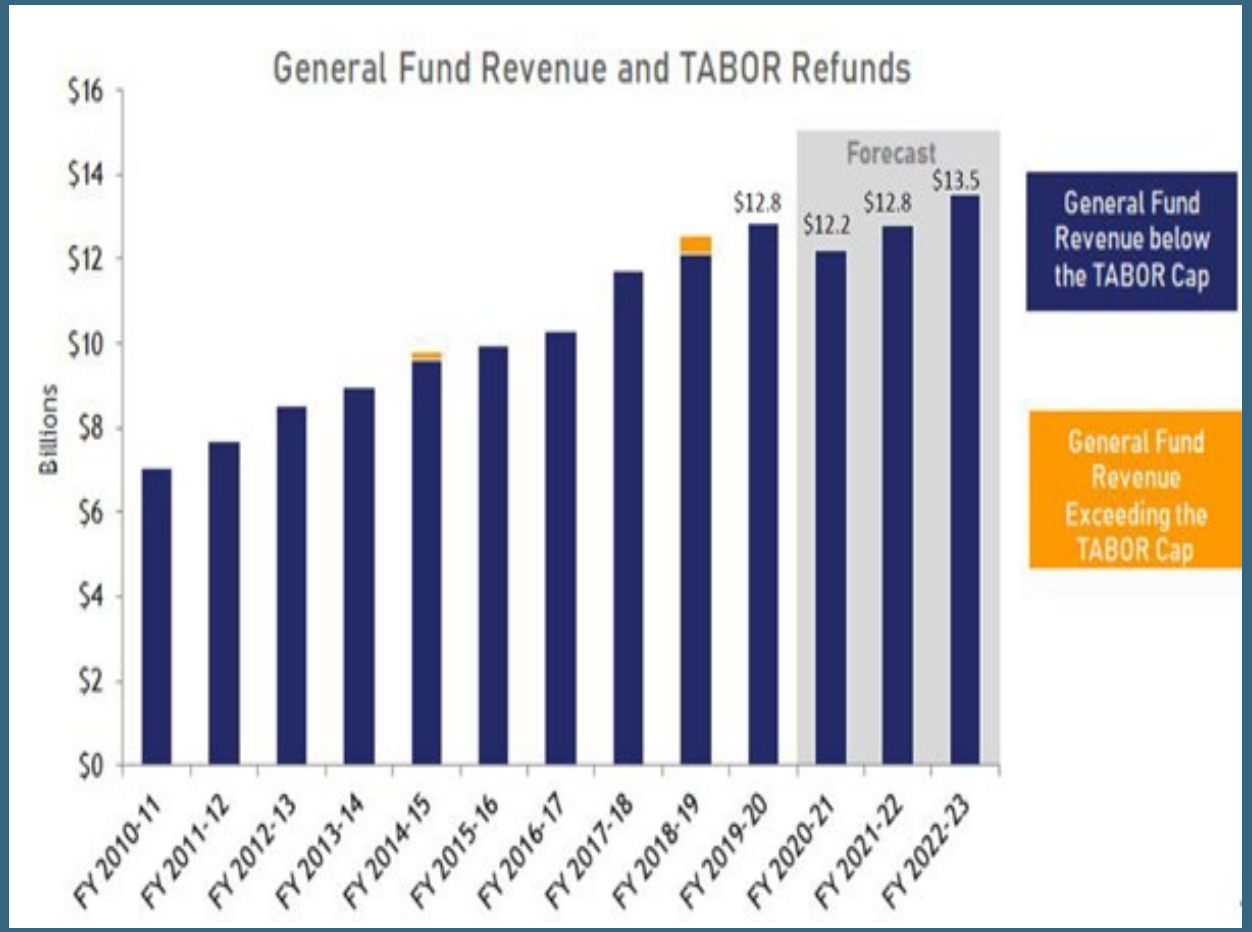


Budget Implications

Projected Telemedicine Spend

FY20-21: $210m

FY20-22: $253m



Policy Research: Consider Underlying Costs

Parity?

*"While we recognize that implementing telemedicine does require significant investment in the short term, in the longer term a provider's **marginal costs for telemedicine visits should be lower than for in-person visits, and reimbursement should reflect those costs**. Lower payment rates could also spur more competition through new, more efficient providers." (Commonwealth Fund)*

*"While state parity laws have been implemented with good intention to attempt a more uniform use and regulation of telehealth reimbursement, payment parity laws in practice may not produce the intended effects. **The main problem with payment parity laws is that they are contradictory to telehealth's cost-effectiveness**. If telehealth can help reduce costs of using the health-care system and reduce doctor visits, it is contradictory to mandate that a service provided through telehealth be paid for at the same rate as if it were provided in a doctor's office." (Brookings)*

Cost Modeling: Expected Cost Structure Changes Over Time

Figure 3. Telemedicine Saving Potential Greater for FQHCs

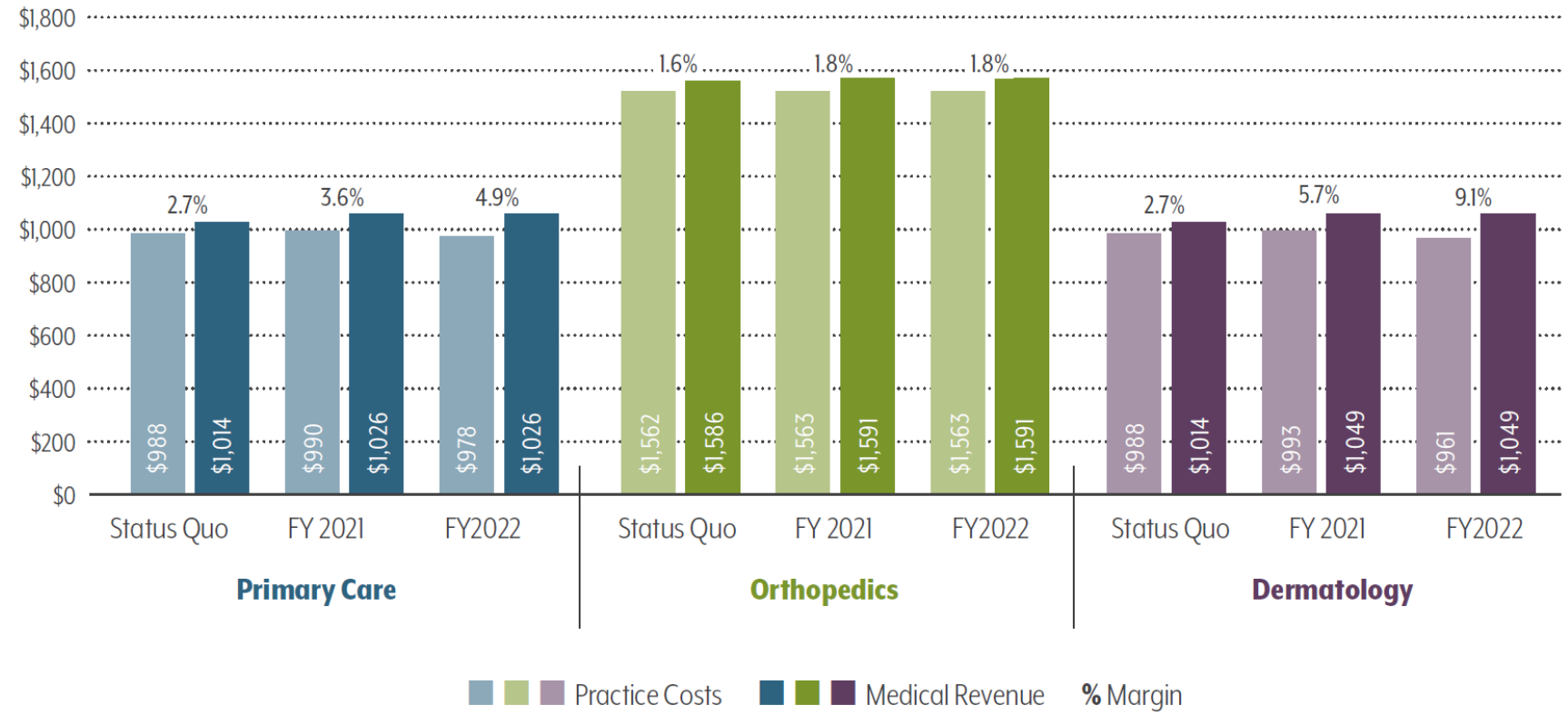
Cost Structure of RHCs and FQHCs and Telemedicine Changes (Status Quo, FY 2021, and FY 2022)

	RHCs			FQHCs		
	Status Quo	Change in FY 2021	Change in FY 2022	Status Quo	Change in FY 2021	Change in FY 2022
Clinical staff	50%	0%	0%	47%	0%	0%
Administrative staff	32%	-1%	-4%	31%	-1%	-4%
Drugs / medical supplies	5%	0%	0%	5%	0%	0%
Transportation	1%	-50%	-50%	1%	-50%	-50%
Insurance premiums	2%	-1%	-1%	1%	-1%	-1%
Building / occupancy costs	9%	-5%	-15%	15%	-5%	-15%
Supplies / furniture	2%	0%	-5%	1%	0%	-5%
TOTAL	**NA**	**-1%**	**-3%**	**NA**	**-1%**	**-4%**

Cost Modeling: Telemedicine Uptake and Impact on Future Margins

Figure 1. Margins Increase With Telemedicine Adoption

Average Costs, Revenue, and Margin by Provider Type (Average Per Provider FTE, in Thousands)



Source: Colorado Health Institute

Policy Proposals

- Create emergency-only policies
- Retain medical home model integrity
- Establish aligned & flexible payment policy
- Build eConsult capability

Emergency Only: Well-Child Checks

- Well child checks (WCC) not included in original expansion of procedures available to be rendered by telemedicine

- CPTs 99382 – 99384 & 99392 – 99394) codes for new & established patients

- Provider input
  - In-person preferred, but
  - Telemedicine WCC is better than no WCC
  - Emergency-only (not permanent) policy

Policy Proposals: Innovation thru Aligned Payment Policy

- Encourage appropriate telemedicine adoption & innovative care models
- Ensure/enhance member access & provider retention
- Consider underlying costs, efficiencies & other benchmarks
- Recognize budgetary pressures
- Consider unintended consequences

Policy Proposals: Integrate w Medical Home

- Use FFS policy to reinforce medical homes for established patients (relax for PHE)
- Implement alternative payment models for additional flexibility
- Integrate virtual-only providers into medical neighborhood
- Consider co-pay policy post-pandemic

For Providers: Payment Parity yields lower costs, fewer no shows, more visits, more revenue & margins for telemedicine adopters

Source: Colorado Health Institute

Unintended Consequences of Payment Parity

- Healthy economy → payment parity will lead to increased revenues & margins for telemedicine providers
- In a downturn → payment parity means that cuts to reimbursement will be born unequally across providers, according to their level of telemedicine adoption
- The combination of a tight budget and uneven take-up among providers could harm providers with low telemedicine adoption

FFS Policy Recommendation Summary

- Authorize the creation of telemedicine-specific rate
- No rate adjustments through FY21-22
- Continue to study cost efficiencies & budget impact to see if telemedicine rate adjustments are warranted for FY22-23
- Focus FFS reimbursement on established patients
- Innovate via population-based, alternative payment models
- Consider co-pay policy post-pandemic
- Establish emergency-only policies: WCC, new patients, parity

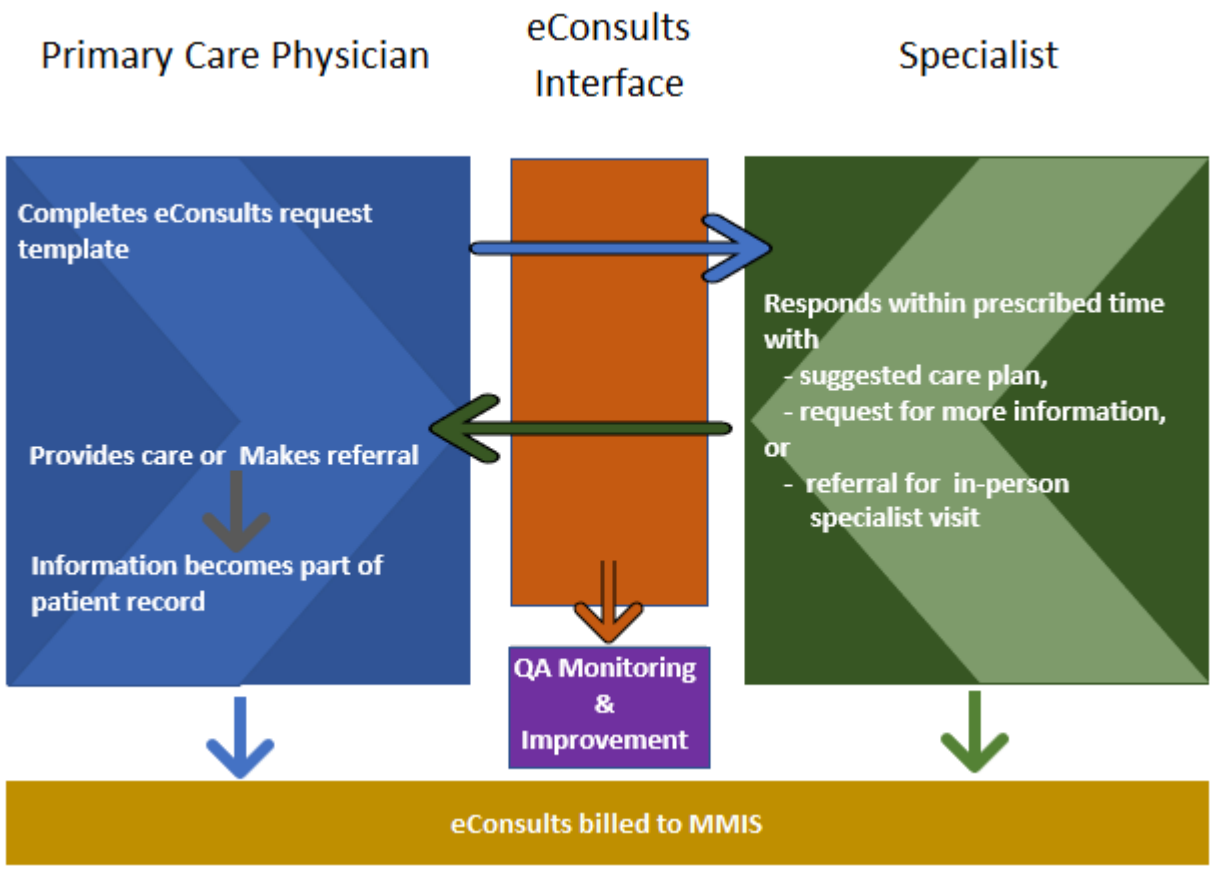
Policy Proposals

Build eConsult capability

- The Department was charged to study and create policy design for eConsults by December 31, 2020 in preparation for implementation in the following fiscal year

eConsult Definition

- Asynchronous communication
- PCP shares a clinical question and medical information
- Specialist physician reviews the case without the member present
- Specialist provides clinical guidance that assists in the diagnosis and/or management of the patient's health care needs



Policy Goals and Objectives

Goal: Improve access to specialty care and reduce duplicative and/or unnecessary specialty care visits

Objectives:

- Support and enhance the delivery of comprehensive primary care
- Support earlier diagnosis of conditions
- Manage proper specialist referrals
- Improve member management of chronic conditions
- Improve member and provider experience
- Decrease costs

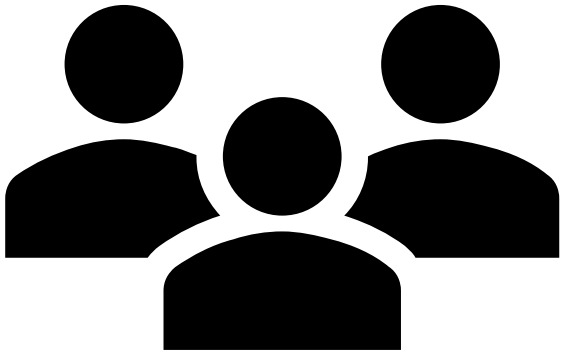
Provider Considerations

- Easy for providers to use and access
- Expands appropriate specialty care access for PCPs with limited specialty care networks
- Uses existing Medicaid specialty care network
- Allows specialists to choose to accept face-to-face referrals
- Enables consultations to remain within a health system
- Reimburses both PCP and specialty physician

Design

- Single statewide platform
- Ability for PCP single sign-on
- Integration with EHR for specialty network
- Phased roll-out
- Support smart referrals for face-to-face visits
- Enables cross-system monitoring and quality assurance

eConsults Stakeholder Engagement



Webinar: November 30, 12 – 1 pm REGISTRATION LINK

Stakeholder Feedback Form

Next Steps

- Stakeholder engagement
- Secure budget and service provision authority
- Request for information (RFI)
- Finalize Design
- Procurement process (RFP)
- Phased implementation

Questions entered in the Q&A box will be answered in an FAQ document posted as soon as possible.

Questions generated after this webinar can be asked via our stakeholder google form found on our Stakeholder resource page web page or directly on our Feedback form

Contact Info

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Thank you!

Resources

Stakeholder resource page	www.colorado.gov/pacific/hcpf/stakeholder-telemedicine
Feedback form	https://forms.gle/EJGBT4SaTsRPVSvD8
Utilization data	https://www.colorado.gov/pacific/hcpf/provider-telemedicine#TeleUtDa
Telemedicine Billing Manual	www.colorado.gov/hcpf/billing-manuals
eConsults webinar registration link	https://cohcpf.adobeconnect.com/el0tm5mgg30f/event/event_info.html