



# Telehealth Coverage and Reimbursement Recommendations

DRAFT

***Senate Bill 534, Preserve Telehealth Access Act of 2023***

***House Bill 1148, Behavioral Health Care - Treatment and Access (Behavioral Health Model for Maryland)***

October 17, 2024

# Background – Prior Telehealth Studies



- ▶ *Preserve Telehealth Access Act of 2021* (HB 123, 2021): Required a study on the impact of expanded telehealth coverage and reimbursement for somatic and behavioral health services
  - Final report (2022) contained 15 recommendations consistent with policy changes adopted by CMS and HIPAA rules
  - Recommended further study of telehealth reimbursement to guide future legislation, which informed the 2023 study scope
  
- ▶ Interstate telehealth expansion study (letter – 2022): Requested a study of barriers and opportunities to expand the delivery of telehealth services across State lines
  - Final report (2023) included recommendations that build upon actions taken by health occupation boards to enable alternative pathways to licensure (e.g., compacts and reciprocity)

# 2023 Legislation



## *SB 534, Preserve Telehealth Access Act of 2023 and HB 1148, Behavioral Health Care - Treatment and Access (legislation contains the same telehealth study requirements)*

- ▶ Extends use of audio-only telehealth through June 30, 2025, and requires reimbursement for telehealth services to be paid at the same rate as in-person services (Medicaid and commercial payers)
- ▶ Requires a study of telehealth payment parity; findings and recommendations are due to the General Assembly by December 1, 2024



# Study Approach



- ▶ Milliman, Inc. (Milliman) was competitively selected to complete study activities that consisted of reviewing relevant literature and conducting analyses using private payer, Medicaid, and Medicare data (2019-2023) from MHCC's All Payer Claims Database
  - Developed actuarial models to examine telehealth and in-person reimbursement rates for services delivered by behavioral health and primary care providers
  - Validated the implementation of payment parity for telehealth services across payers
- ▶ Milliman prepared two technical reports on its findings
  - Technical Report One compares the average allowed cost and clinical intensity for services provided in-person and via telehealth
  - Technical Report Two compares reimbursement rates as a percent of the Medicare Physician Fee Schedule (MPFS) for somatic and behavioral health services delivered in-person and via telehealth
- ▶ Findings informed responses to the study questions and development of recommendations



# Study Question 1 – Key Insights

## *Technical Report One*

### *Is it more or less costly for health care providers to deliver health care services through telehealth?*

- ▶ The cost of telehealth services compared to in-person services varies based on the care site, geographic location, conditions being treated, and provider type
  - Some costs remain constant regardless of the care modality, which has historically not been reflected in service coding
- ▶ Reimbursement levels for audiovisual telehealth services have been consistent across different provider types, whether in urban or rural locations
  - A direct comparison of costs for delivering services via telehealth versus in-person remains inconclusive and requires further clinical assessments



# Study Question 2 – Key Insights

## *Technical Report One (continued...)*

***Does the delivery of health care services through telehealth require more or less clinical time and clinical intensity on the part of the health care provider?***

- ▶ The level of relative clinical intensity of care provided using telehealth compared to in-person care varies
- ▶ Trends show a decrease in the relative clinical intensity for behavioral health services and office/outpatient services delivered via audiovisual and audio-only telehealth
  - Small difference in the level of clinical intensity between urban and rural locations
- ▶ Relative clinical intensity levels are generally lower (less than 100 percent of the MPFS) for audiovisual and audio-only telehealth for most types of providers except psychiatrists in rural locations



# Study Question 3 – Key Insights

## *Technical Report Two*

***Are there aspects of telehealth that are subject to overuse or underuse or yield greater or lower value that help inform the debate on payment parity?***

- ▶ Increased use of telehealth since the public health emergency (PHE) is partly due to the its value in improving accessibility
  - Telehealth may be underutilized in areas with limited broadband access and other technical limitations
- ▶ Further research is needed to evaluate the cost-benefit of telehealth for behavioral health services at scale and its impact on consumers



# Study Question 4 – Key Insights

## *Technical Report Two (continued...)*

### ***Is reimbursement adequate for behavioral health services delivered in-person and via telehealth?***

- ▶ Reimbursement for behavioral health services is lower than for somatic care, which often involves more procedural and surgical care and less cognitive services reimbursed in evaluation and management codes
  - Primary care services delivered via telehealth and in-person are reimbursed at relatively higher levels compared to behavioral health services for private payers and Medicare Advantage plans
- ▶ Given the ongoing role of telehealth, continued monitoring and analysis will ensure that reimbursement policies are equitable and that virtual options remain available to consumers and providers

# Thematic Review – Select Highlights



## *Telehealth and In-Person Care*

- ▶ Telehealth visits are generally comparable to in-person visits
  - Evidence suggests telehealth can be as effective as in-person care for some somatic conditions
  - The Substance Abuse and Mental Health Services Administration considers telehealth visits are comparable in terms of quality and health outcomes for behavioral health
- ▶ Telehealth has been associated with fewer in-person visits and can help address gaps in care
- ▶ Historically, provider reimbursement for behavioral health services has been lower than somatic care
  - Gaps in reimbursement levels between behavioral health and primary care services still exist but have narrowed over time



# An Evolving Landscape

# Telehealth Use



- ▶ Telehealth usage patterns are evolving in Maryland and nationally
  - Overall volume has declined but remains higher than pre-pandemic levels
  - Audio-only constitutes a much smaller share than audiovisual telehealth
- ▶ Behavioral health remains a top use case and is growing as a share of all telehealth volume
- ▶ Virtual options promote health equity and extend access to care for patients who would either have to forgo needed care or travel long distances to receive it



*See Appendix for more information on telehealth utilization among private payers from 2019 -2023*

# Legislative Trends



- ▶ Since the federal PHE expired (May 2023), states have been transitioning from temporary to permanent telehealth coverage and reimbursement policies
- ▶ On July 10, 2024, CMS released the 2025 MPFS Proposed Rule that permits the continuation of telehealth services through 2025 on a provisional or permanent basis
- ▶ Permanently expands audio-only options to any patient (under current rules, permanent policy for audio-only is limited to behavioral health)



# Recommendations

# Recommendation 1



***Allow use of telehealth by any health care provider licensed, certified, or otherwise authorized under the Health Occupations Article to provide health care in the ordinary course of business or practice of a profession or in an approved education or training program, or for interprofessional consultation.***

- ▶ Enables qualified providers to maintain use of telehealth when needed enhancing the overall flexibility and responsiveness of the health care system
- ▶ Telehealth modalities promote patient choice and efficient use of health care resources, reducing geographic and logistical barriers to care
- ▶ Telehealth has achieved acceptance across somatic and behavioral health settings and specialties; use of telehealth remains higher and more consistent for mental health and substance use disorder services
- ▶ Virtual options enable a range of health care providers to improve equitable access and continuity of care

# Recommendation 2



***Allow unrestricted use of audio-only for behavioral health telehealth services based on patient consent to receive care via audio-only technology. Allow use of audio-only for somatic care if the provider is technically capable of using telehealth, but the patient is not capable of, or does not consent to, the use of audiovisual technology.***

- ▶ Unrestricted use of audio-only for behavioral health services ensures broad access to mental health and substance use disorder treatments, particularly for individuals who lack audiovisual capabilities or prefer audio-only consultations
- ▶ Maintains patient choice in how they access care and can improve patient satisfaction
- ▶ Patient agreement to receive care via audio-only technology ensures patients actively choose a communication mode that best suits their circumstances
- ▶ Possessing the technical capability to support audiovisual services in somatic care sets a standard for telehealth by prioritizing patient visualization whenever possible

# Recommendation 3



## *Maintain payment parity for behavioral health and somatic care delivered using audiovisual or audio-only technologies.*

- ▶ Preserving payment parity for behavioral health and somatic care delivered via audiovisual and audio-only methods ensures telehealth options remain practical for providers
- ▶ Removes financial disincentives and promotes equity by allowing providers to use telehealth modalities that are most accessible for their patients
- ▶ Reduces stigma that can be associated with in-person behavioral health visits helping eliminate barriers to care



## Commission Action

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*Staff proposes the Commission accept the draft telehealth recommendations report as final*



**Thank you**

**Questions?**





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# Appendix

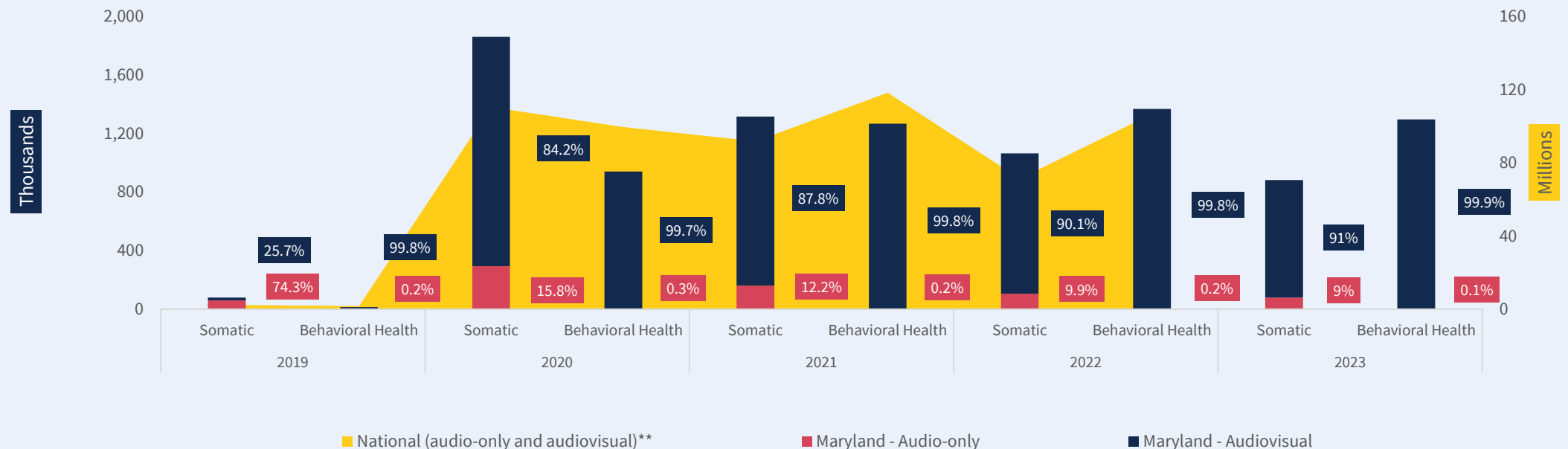
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# Telehealth Utilization



The following graph represents use of telehealth as a percentage of somatic and behavioral health services:

**Telehealth Utilization - Private Payers\***  
2019-2023



# Telehealth Utilization *(continued...)*



The following table provides information on telehealth utilization by modality:

Telehealth Services by Modality <i>Maryland Private Payers, 2019-2023</i>			
Telehealth Services	Audio-only	Audiovisual	Total
<b>2019</b>			
Overall	62.85% (59,391)	37.15% (35,104)	100% (94,495)
<i>Somatic</i>	99.96%	58.42%	84.53%
<i>Behavioral Health</i>	0.04%	41.58%	15.47%
<b>2020</b>			
Overall	10.59% (296,614)	89.41% (2,504,863)	100% (2,801,477)
<i>Somatic</i>	99.02%	62.56%	66.42%
<i>Behavioral Health</i>	0.98%	37.44%	33.58%
<b>2021</b>			
Overall	6.31% (163,028)	93.69% (2,420,387)	100% (2,583,415)
<i>Somatic</i>	98.61%	47.72%	50.93%
<i>Behavioral Health</i>	1.39%	52.28%	49.07%
<b>2022</b>			
Overall	4.45% (108,135)	95.55% (2,322,901)	100% (2,431,036)
<i>Somatic</i>	97.82%	41.23%	43.75%
<i>Behavioral Health</i>	2.18%	58.77%	56.25%
<b>2023</b>			
Overall	3.68% (80,282)	96.32% (2,098,474)	100% (2,178,756)
<i>Somatic</i>	98.69%	38.25%	40.48%
<i>Behavioral Health</i>	1.31%	61.75%	59.52%