

Bulletin Number: MSA 06-22

Distribution: Practitioners, Hospitals, Federally Qualified Health Centers, Medicaid Health Plans, Mental Health/Substance Abuse, Nursing Facilities, Rural Health Clinics, Tribal Health Centers

Issued: April 1, 2006

Subject: Medicaid Coverage for Telemedicine Services

Effective: May 1, 2006

Programs Affected: Medicaid, Adult Benefits Waiver (ABW), Children's Special Health Care Services (CSHCS), and Prepaid Inpatient Health Plans/Community Mental Health Services Programs (PIHP/CMHSP)

Purpose

The purpose of this bulletin is to establish coverage of the telemedicine originating site facility fee and to define services considered appropriate for this form of interactive technology.

Introduction

Telemedicine (also known as "telehealth") is the use of an electronic media to link beneficiaries with health professionals in different locations. The examination of the beneficiary is performed via a real time interactive audio and video telecommunications system. This means that the beneficiary must be able to see and interact with the off-site practitioner at the time services are provided via telemedicine.

It is the intent that telemedicine services will provide better access to care by delivering services as they are needed when the beneficiary is either visiting or residing in an area that does not have specialty services available. It is expected that this benefit will be used when travel is prohibitive to the beneficiary or there is imminent health risk justifying immediate medical need for these services. Remote access for surgical procedures and use of robotics are not covered under this policy.

Coverage

The Michigan Department of Community Health (MDCH) currently covers telemedicine services with the exception of the originating site facility fee. Effective for dates of service on and after May 1, 2006, MDCH will reimburse for the telemedicine originating site facility fee when services comply with policies detailed in this bulletin. The originating site is the location of an eligible beneficiary at the time the service being furnished via a telecommunications system occurs. Authorized originating sites are:

- County mental health clinic or publicly funded mental health facility
- Federally Qualified Health Center (FQHC)
- Hospital -- either inpatient, outpatient or a critical access hospital (CAH)
- Office of a physician or other practitioner (this includes medical clinics)
- Renal dialysis facility
- Rural Health Clinic (RHC)
- Skilled nursing facility
- Tribal Health Center (THC)

The location of the physician or practitioner providing the professional services via a telecommunications system is called the distant site. A medical professional is not required to present the beneficiary to the physician or practitioner at the distant site unless medically necessary; however, in order to be reimbursed, services provided must be appropriate and medically necessary. The decision of medical necessity will be made by the physician or practitioner at the distant site.

The following telemedicine services, including consultation, office visits, individual psychotherapy, pharmacologic management and End Stage Renal Disease (ESRD) related services, delivered via a telecommunications system are currently reimbursed by MDCH.

Service	Procedure Codes
Consultations	99241 – 99275
Office or other outpatient visits	99201 – 99215
Individual psychotherapy	90804 – 90809
Pharmacologic management	90862
Psychiatric diagnostic interview exam	90801
ESRD	G0308, G0309, G0311, G0312, G0314, G0315, G0317, G0318

Where face-to-face visits are required (such as ESRD related services), the telemedicine service may be used in addition to the required face-to-face visit but cannot be used as a substitute. There must be at least one face-to-face "hands-on" visit (i.e., not via telemedicine) by a physician, nurse practitioner (NP), or physician's assistant (PA) per month to examine the vascular site for ESRD services.

Limitations to Service Area

MDCH restricts telemedicine services to certain geographic areas. For the purpose of telemedicine services, the distant site and originating site must be at least 50 miles apart. Federal telemedicine demonstration projects funded or approved by the Secretary of Human Services as of December 31, 2000 may serve as the originating site regardless of geographic location.

Authorization Requirements

There are no prior authorization requirements when providing telemedicine services for fee-for-service beneficiaries.

Authorization requirements for beneficiaries enrolled in County Health Plans (CHPs) and Medicaid Health Plans (MHPs) may vary. Providers must check with individual CHPs/MHPs for any authorization or coverage requirements.

Billing and Reimbursement

When billing for the originating site facility fee, use procedure code **Q3014** with the modifier indicating interactive communication (currently the modifier is **GT**). MDCH will reimburse the originating site provider the lesser of charge or the current Medicaid fee screen.

Additional services provided at the originating site on the same date as the telemedicine service may be billed and reimbursed separately according to published policy guidelines.

Distant Site Provider

The modifier for interactive communication (currently the modifier is **GT**) must be used in conjunction with the appropriate procedure code to identify the professional telemedicine services provided by the distant site provider (e.g., procedure code 99241 billed with modifier GT).

The fee screen for the professional service provided via a telecommunications system by the physician or other practitioner at the distant site is equal to the current fee schedule amount for the service provided. Services provided by non-physician practitioners must be within their scope(s) of practice and according to Medicaid policy.

Physicians/practitioners eligible to bill for professional services are:

- Physician (MD, DO, DPM)
- Nurse Practitioner
- Physician's Assistant (billed under the supervising physician)
- Nurse-Midwife
- Psychologist *
- Social Worker *

*Psychologists and social workers cannot bill MDCH directly. Services must be provided through a PIHP/CMHSP, FQHC or THC. Psychotherapy services that include medical evaluation and management services (procedure codes **90805**, **90807** and **90809**) cannot be provided by psychologists or social workers.

In order to be reimbursed as a distant site physician/practitioner, the provider must:

- comply with all licensing and regulation laws applicable to the provider's practice or business in Michigan; or, if not licensed in Michigan, in the state in which they practice; and
- not currently be excluded from participating in Medicaid by state or federal sanction; and
- provide services which are directly reimbursable per MDCH policy; OR
- contract with a PIHP/CMHSP, Medicaid Health Plan (MHP) or County Health Plan (CHP). Services covered under the PIHP/CMHSP, MHP or CHP capitation must be authorized by the appropriate entity.

In-state providers are to be used whenever possible for distant site services.

Manual Maintenance

The provider should retain this bulletin until the information has been incorporated into the Michigan Medicaid Provider Manual.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

Approved



Paul Reinhart, Director
Medical Services Administration