

AN ACT relating to telehealth services.

*Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

➔SECTION 1. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO READ AS FOLLOWS:

(1) As used in this section:

(a) "Department" means the Department for Medicaid Services;

(b) "Direct-to-patient telehealth services" means telehealth or remote monitoring services rendered by a qualified medical provider delivered at a site other than a clinic, hospital, or health center, including but not limited to the patient's place of residence, that do not require the recipient to receive services at a site that is part of the telehealth network, established pursuant to KRS 194A.125, in order for services to be provided, covered, and reimbursable;

(c) "Evidence-based best practices" means the integration of the best available research with clinical expertise in the context of patient characteristics and patient and family caregiver preferences;

(d) "Qualified medical provider" means a credentialed and enrolled Medicaid-participating healthcare provider, hospital, rural health center, or licensed home health agency defined in KRS 216.935; and

(e) "Telemonitoring services" means services that require scheduled remote monitoring of data related to a patient's health where the monitoring is conducted at the patient's place of residence or other site determined by the department.

(2) The department shall establish coverage provisions and reimbursement criteria for:

(a) Telemonitoring services based on evidence-based best practices; and

(b) Direct-to-patient telehealth services, which shall be subject to the same

reimbursement methodology as for other covered face-to-face health services.

- (3) The department may submit a state plan amendment, waiver, or waiver amendment for approval to the Centers for Medicare and Medicaid Services in order to provide coverage for medically necessary telehealth or telemonitoring services performed for a Medicaid beneficiary.
- (4) The department shall request funding from the General Assembly to support telehealth and telemonitoring services rendered by a qualified medical provider under this section.
- (5) Not later than July 1, 2017, subject to appropriations by the General Assembly and approval of any state plan amendment, waiver, or waiver amendment from the Centers for Medicare and Medicaid Services, the department shall initiate the telehealth and telemonitoring services as described in this section.
- (6) The department shall ensure that clinical information gathered by a qualified medical provider while providing telehealth and telemonitoring services is shared with the patient's treating health care professionals.
- (7) The department shall promulgate administrative regulations in accordance with KRS Chapter 13A for the implementation and administration of this section.

➔Section 2. KRS 205.559 is amended to read as follows:

- (1) The Cabinet for Health and Family Services and any regional managed care partnership or other entity under contract with the cabinet for the administration or provision of the Medicaid program shall provide Medicaid reimbursement for a telehealth consultation that is provided by a Medicaid-participating practitioner who is licensed in Kentucky and ~~that~~ is provided:
- (a) In the telehealth network established in KRS 194A.125(3)(b); or
- (b) Direct-to-patient as established in Section 1 of this Act.
- (2) (a) The cabinet shall establish reimbursement rates for telehealth consultations,

*which shall be subject to the same reimbursement methodology as for other covered face-to-face health consultations.* A request for reimbursement shall

not be denied solely because an in-person consultation between a Medicaid-participating practitioner and a patient did not occur.

- (b) A telehealth consultation shall not be reimbursable under this section if it is provided through the use of an audio-only telephone, facsimile machine, or electronic mail.
- (3) A health-care facility that receives reimbursement under this section for consultations provided by a Medicaid-participating provider who practices in that facility and a health professional who obtains a consultation under this section shall establish quality-of-care protocols and patient confidentiality guidelines to ensure that telehealth consultations meet all requirements and patient care standards as required by law.
- (4) The cabinet shall not require a telehealth consultation if an in-person consultation with a Medicaid-participating provider is reasonably available where the patient resides, works, or attends school or if the patient prefers an in-person consultation.
- (5) The cabinet shall request any waivers of federal laws or regulations that may be necessary to implement this section.
- (6) (a) The cabinet and any regional managed care partnership or other entity under contract with the cabinet for the administration or provision of the Medicaid program shall study the impact of this section on the health care delivery system in Kentucky and shall, upon implementation, issue a quarterly report to the Legislative Research Commission. This report shall include an analysis of:
  - 1. The economic impact of this section on the Medicaid budget, including any costs or savings as a result of decreased transportation expenditures and office or emergency room visits;
  - 2. The quality of care as a result of telehealth consultations rendered under

this section; and

3. Any other issues deemed relevant by the cabinet.
- (b) In addition to the analysis required under paragraph (a) of this subsection, the cabinet report shall compare telehealth reimbursement and delivery among all regional managed care partnerships or other entities under contract with the cabinet for the administration or provision of the Medicaid program.
- (7) The cabinet shall promulgate an administrative regulation in accordance with KRS Chapter 13A to designate the claim forms, records required, and authorization procedures to be followed in conjunction with this section.