

**MEMORANDUM**

**TO:** Tommi Potter, Ohio Department of Medicaid

**FROM:** Sophia Papadimos, Regulatory Policy Assistant

**DATE:** August 28, 2014

**RE:** **CSI Review – Telemedicine (OAC 5160-1-18)**

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On behalf of Lt. Governor Mary Taylor, and pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (ORC) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI Office's comments to the Agency as provided for in ORC 107.54.

**Analysis**

This rule package consists of one new rule being proposed by the Ohio Department of Medicaid (ODM) pertaining to Telemedicine. The rule package was submitted to the CSI Office on June 16, 2014 and the public comment period was held open through June 23, 2014. Eight comments were received during this time.

Proposed Ohio Administrative Code (OAC) section 5160-1-18 will allow Telemedicine to be a covered Medicaid service. Telemedicine is the direct delivery of services to a Medicaid-eligible patient via electronic communication and includes both audio and video elements. This rule only allows a medical doctor, doctor of osteopathic medicine, or licensed psychologist to be reimbursed for Telemedicine services. In order to bill Medicaid for Telemedicine services, the distant site (where the consulting practitioner is located) cannot be within a five-mile radius of the originating site (where the patient is located).

ODM conducted a thorough stakeholder outreach where numerous meetings and conversations took place. Those included in the process were the Ohio Department of Mental Health and

Addiction Services (Ohio MHAS), the Ohio Department of Developmental Disabilities (DODD), the Ohio State Medical Board, the Cleveland Clinic, the Ohio Hospital Association, the Ohio Children's Hospital Association, the Ohio Association of Community Health Centers, and Managed Care Plans. Throughout the process ODM incorporated many of the stakeholders' suggestions. The comments received during the CSI public comment period primarily requested that more licensed professionals be able to bill for Telemedicine services and noted that the inability to bill for such services would create an adverse impact to their businesses. There were also comments regarding the five-mile radius stipulation in the rule.

The CSI Office met with Medicaid staff on August 22, 2014 to discuss the concerns raised during the comment period. The Department explained the original plan for Telemedicine was to only include physicians (MDs and DOs). This limited scope would provide specialty care to patients who need it the most, while ODM gains a better understanding of how Telemedicine services will be implemented and utilized, and how they will impact the Medicaid system from an administrative perspective. During stakeholder meetings, Ohio MHAS and DODD explained the importance of including psychologists, in order to provide comprehensive care to mental health communities. The sister agencies have experience with successfully implementing Telemedicine services for psychologists. ODM assured the CSI Office it will consider expanding telemedicine coverage to other healthcare professionals in the future, but this initial, limited approach will best serve the needs of individuals on Medicaid while also balancing ODM's administration of this new service delivery method.

A revised BIA submitted by ODM describes the adverse impact as the time necessary for the consulting practitioner to submit the required information from the distant site to the originating site. The time to submit and share information will vary based on the type of electronic health records system each site utilizes. ODM justified the sharing of information as standard medical practice, which the Medical Board considers to be a condition of the "continuum of care." Additionally, Telemedicine has the potential to improve program outcomes and lower costs.

After reviewing the rule and associated BIA, the CSI Office has determined that the purpose of the rule is justified.

### **Recommendation**

The CSI Office does not have any recommendations regarding this rule package.

### **Conclusion**

Based on the above comments, the CSI Office concludes that the Ohio Department of Medicaid should proceed with the formal filing of this rule package with the Joint Committee on Agency Rule Review.