



EAGLE
TELEMEDICINE



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Frequently Asked Billing Questions



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Billing for Telemedicine Services

INTRODUCTION

Telemedicine has the potential to solve a great number of issues in our current health care system. But reimbursement for telemedicine services can be confounding. States have significant influence over this reimbursement, both within their state Medicaid programs and through laws governing private payers. This creates many complexities within the billing process. Although Eagle assigns professional billing to our partner hospitals, we have created this resource to answer some common billing questions.

MEDICARE

1 Does Medicare pay for telemedicine services?

Telemedicine services are eligible for Medicare payment if the Originating Site is located in a county outside of a Metropolitan Statistical Area (MSA) or in a Health Professional Shortage Area (HPSA) located in a rural census tract.

No. The site at which the physician or other licensed practitioner delivering the telemedicine service is located at the time the service is provided is called the "Distant Site." The Distant Site may be in different state than the Originating Site. In those instances, the telemedicine physician or practitioner must be licensed under state law and/or meet the applicable standards required by state or local laws in both the Originating Site state and the Distant Site state.

5 What type of tele-communications system is required to bill for telemedicine services?

Telemedicine services must use an interactive audio and video tele-communications system that permits real-time communication between the practitioner at the Distant Site and the patient at the Originating Site (this is known as a "synchronous tele-communications system"). "Store and

2 What is an originating site?

An Originating Site is the location of an eligible Medicare beneficiary at the time the service is furnished via a telecommunications system.

4 Does my county/city qualify as an HPSA under Medicare guidelines?

HPSA status is determined by the Health Resources and Services Administration (HRSA). The following HRSA link will assist you in determining your location's HPSA status¹.

3 Must the telemedicine provider be in the same state as the originating site?

Originating Sites Include:

- Physician's Offices
- Hospitals
- Critical Access Hospitals (CAHs)
- Rural Health Clinics
- Federally Qualified Health Centers
- Hospital-based or CAH-based Renal Dialysis Centers (including satellites)
- Skilled Nursing Facilities (SNFs)
- Community Mental Health Centers (CMHCs)



Forward Technology" (otherwise known as "asynchronous telecommunications system") is currently only permitted in Federal telemedicine demonstration programs in Alaska or Hawaii.

6 Can my facility bill a facility fee for telemedicine as an Originating Site?

Yes. Medicare allows Originating Sites to bill a facility fee for telemedicine services. The Originating Site facility fee is a separately billable Part B payment, subject to post payment verification, that the Medicare Administrative Contractor (MAC) pays outside of other payment methodologies. For hospital inpatients, payment for the Originating Site facility fee must be made outside the DRG payment, since this is a Part B benefit, similar to other services paid separately from the DRG payment.

7 When billing for telemedicine Professional Services, do we need to utilize a modifier?

Yes, for Medicare you will need to use the GT telehealth modifier.

MEDICAID

8 Do we process our Medicaid claims following the same guidelines as Medicare?

Please remember Medicaid is governed by the State. We encourage you to do the following prior to billing for telemedicine services with Medicaid:

- Look up the Medicaid telemedicine reimbursement in your state².

Keep the following in mind:

- Health Services Covered
- Eligible Providers
- Is Cross-State Licensing allowed?
- Is a Pre-existing relationship with patient required?
- Location restrictions on patient or provider
- Applicable CPT codes
- Type of fee reimbursed (transmission, facility or both)

PRIVATE PAY

9 We have a large population of Private Pay Patients; do they reimburse providers in the same manner as Medicare?

Private payer reimbursement is done a little differently than Medicare or Medicaid. Most states require private payers to reimburse telemedicine services. Some states have also enacted telemedicine parity laws which require private payers to reimburse providers the same amount for telemedicine services as the comparable in-person service. The legal landscape for telemedicine is changing rapidly, and more states are expected to enact telemedicine parity laws. We recommend that you reach out to your private payers to inquire about their telemedicine reimbursement policies. Some sample questions to ask them include:

- Are there any restrictions on the location of the provider or patient
- What modifier do I need to use?
- Are all providers eligible?
- Any special documentation?

FOR MORE INFORMATION

The U.S. currently has 14 regional telehealth resource center. We encourage you to connect with them; they are there to help.³

Resources

1. HPSA Status can be found at: <https://datawarehouse.hrsa.gov/tools/analyzers/geo/Telemedicine.aspx>
2. Medicaid reimbursement by state: <http://www.cchpca.org/telehealth-medicaid-state-policy>
3. Regional Telehealth Resources: <https://www.telehealthresourcecenter.org/>

This information was prepared as a service to the public and is not intended to grant rights or impose obligations. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents. For specific assistance on how to properly bill for telemedicine services, we advise you to consult with legal counsel or a revenue cycle manager knowledgeable about billing for telemedicine services.

