



Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Robert R. Neall, Secretary

February 19, 2020

The Honorable Delores G. Kelley, Chair
Senate Finance Committee
3 East, Miller Senate Office Building
Annapolis, MD 21401-1991

RE: Letter of Support with Amendments – SB 502 – Health Insurance – Telehealth – Delivery of Mental Health Services – Coverage for Home Settings

Dear Chair Kelley and Committee Members:

The Department of Health (Department) respectfully submits this letter of support with amendments regarding SB 502 – Health Insurance – Telehealth – Delivery of Mental Health Services – Coverage for Home Settings.

As introduced, SB 502 would require the Department to reimburse for mental health services delivered to Medicaid participants in their homes through telehealth. The bill would take effect on January 1, 2021. The Department estimates that expanding its Telehealth Program to include the home as an originating site for mental health services would have an annual fiscal impact of approximately \$10.6 million TF (\$6.5 million FF, \$4.1 million GF).

The Department is dedicated to implementing a telehealth policy that best serves the needs of Maryland residents enrolled in the Medicaid program. In the interest of this goal, the Department has made a series of incremental expansions to its Telehealth Program over the last several years. Most recently, the Department eliminated all restrictions on providers authorized to serve as a distant site. All provider types are now permitted to receive reimbursement for services rendered under the Department's telehealth regulations, as long as the provider's licensing board allows telehealth in its scope of practice.

Given the substantial fiscal impact of SB 502, however, the Department would support implementation of this bill in a limited pilot program. Under this model, the Department would establish a telehealth pilot focused on the delivery of a limited package of services to participants located in their own homes. A federal waiver would be required, which would permit the Department to limit the scope of the pilot and mitigate the fiscal impact. Such a waiver enables the Department to assess the impact of the service delivery model on health outcomes and costs before implementing coverage on a broader scale.

The Department proposes amendments to SB 502 to this effect (attached). For more information about the Department's Medicaid telehealth implementation, please see the two attached documents.

Thank you for your consideration of this information. If you have questions or need more information about this subject, please contact Webster Ye, Director of Governmental Affairs, at (410) 260-3190 or webster.ye@maryland.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert R. Neall", with a long horizontal flourish extending to the right.

Robert R. Neall
Secretary

By: Department of Health
(To be offered in the Finance Committee)

AMENDMENTS TO SENATE BILL NO. 502
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “Maryland” in line 4 down through “setting” in line 10, inclusive, and substitute

“DEPARTMENT OF HEALTH TO APPLY, ON OR BEFORE A CERTAIN DATE, TO THE CENTERS FOR MEDICARE AND MEDICAID SERVICES FOR A WAIVER UNDER A CERTAIN PROVISION OF FEDERAL LAW TO ESTABLISH A TELEHEALTH PILOT PROGRAM; AUTHORIZING THE DEPARTMENT TO LIMIT PARTICIPATION TO CERTAIN INDIVIDUALS, AND TO CERTAIN GEOGRAPHIC AREAS IN THE STATE”.

AMENDMENT NO. 2

On pages 1 and 2, strike in their entirety the lines beginning with line 12 on page 1 through line 4 on page 2, inclusive, and substitute

“BY ADDING TO

ARTICLE – HEALTH – GENERAL
SECTION 15-141
ANNOTATED CODE OF MARYLAND
(2017 REPLACEMENT VOLUME AND 2019 SUPPLEMENT)”.

AMENDMENT NO. 3

On page 2, strike in their entirety the lines beginning with line 8 on page 2 through line 15 on page 4, inclusive, and substitute

“15-141.2

(A) ON OR BEFORE DECEMBER 1, 2020, THE DEPARTMENT SHALL APPLY TO THE CENTERS FOR MEDICARE AND MEDICAID SERVICES FOR AN AMENDMENT TO THE STATE’S §1115 HEALTHCHOICE DEMONSTRATION WAIVER TO IMPLEMENT A PILOT PROGRAM TO PROVIDE LIMITED TELEHEALTH COVERAGE IN A HOME SETTING.

(B) IF THE AMENDMENT IS APPROVED UNDER SUBSECTION (A) OF THIS SECTION, THE DEPARTMENT SHALL ADMINISTER THE PILOT PROGRAM.

(C) THE DEPARTMENT MAY LIMIT:

(1) THE TYPE OF TELEHEALTH SERVICES AVAILABLE UNDER THE PILOT PROGRAM TO BEHAVIORAL HEALTH RELATED SERVICES THAT ARE DELIVERED IN A HOME SETTING;

(2) THE TOTAL NUMBER OF PARTICIPANTS IN THE PILOT PROGRAM;

(3) THE TOTAL NUMBER OF PROVIDERS ELIGIBLE TO DELIVER TELEHEALTH SERVICES UNDER THE PILOT PROGRAM; AND

(4) OPERATION OF THE PILOT PROGRAM TO CERTAIN GEOGRAPHIC REGIONS OF THE STATE.

AMENDMENT NO. 3

On page 4, in lines 18 and 20, in each instance, strike “**JANUARY 1, 2021**” and substitute “**OCTOBER 1, 2020**”.



Telehealth Utilization

The Maryland Department of Health (the Department) Telehealth Program covers services delivered to Medicaid participants enrolled in the HealthChoice managed care program and on a fee-for-service (FFS) basis statewide. Since October 2019, all providers enrolled in the Medical Assistance Program may practice telehealth as a distant site so long as it is within the scope of their license.

To bill for telehealth services, the distant site provider uses a GT modifier on their claim.¹ In FY 2018:

- Almost 7,000 unique participants received a telehealth service,
- More than 26,000 services delivered via telehealth, and
- More than 90 percent of telehealth services delivered were behavioral health.

FFS and MCO Utilization for FY 2017 and FY 2018

The majority of telehealth services are delivered on a FFS basis. From FY17 to FY18, the number of Medicaid participants accessing FFS telehealth services grew by 42% and the number of FFS telehealth services delivered increased by 57%.

Table 1: FFS Telehealth Services—Total Individuals and Services with a GT modifier, FY17 & FY18

	FY17	FY18
Number of Enrollees	4,536	6,433
Number of Services	18,722	29,441
Total Payments	\$1,347,992	\$2,301,623

MCOs reimburse a relatively small volume of telehealth services by comparison. In FY17, 948 participants received 1,193 services with the GT modifier (see Table 2). In FY18, the number of participants and telehealth services decreased, with 501 unique participants receiving 993 services.

Table 2: MCO Telehealth Services—Total Individuals and Services with a GT Modifier, FY17 & FY18

	FY17	FY18
Number of Enrollees	948	501
Number of Services	1,193	933

Remote Patient Monitoring

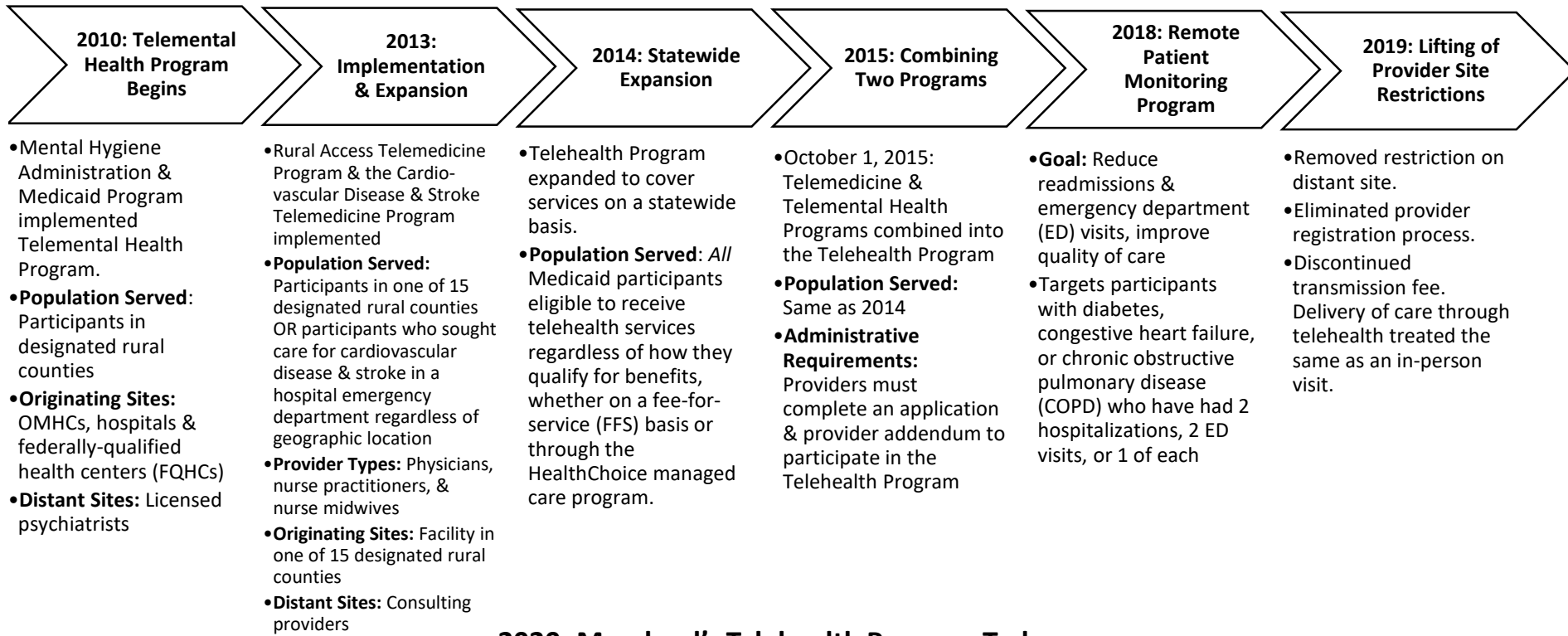
The Telehealth Program includes Remote Patient Monitoring (RPM) for specific chronic conditions. Service uptake has been limited. Fewer than 10 participants utilized RPM under FFS in both FY17 and FY18. Fewer than 10 participants utilized RPM through their MCO in FY 2017 and 23 participants utilized RPM in FY18.

Conclusion

The Department has seen increases in telehealth utilization over the last several fiscal years. The Department expects utilization to continue to grow, with further increases following removal of distant site limitations.

¹Based on historical data, providers may not consistently use the GT modifier. Until October 2019, the Department reimbursed originating sites a transmission fee. The total transmission fee claims exceeded total GT modifier claims by >500 in FY17 and >400 in FY18. As a result, actual utilization of telehealth services may be higher than the data presented.

Brief Overview: Progression of Maryland's Telehealth Program



2020: Maryland's Telehealth Program Today

Technological advances are reducing barriers to access while reducing the cost of providing services to patients. At inception, the transmission fee offset the expenses of telehealth equipment & software to engage in & to facilitate the use of telehealth. Because equipment & software are now more widely available, the telehealth transmission fee has been discontinued. This is consistent with policies adopted by other states.

Any & all provider types are now permitted to receive reimbursement for services rendered under the Department's telehealth regulations as long as the provider's licensing board allows telehealth in its scope of practice. Distant site restrictions have been eliminated.

Originating Sites:

- College or university student health or counseling office
- Community-based SUD provider
- Elementary, middle, high, or technical school w/a supported nursing, counseling or medical office
- Local health department
- FQHC
- Hospital, including the emergency department
- Nursing facility
- Opioid treatment program (OTP)
- Outpatient mental health center (OMHC)
- Physician, psychiatric nurse practitioner, nurse practitioner, or nurse midwife office
- Renal dialysis center
- Residential crisis services site

- A deaf or hard of hearing participant's home or any other secure location as approved by the participant & the provider

Telehealth Utilization

- Almost 7,000 unique participants received a telehealth service in FY 2018.
- More than 26,000 services delivered via telehealth in FY 2018.
- More than 90 percent of telehealth services delivered were behavioral health.