

## Telehealth Care Payment

### OVERVIEW

Telehealth care technology has the potential to transform how pediatricians and other physicians practice medicine in the rapidly changing health care environment. This technology promises to increase access to care and lower health care costs.

State legislators and regulators are actively engaged in developing telehealth care public policy in such areas as establishment of the physician-patient relationship, e-prescribing, and physician licensure.

Physician payment is an important telehealth care issue. Laws and policies regarding payment for telehealth care services by Medicaid and private insurance are decided by states. Currently, there is variability among these state laws and policies and many new measures on telehealth care payments have been under consideration in recent years.

### AAP POSITION

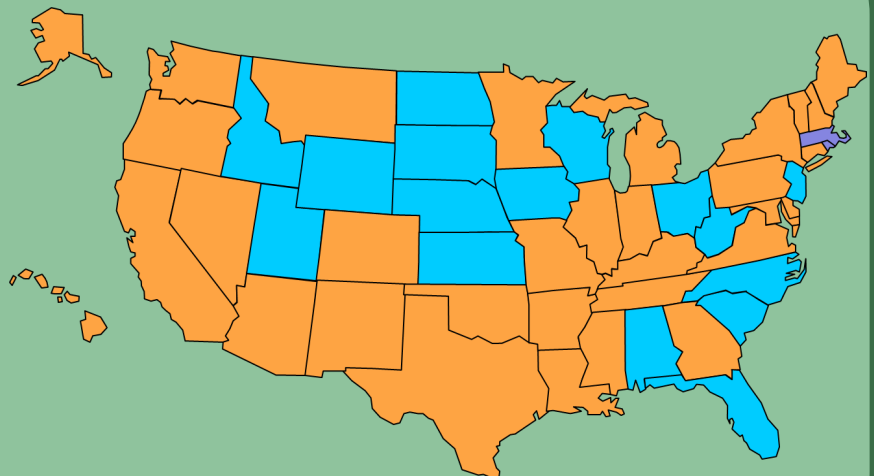
- Physicians who deliver health care services through telehealth care should receive equitable payment to increase the availability of pediatric health care services for all children.
- Use of telehealth care services should be conducted within the context of the medical home, as such care offers continuity, efficiency, and the prudent use of health care resources. Fragmented care delivered outside the medical home must be avoided.
- Regulatory and licensing authorities should partner with medical organizations and other health care stakeholders to overcome administrative, financial, and legislative barriers to implement telemedicine and expand access to care.
- Revised policies on coding, billing, and payment are needed to ensure financial sustainability of health care delivered via telehealth care. Payer education and policy advocacy are needed to enact appropriate valuation of these services.

## FACTS

- The absence of comprehensive payment policies is often cited as one of the greatest obstacles to integrating telehealth care into health care practice.
- Medicare currently has a very narrow policy for payment of telehealth care services, which ultimately impacts both Medicaid and private insurance policy.
- While Medicaid payment policies vary across states, more states pay for live video telehealth care services than for store-and-forward and remote patient monitoring.
- Some Medicaid programs limit the type of facility that can be an originating site, often excluding the home as a payable site. A limited number of states require that patients be located in a medically underserved area.
- Some states only require telehealth care payment for certain services, such as behavioral or mental health.
- Not all laws regarding payment for telehealth care services mandate parity.

## PROGRESS

- 32 states – Medicaid and private payment
- 16 states – Medicaid payment only
- 2 states – private payment only



For information on current law or pending legislation in your state, please contact the AAP Division of State Government Affairs at [stgov@aap.org](mailto:stgov@aap.org).

## MORE

- [AAP Policy – The Use of Telemedicine to Address Access and Physician Workforce Shortages](http://pediatrics.aappublications.org/content/136/1/202.full) – <http://pediatrics.aappublications.org/content/136/1/202.full>
- [AAP Technical Report – Telemedicine: Pediatric Applications](http://pediatrics.aappublications.org/content/136/1/e293.full) – <http://pediatrics.aappublications.org/content/136/1/e293.full>
- [AAP Interstate Medical Licensure Compact Advocacy Action Guide for AAP Chapters](http://www.aap.org/en-us/advocacy-and-policy/state-advocacy/Documents/Interstate%20Medical%20Licensure%20Compact-Advocacy%20Action%20Guide%20for%20AAP%20Chapters.pdf) – [www.aap.org/en-us/advocacy-and-policy/state-advocacy/Documents/Interstate%20Medical%20Licensure%20Compact-Advocacy%20Action%20Guide%20for%20AAP%20Chapters.pdf](http://www.aap.org/en-us/advocacy-and-policy/state-advocacy/Documents/Interstate%20Medical%20Licensure%20Compact-Advocacy%20Action%20Guide%20for%20AAP%20Chapters.pdf)
- [Center for Connected Health Policy](http://cchpca.org) – <http://cchpca.org>
- [American Telemedicine Association](http://www.americantelemed.org) – [www.americantelemed.org](http://www.americantelemed.org)