

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4616-02
Bill No.: Perfected HCS for HB 1923
Subject: Health Care; Telecommunications; Medicaid/ MO HealthNet; Insurance - Health; Social Services Department; Health Care Professionals
Type: Original
Date: March 30, 2016

Bill Summary: This proposal changes the laws regarding the provision of telehealth services.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2017	FY 2018	FY 2019	Fully Implemented (FY 2020)
General Revenue	(\$480,005)	(\$411,451)	(\$377,423)	(\$371,281)
Total Estimated Net Effect on General Revenue	(\$480,005)	(\$411,451)	(\$377,423)	(\$371,281)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2017	FY 2018	FY 2019	Fully Implemented (FY 2020)
Insurance Dedicated	Up to \$5,000	\$0	\$0	\$0
Total Estimated Net Effect on Other State Funds	Up to \$5,000	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses. This fiscal note contains 15 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2017	FY 2018	FY 2019	Fully Implemented (FY 2020)
Federal *	\$0	\$0	\$0	\$0
Total Estimated Net Effect on All Federal Funds	\$0	\$0	\$0	\$0

* Income and expenditures exceed \$500,000 annually and net to \$0.

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2017	FY 2018	FY 2019	Fully Implemented (FY 2020)
General Revenue	1.5	1.5	1.5	1.5
Federal	1.5	1.5	1.5	1.5
Total Estimated Net Effect on FTE	3	3	3	3

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2017	FY 2018	FY 2019	Fully Implemented (FY 2020)
Local Government	\$0	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services (DSS), MO HealthNet Division (MHD)** provide the following assumptions:

Section 208.670.5 adds the use of asynchronous store-and-forward technology to the practice of telehealth.

In 2015 there were 17,432 telehealth visits. MHD estimates that 10% of the telehealth visits will be the amount of asynchronous store-and-forward visits for new users resulting in 1,744 ($17,432 * 10\%$) visits. MHD estimates that the costs to transmit the data from the patient site to the distant site will be \$14.60 per transmission for a total cost for new users of \$25,463. MHD estimates that 5% of the telehealth services will be existing telehealth users who will use this new service resulting in 872 ($17,432 * 5\%$) visits. MHD estimates that the costs to transmit the data from the patient site to the distant site will be \$14.60 per transmission for a total cost for existing users of \$12,732. The total estimated cost to transmit the data from the patient site to the distant site is \$38,195 ($\$25,463 + \$12,732$).

MHD estimates that 1,308 ($1,744 * 75\%$) store-and-forward visits will require additional care. MHD estimates that it will cost \$67 for each additional care visit for a total cost of \$87,636 ($1,308 * \67).

The total cost for asynchronous store-and-forward in SFY 17 is \$125,831 ($\$25,463 + \$12,732 + \$87,636$). MHD assumes there will be only 10 months in SFY 17 at a cost of \$104,859 ($\$125,831 * 10/12$). A 3% inflation factor was used to calculate SFY 18 and beyond.

With existing users utilizing store-and-forward there would be a Non-Emergency Medical Transportation (NEMT) savings of \$25 per visit for a total savings of \$21,800 ($\$25 * 872$). MHD doesn't expect to see these savings until SFY 19 due to rate development methodologies in NEMT capitation payments. The \$21,800 was trended using a 3% inflation factor to get to the savings for SFY 19. MHD assumes it will see 75% of the SFY 19 savings due to SFY 17 costs only being for 10 months.

A State Plan Amendment (SPA) is required for the asynchronous store-and-forward services.

Section 208.671 will require MMIS costs to update the system. MHD estimates that it will cost \$200,000 in system work and \$75,000 in staff time to do the work for a total of \$275,000. These costs will be split 50/50 between General Revenue (GR) and Federal Funds.

ASSUMPTION (continued)

MHD estimates it will need 1.25 additional FTEs at the Management Analysis Specialist II position for system work, integration, evaluation, and to establish guidelines.

Section 208.673 establishes the "Telehealth Services Advisory Committee."

MHD estimates it will need 1 additional FTE at the Program Development Specialist level to coordinate the new advisory committee, plan agendas, attend meetings, take minutes, oversee filling vacancies, etc.

Section 208.675 lists eligible health care providers.

13 CSR 70-3.190 describes MO HealthNet's (MHD) telehealth services and does not include Clinical Social Workers, Licensed Professional Counselors, Assistant Physicians, Physicians Assistants, and Optometrist as eligible health care providers. (**Oversight** notes these providers are not currently eligible MO HealthNet providers.)

Clinical Social Workers - In 2015 there were 17,432 telehealth visits. MHD estimates that 20% of the telehealth visits will be the amount of new Clinical Social Worker telehealth visits for new users resulting in 3,487 ($17,432 * 20\%$) new visits. MHD estimates that the telehealth originating fee will be \$14.60 per transmission for a cost for new users of \$50,910. MHD estimates the provider will charge \$48 per visit for new users resulting in costs of \$167,376 ($3,487 * 48$). The total cost for new users is \$218,286 ($\$50,910 + \$167,376$). MHD estimates that 5% of the telehealth services will be existing Clinical Social Worker users who will now use telehealth services resulting in 872 ($17,432 * 5\%$) visits. MHD estimates that the costs to transmit the data from the patient site to the distant site will be \$14.60 per transmission for a total cost for existing users of \$12,731.20.

The total estimated cost for Clinical Social Workers in SFY 17 is \$231,017 ($\$218,286 + \$12,731$). Since there will be only 10 months in SFY 17 the cost will be \$192,514 ($\$231,017 * 10/12$). A 3% inflation factor was used to calculate SFY 18 and beyond.

With existing users utilizing Clinical Social Workers via telehealth, there would be an NEMT savings of \$25 per visit for a total savings of \$21,800 ($\$25 * 872$). MHD doesn't expect to see these savings until SFY 19 due to rate development methodologies in NEMT capitation payments. The \$21,800 was trended using a 3% inflation factor to get to the savings for SFY 19. MHD assumes it will see 75% of the SFY 19 savings due to SFY 17 costs only being for 10 months.

ASSUMPTION (continued)

Licensed Professional Counselors - In 2015 there were 17,432 telehealth visits. MHD estimates that 10% of the telehealth visits will be the amount of new Licensed Professional Counselor telehealth visits for new users resulting in 1,744 ($17,432 * 10\%$) new visits. MHD estimates that the telehealth originating fee will be \$14.60 per transmission for a cost for new users of \$25,462. MHD estimates the provider will charge \$48 per visit for new users resulting in costs of \$83,712 ($1,744 * \48). The total cost for new users is \$109,174 ($\$25,462 + \$83,712$). MHD estimates that 5% of the telehealth services will be existing Licensed Professional Counselor users who will now use telehealth services resulting in 872 ($17,432 * 5\%$) visits. MHD estimates that the costs to transmit the data from the patient site to the distant site will be \$14.60 per transmission for a total cost for existing users of \$12,731.

The total estimated cost for Licensed Professional Counselors in SFY 17 is \$121,905 ($\$109,174 + \$12,731$). Since there will be only 10 months in SFY 17 the cost will be \$101,588 ($\$121,905 * 10/12$). A 3% inflation factor was used to calculate SFY 18 and beyond.

With existing users utilizing Licensed Professional Counselors via telehealth, there would be an NEMT savings of \$25 per visit for a total savings of \$21,800 ($\$25 * 872$). MHD doesn't expect to see these savings until SFY 19 due to rate development methodologies in NEMT capitation payments. The \$21,800 was trended using a 3% inflation factor to get to the savings for SFY 19. MHD assumes it will see 75% of the SFY 19 savings due to SFY 17 costs only being for 10 months.

Assistant Physicians - In 2015 there were 17,432 telehealth visits. MHD estimates that 5% of the telehealth visits will be the amount of new Assistant Physician telehealth visits for new users resulting in 872 ($17,432 * 5\%$) new visits. MHD estimates the telehealth originating site fee will be \$14.60 per transmission for a cost for new users of \$12,731. MHD estimates the provider will charge \$48 per visit for new users resulting in costs of \$41,856 ($872 * \48). The total cost for new users is \$54,587 ($\$12,731 + \$41,856$). MHD estimates that 5% of the telehealth services will be existing Assistant Physician users who will now use telehealth services resulting in 872 ($17,432 * 5\%$) visits. MHD estimates that the costs to transmit the data from the patient site to the distant site will be \$14.60 per transmission for a total cost for existing users of \$12,731.

The total estimated cost for Assistant Physicians in SFY 17 is \$67,318 ($\$54,587 + \$12,731$). Since there will be only 10 months in SFY 17 the cost will be \$56,098 ($\$67,318 * 10/12$). A 3% inflation factor was used to calculate SFY 18 and beyond.

ASSUMPTION (continued)

With existing users utilizing Assistant Physicians via telehealth, there would be an NEMT savings of \$25 per visit for a total savings of \$21,800 ($\$25 * 872$). MHD doesn't expect to see these savings until SFY 19 due to rate development methodologies in NEMT capitation payments. The \$21,800 was trended using a 3% inflation factor to get to the savings for SFY 19. MHD assumes it will see 75% of the SFY 19 savings due to SFY 17 costs only being for 10 months.

Physicians Assistants - In 2015 there were 17,432 telehealth visits. MHD estimates that 10% of the telehealth visits will be the amount of new Physician Assistant telehealth visits for new users resulting in 1,744 ($17,432 * 10\%$) new visits. MHD estimates that the telehealth originating site fee will be \$14.60 per transmission for a cost for new users of \$25,462. MHD estimates the provider will charge \$48 per visit for new users resulting in costs of \$83,712 ($1,744 * \48). The total cost for new users is \$109,174 ($\$25,462 + \$83,712$). MHD estimates that 5% of the telehealth services will be existing Physician's Assistant users who will now use telehealth services resulting in 872 ($17,432 * 5\%$) visits. MHD estimates that the costs to transmit the data from the patient site to the distant site will be \$14.60 per transmission for a total cost for existing users of \$12,731.

The total estimated cost for Physicians Assistants in SFY 17 is \$121,905 ($\$109,174 + \$12,731$). Since there will be only 10 months in SFY 17 the cost will be \$101,588 ($\$121,905 * 10/12$). A 3% inflation factor was used to calculate SFY 18 and beyond.

With existing users utilizing Physicians Assistants via telehealth, there would be an NEMT savings of \$25 per visit for a total savings of \$21,800 ($\$25 * 872$). MHD doesn't expect to see these savings until SFY 19 due to rate development methodologies in NEMT capitation payments. The \$21,800 was trended using a 3% inflation factor to get to the savings for SFY 19. MHD assumes it will see 75% of the SFY 19 savings due to SFY 17 costs only being for 10 months.

Optometrists - In 2015 there were 17,432 telehealth visits. MHD estimates that 10% of the telehealth visits will be the amount of new Optometrists telehealth visits for new users resulting in 1,744 ($17,432 * 10\%$) new visits. MHD estimates that the telehealth originating site fee will be \$14.60 per transmission for a cost for new users of \$25,462. MHD estimates the provider will charge \$48 per visit for new users resulting in costs of \$83,712 ($1,744 * \48). The total cost for new users is \$109,174 ($\$25,462 + \$83,712$). MHD estimates that 5% of the telehealth services will be existing Optometrist users who will now use telehealth services resulting in 872 ($17,432 * 5\%$) visits. MHD estimates that the costs to transmit the data from the patient site to the distant site will be \$14.60 per transmission for a total cost for existing users of \$12,731.

ASSUMPTION (continued)

The total estimated cost for Optometrists in SFY 17 is \$121,905 (\$109,174 + \$12,731). Since there will be only 10 months in SFY 17 the cost will be \$101,588 ($\$121,905 * 10/12$). A 3% inflation factor was used to calculate SFY 18 and beyond.

With existing users utilizing Optometrists via telehealth, there would be an NEMT savings of \$25 per visit for a total savings of \$21,800 ($\$25 * 872$). MHD doesn't expect to see these savings until SFY 19 due to rate development methodologies in NEMT capitation payments. The \$21,800 was trended using a 3% inflation factor to get to the savings for SFY 19. MHD assumes it will see 75% of the SFY 19 savings due to SFY 17 costs only being for 10 months.

Section 208.677 defines the term originating site and gives a list of sites that can be an originating site.

13 CSR 70-3.190 describes MO HealthNet's (MHD) telehealth services and does not include School, MHD participant's home, clinical designated area in a pharmacy, or child assessment centers as originating sites.

MHD assumes this legislation does not include all services provided at a school-based clinic, but rather only behavioral health provided under an IEP (Individual Education Plan). MHD further assumes school-based telehealth services under an IEP would likely increase the utilization of Behavioral Health counseling services. Behavioral health counseling is currently considered the only allowable service through telehealth that can be billed by schools. MHD reimburses schools for the federal share of costs incurred. The current FY15 spend for Behavioral Health counseling is \$368,000 with 9,751 annual visits. Assuming a 5% increase in number of visits to the school based originating site, this would add \$4,504 in originating fees in FY17 ($488 \text{ visits} * \$9.23 \text{ federal portion of originating site fees per visit as schools pay the state share}$). Since there will only be 10 months in FY 17, the cost will be \$3,753 ($\$4,504 * 10/12$). A 3% inflation factor was used to calculate FY 18 and beyond.

There is also a resulting savings to NEMT costs for providing this service in schools. Due to NEMT capitation rate methodologies, there is a two year lag to incorporate the lower NEMT utilization in to the rates. Initially, MHD would see increased costs in SFY 17 and SFY 18 and NEMT savings would begin to occur in SFY 19 and be fully implemented into the rates by SFY 20.

MHD assumes that the requirements for adding a clinical designated area in a pharmacy for telehealth services would be cost prohibitive to the pharmacy and will not have a fiscal impact on MHD.

ASSUMPTION (continued)

According to missourikidsfirst.org, Missouri Child Advocacy Centers serve around 7,000 children each year. Assuming 5% of these children will utilize telehealth, there will be 350 telehealth visits (7,000 * 5%). At a cost of \$14.60 a visit, the total cost will be \$5,110 (350 * \$14.60) in FY 17. Since there will only be 10 months in FY 17, the cost will be \$4,258 (\$5,110 * 10/12). A 3% inflation factor was used to calculate FY 18 and beyond.

13 CSR 70-3.190 Telehealth Services requires the telehealth service to be performed on a "private, dedicated telecommunications line approved through the Missouri Telehealth Network (MTN). The telecommunications line must be secure and utilize a method of encryption adequate to protect the confidentiality and integrity of the Telehealth service information. The Missouri Telehealth Network must also approve the equipment that will be used in Telehealth service." It further states that both a distant and originating site shall use authentication and identification to ensure confidentiality. In addition, the CSR specifies that the originating site (patient location) must ensure immediate availability of clinical staff during a Telehealth encounter in the event a participant requires assistance.

Based on these requirements, MHD assumes in-home telehealth would be cost prohibitive to MHD participants and there would be no fiscal impact.

Section 208.686, subsection 2, requires the department to establish a statewide program that permits reimbursement under the MHD program for home telemonitoring services. Continuation of funding for such a program is dependent upon a review of cost effectiveness.

MHD is currently running reports to see if telemonitoring is cost effective. Assuming that it is cost effective, there will be no impact to MHD. This bill would make telemonitoring a state plan service which would require a State Plan Amendment (SPA).

MHD estimates it will need 1 FTE at the Social Services Band 2 position for evaluation of the cost effectiveness of the service.

Section 334.108.3 states no physician or his/her delegate, on-call physician, or advanced practice registered nurse shall prescribe any drug, controlled substance, or other treatment to a patient based solely on an evaluation over the telephone, unless a previously established ongoing relationship exists.

Section 334.108.4 states no physician shall prescribe any drug, controlled substance, or other treatment to a patient based solely on an internet request or an internet questionnaire.

ASSUMPTION (continued)

Section B includes an emergency clause which applies to Section 191.1145 only; therefore, MHD assumes the remainder of the bill, including the provisions authorizing telehealth and telemonitoring in MO HealthNet, would not become effective until September 2016.

The total costs for this bill are:

SFY17 (10 months): Total \$1,163,313 (GR \$492,145; Federal \$671,168);
SFY18: Total \$1,066,387 (GR \$422,558; Federal \$643,829);
SFY19: Total \$ 973,717 (GR \$388,745; Federal \$584,972); and
SFY20: Total \$956,873 (GR \$382,820; Federal \$574,053) fully implemented.

Oversight assumes MHD would not hire 0.25 FTE and that the duties of that part-time FTE would be absorbed by existing personnel. In addition, Oversight assumes MHD would not need rental space for a total of 3 FTE.

Officials from the **Department of Insurance, Financial Institutions, and Professional Registration (DIFP)** state insurers would be required to submit amendments to their policies for review along with a \$50 filing fee. The number of insurance companies writing these policies in Missouri fluctuates each year. One-time additional revenues to the Insurance Dedicated Fund are estimated to be up to \$5,000.

Additional staff and expenses are not being requested with this single proposal, but if multiple proposals pass during the legislative session which require policy form reviews, the DIFP will need to request additional staff to handle the increase in workload.

Officials from the **University of Missouri (UM) Health Care** state they have reviewed the proposed legislation and determined that as written, it should not create additional expenses in excess of \$100,000 annually.

Oversight assumes this is the materiality threshold for the UM Health Care and that any costs incurred by UM can be absorbed within current resource levels.

Officials from the **Office of the Governor (GOV)** state Section 208.673 establishes the Telehealth Services Advisory Committee which is comprised of eight gubernatorial appointees. There should be no added cost to the GOV as a result of this measure. However, if additional duties are placed on the office related to appointments in other Truly Agreed To and Finally Passed (TAFP) legislation, there may be the need for additional staff resources in future years.

ASSUMPTION (continued)

Officials from the **Joint Committee on Administrative Rules (JCAR)** state the legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

Officials from the **Department of Elementary and Secondary Education**, the **Department of Health and Senior Services** and the **Department of Mental Health** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Oversight assumes House Amendments 1 and 2 will have no fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019	Fully Implemented (FY 2020)
GENERAL REVENUE FUND				
<u>Costs - DSS</u> (§§208.671 - 208.686)				
Personal service	(\$60,342)	(\$73,134)	(\$73,865)	(\$74,604)
Fringe benefits	(\$29,100)	(\$35,118)	(\$35,318)	(\$35,520)
Equipment and expense	(\$9,450)	(\$2,094)	(\$2,146)	(\$2,200)
MMIS update Program	(\$137,500)	\$0	\$0	\$0
distributions	<u>(\$243,613)</u>	<u>(\$301,105)</u>	<u>(\$266,094)</u>	<u>(\$258,957)</u>
Total <u>Costs - DSS</u>	<u>(\$480,005)</u>	<u>(\$411,451)</u>	<u>(\$377,423)</u>	<u>(\$371,281)</u>
FTE Change - DSS	1.5 FTE	1.5 FTE	1.5 FTE	1.5 FTE
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND				
	<u>(\$480,005)</u>	<u>(\$411,451)</u>	<u>(\$377,423)</u>	<u>(\$371,281)</u>
Estimated Net FTE Change on the General Revenue Fund	1.5 FTE	1.5 FTE	1.5 FTE	1.5 FTE
INSURANCE DEDICATED FUND				
<u>Income - DIFP</u> (§376.1900)				
Form filing fees	<u>Up to \$5,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON THE INSURANCE DEDICATED FUND				
	<u>Up to \$5,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019	Fully Implemented (FY 2020)
FEDERAL FUNDS				
<u>Income - DSS</u> (§§208.671 - 208.686)				
Increase in program reimbursements	\$659,027	\$632,724	\$573,652	\$562,416
<u>Costs - DSS</u> (§§208.671 - 208.686)				
Personal service	(\$60,342)	(\$73,134)	(\$73,865)	(\$74,604)
Fringe benefits	(\$29,100)	(\$35,118)	(\$35,318)	(\$35,520)
Equipment and expense	(\$9,450)	(\$2,094)	(\$2,146)	(\$2,100)
MMIS update Program	(\$137,500)	\$0	\$0	\$0
disbursements	<u>(\$422,635)</u>	<u>(\$522,378)</u>	<u>(\$462,323)</u>	<u>(\$450,192)</u>
Total Costs - DSS	<u>(\$659,027)</u>	<u>(\$632,724)</u>	<u>(\$573,652)</u>	<u>(\$562,416)</u>
FTE Change - DSS	1.5 FTE	1.5 FTE	1.5 FTE	1.5 FTE
ESTIMATED NET EFFECT ON FEDERAL FUNDS				
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Estimated Net FTE Change on Federal Funds	1.5 FTE	1.5 FTE	1.5 FTE	1.5 FTE
 <u>FISCAL IMPACT - Local Government</u>				
	FY 2017 (10 Mo.)	FY 2018	FY 2019	Fully Implemented (FY 2020)
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal will have a direct, positive impact on small business health care providers.

FISCAL DESCRIPTION

This bill changes the laws regarding telehealth services.

TELEHEALTH SCOPE OF PRACTICE (Section 191.1145, RSMo)

The bill defines the term telehealth and authorizes any licensed health care provider to provide telehealth services within his or her scope of practice with the same standard of care as services provided in person.

TELEHEALTH STORE-AND-FORWARD TECHNOLOGY (Sections 208.671 and 208.673)

The bill changes the laws regarding the use of store-and-forward technology in the practice of telehealth services for MO HealthNet recipients. The bill defines "asynchronous store-and-forward" as the transfer of a patient's clinically important digital samples, such as still images, videos, audio, and text files, and relevant data from an originating site through the use of a camera or similar recording device that stores digital samples that are forwarded via telecommunication to a distant site for consultation by a consulting provider without requiring the simultaneous presence of the patient and the patient's treating provider. The bill requires the Department of Social Services, in consultation with the departments of Mental Health and Health and Senior Services, to promulgate rules governing the use of asynchronous store-and-forward technology in the practice of telehealth in MO HealthNet. The rules must address asynchronous store-and-forward usage issues as specified in the bill.

Telehealth providers using asynchronous store-and-forward technology must obtain the patient's consent before asynchronous store-and-forward services are initiated and to ensure confidentiality of medical information. Asynchronous store-and-forward technology in the practice of telehealth may be utilized to service individuals who are qualified as MO HealthNet participants under Missouri law. The total payment for both the treating provider and the consulting provider must not exceed the payment for a face-to-face consultation of the same level. The standard of care for the use of asynchronous store-and-forward technology in the practice of telehealth must be the same as the standard of care for face-to-face care.

The bill establishes the Telehealth Services Advisory Committee to advise the Department of Social Services and propose rules regarding the coverage of telehealth services utilizing asynchronous store-and-forward technology. The committee must be comprised as specified in the bill and must serve terms as delineated in the bill.

FISCAL DESCRIPTION (continued)

TELEHEALTH PROVIDERS AND ORINATION SITES (Sections 208.675 and 208.677)

The bill requires specified individuals who are licensed in Missouri to be considered eligible health care providers for the provision of telehealth services in the MO HealthNet Program. The bill defines "originating site" as a telehealth site where the MO HealthNet participant receiving the telehealth service is located for the encounter and "clinical staff" as any health care provider licensed to practice in Missouri. An originating site must not be required to maintain immediate availability of on-site clinical staff during the telemonitoring services or activities.

Originating sites are specified in the bill. If the originating site is a school, the school must obtain permission from the parent or guardian of any student receiving telehealth services prior to each provision of service.

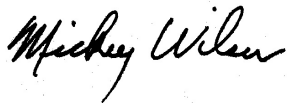
HOME TELEMONTORING SERVICE (Section 208.686)

Subject to appropriations, the Department of Social Services must establish a statewide program that permits reimbursement under the MO HealthNet Program for home telemonitoring services. The bill defines "home telemonitoring service" as a health care service that requires scheduled remote monitoring of data related to a patient's health and transmission of the data to a Utilization Review Accreditation Commission accredited health call center. The program must: (1) Provide that home telemonitoring services are available only to individuals who are diagnosed with conditions specified in the bill and who exhibit two or more of specified risk factors; (2) Ensure that clinical information gathered by a home health agency or hospital while providing home telemonitoring services is shared with the patient's physician; and (3) Ensure that the program does not duplicate any disease management program services provided by MO HealthNet. If, after implementation, the department determines that the program established under these provisions is not cost effective, the department may discontinue the program and stop providing reimbursement under the MO HealthNet Program. The department must determine whether the provision of home telemonitoring services to individuals who are eligible to receive benefits under both the MO HealthNet and Medicare programs achieves cost savings for the Medicare Program. If, before implementing any of these provisions, the department determines that a waiver or authorization from a federal agency is necessary for implementation, it must request the waiver or authorization and may delay implementation until the waiver or authorization is granted.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Department of Health and Senior Services
Department of Insurance, Financial Institutions and Professional Registration
Department of Mental Health
Department of Social Services -
 MO HealthNet Division
Office of the Governor
Joint Committee on Administrative Rules
Office of Secretary of State
University of Missouri



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