

Telehealth Issues/Decisions

SITE OF SERVICE DIFFERENTIAL

During the state fiscal year (SFY) 2017, the Human Services appropriations bill (House File 653) included several legislatively mandated cost-containment initiatives. One such initiative required HHS to adjust the Iowa Medicaid reimbursement rates for physician services, by applying a site of service (SoS) differential to reflect the difference between the cost of services when provided in a health care facility setting and the cost of services when provided in an office setting. This site of service differential applied to telehealth services as well pre-public health emergency (PHE). For more information see [Information Letter \(IL\) 1815](#).

Iowa Administrative Code {IAC 441-78.55(249A)} Services Rendered Via Telehealth; states “healthcare services provided through in-person consultations or through telehealth shall be treated as equivalent services for the purposes of reimbursement.” Iowa Medicaid interprets this as treating face-to-face and telehealth services the same when considering reimbursement. Therefore, if the service were provided in a facility setting, the payment would be subject to a site of service differential whether the services were provided via telehealth or face to face.

Iowa Medicaid researched many different state approaches to telehealth post-PHE and found that there are varying state approaches with regards to the SoS.

The Department is considering the reinstatement of the SoS differential as reflected in IAC. The first citation above deals with treating services the same regarding how they are rendered. The SoS addresses services provided in a facility versus an outpatient setting. In addition, the Centers for Medicare and Medicaid (CMS) guidelines have not changed regarding the SoS differential for the inclusion of telehealth (POS 02 and 10), which supports Iowa Medicaid’s reinstatement of the SoS differential post PHE.

OTHER ISSUES THAT IOWA MEDICAID IS WORKING ON:

TELEPHONE-ONLY TELEHEALTH

The Department intends to follow Medicare to establish codes allowed to be delivered via telephone-only telehealth post-PHE. CMS is still establish billing guidelines and finalizing these codes.

DISTANCE SITES:

Medicare does not define a distance site but prohibits service delivery from a provider physically located outside of the United States. The Department is still working on guidance for any distance site limitations for providers.

ORIGINATING SITES:

The Department intends to continue to allow patients to access Telehealth services in their homes.

