# Washington State House of Representatives Office of Program Research

## BILL ANALYSIS

## **Health Care & Wellness Committee**

### **HB 1448**

**Brief Description**: Regarding telemedicine.

**Sponsors**: Representatives Bergquist, Ross, Cody, Harris, Green, Rodne, Tharinger, Johnson, Manweller, Magendanz and Morrell.

#### **Brief Summary of Bill**

- Requires health carriers to reimburse for services provided via telemedicine in the same manner they reimburse for in-person services.
- Allows hospitals to rely on the privileging decisions of another hospital when services are being provided via telemedicine.

**Hearing Date**: 2/14/13

Staff: Jim Morishima (786-7191).

#### Background:

#### I. Reimbursement for Telemedicine.

Telemedicine is the use of electronic communications to provide health care services to a patient at a distance. Electronic communication is accomplished through audio-visual equipment permitting real-time, interactive interaction between the patient (at the "originating site") and the provider (at the "distant site").

The Uniform Medical Plan covers telemedicine, but only in professional shortage areas as defined by the federal government. The state's Medicaid program also covers telemedicine in certain circumstances. For example, Medicaid reimburses home health agencies for skilled home health visits delivered via telemedicine. Private health carriers are currently not required to cover telemedicine services.

#### II. Physician Privileging.

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Prior to granting privileges to a physician, the hospital must:

- obtain the following information from the physician:
  - the names of any hospital or facility at which the physician had any association, employment, privileges, or practice;
  - information regarding any pending professional medical misconduct proceedings or any pending medical malpractice actions, including the substance of the findings in those actions or proceedings;
  - a confidentiality waiver; and
  - a verification that the information is accurate and complete; and
- obtain the following information from any hospital or facility at which the physician had any association, employment, privileges, or practice:
  - any pending professional misconduct proceedings or any pending medical malpractice actions;
  - any judgment or settlement of a medical malpractice action and any finding of professional misconduct; and
  - any information the hospital or facility is required to report to the Medical Quality Assurance Commission in connection to physician discipline.

Under federal Medicare regulations, when health care services are provided by a physician through telemedicine, the originating site hospital may choose to rely on the privileging decisions made by the distant-site hospital if:

- the distant site hospital participates in Medicare;
- the physician is privileged at the distant site hospital;
- the physician is licensed by the state in which the originating site hospital is located; and
- the originating site hospital has evidence of an internal review of the distant site physician's performance and sends the distant site hospital information on the physician's performance for use in the distant-site's periodic appraisal of the physician. The information must include all adverse events that result from the telemedicine services and all complaints the originating site hospital has received about the physician.

#### **Summary of Bill:**

#### I. Reimbursement for Telemedicine.

A health carrier, or health plan offered to state employees and their covered dependents, must reimburse a treating provider, or a consulting provider, at a distant site for the diagnosis, consultation, or treatment of a covered person delivered through telemedicine on the same basis and at the same rate that the health carrier or plan would reimburse for the same service provided through in-person consultation or contact. The originating site must also be reimbursed on the same basis and at the same rate that the carrier or plan would reimburse for the same service provided through in-person consultation or contact.

#### II. Physician Privileging.

An originating site hospital may rely on a distant site hospital's decision to grant or renew the privileges or association of any physician providing telemedicine services if the originating site hospital has a written agreement with the distant site hospital that assures the following:

- the distant site hospital providing the telemedicine services is a Medicare participating hospital;
- any physician providing telemedicine services at the distant site hospital is fully privileged to provide such services by the distant site hospital;
- any physician providing telemedicine services holds and maintains a valid license to perform such services issued or recognized by Washington; and
- the originating site hospital has evidence of an internal review of the distant site physician's performance and sends the distant site hospital performance information for use in the periodic appraisal of the distant site hospital. The information must include all adverse events that result from the telemedicine services and all complaints the originating site hospital has received about the physician.

**Appropriation**: None.

Fiscal Note: Available.

**Effective Date**: The bill takes effect 90 days after adjournment of the session in which the bill is passed.