

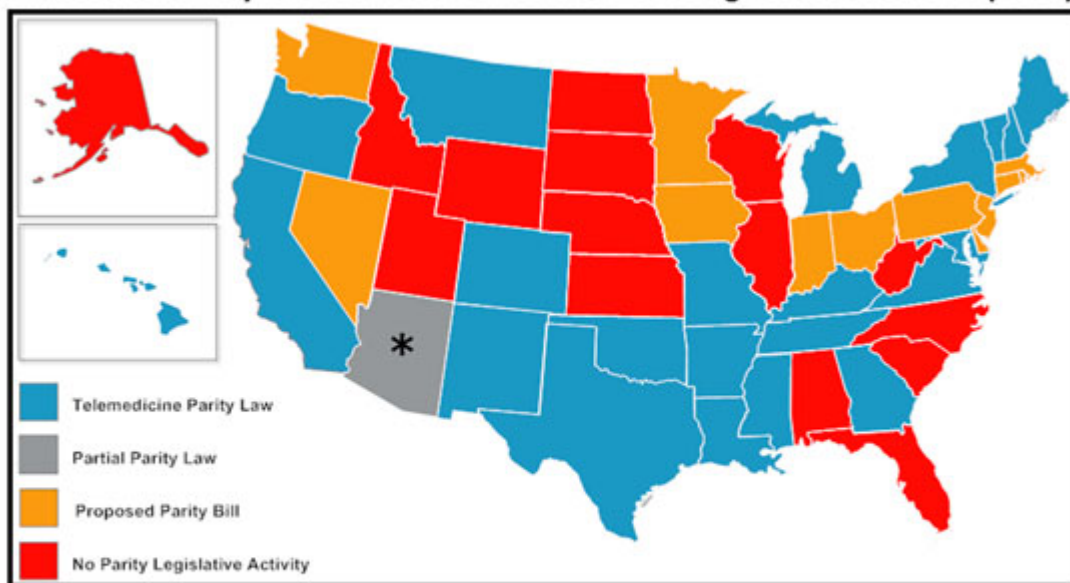
COLORADO PASSES TELEHEALTH COVERAGE EXPANSION LAW

On March 20, 2015, Governor John Hickenlooper signed House Bill 15-1029 into law, expanding coverage for telehealth by requiring health insurers to provide reimbursement for telehealth services at the same level as in-person services in urban as well as rural areas beginning in 2017. Previously, Colorado law only required reimbursement for telehealth services provided to patients in counties with 150,000 or fewer residents.

Like Colorado, 23 other states and the District of Columbia have active laws governing private payers' reimbursement of telehealth (or telemedicine) services. Colorado is an example of the larger legislative trend of moving toward parity for telehealth reimbursement. Some states' telehealth reimbursement laws mandate parity (reimbursement equivalent to reimbursement for the same services provided in person), some simply mandate reimbursement and some do neither.

As patients, providers, and the public have become more aware of telehealth and the benefits it can provide, lawmakers have taken notice. In the 2015 legislative session, 32 states have introduced legislation related to various aspects of telehealth.

States with Parity Laws for Private Insurance Coverage of Telemedicine (2015)



States with the year of enactment: Arizona (2013)*, Arkansas (2015), California (1996), Colorado (2001), Georgia (2006), Hawaii (1999), Kentucky (2000), Louisiana (1995), Maine (2009), Maryland (2012), Michigan (2012), Mississippi (2013), Missouri (2013), Montana (2013), New Hampshire (2009), New Mexico (2013), New York (2014), Oklahoma (1997), Oregon (2009), Tennessee (2014), Texas (1997), Vermont (2012), Virginia (2010) and the District of Columbia (2013)

States with proposed/pending legislation: In 2015, Arkansas (ENACTED), Connecticut, Delaware, Indiana, Iowa, Massachusetts, Minnesota, Nevada, New Jersey, Ohio, Pennsylvania, Rhode Island, and Washington

*Coverage applies to certain health services and/or rural areas only.

Source: <http://www.americantelemed.org/policy/state-policy-resource-center#tracker>

Beginning on January 1, 2017, Colorado law will no longer include the 150,000 population maximum for the telehealth coverage requirement. Colorado law will prevent health insurers from requiring in-person contact when services can be appropriately provided through telehealth regardless of where the patient and provider are located, even if the provider is out of state. In addition, the changes clarify that:

- Providers are not required to document that a barrier to in-person care exists;
- Carriers must not deny coverage for a covered benefit simply because the service is provided through telehealth;

- Carriers must reimburse a provider for telehealth services on the same basis that the carrier is responsible for reimbursing that provider for the same service provided in person;
- Carriers must pay reasonable compensation to the site where a patient is located when receiving telehealth services for the transmission cost it incurs, unless that site is a private residence;
- Deductibles, copayments and coinsurance applicable to telehealth services must not exceed those for the same services provided in person; and
- Annual dollar maximums, policy year, calendar year, lifetime or other durational benefit limitations or maximums for telehealth services must not differ from those that apply to the same services provided in person.

The provisions described above and in the updated law apply only to health benefit plans, not to short-term travel, accident-only, limited or specified disease or individual conversion plans. Medicare plans and all other similar state and federal government plans are also excluded.

For purposes of the law, "telehealth" means a mode of delivery of health care services through telecommunications systems, including real-time interactions between a patient and a provider (i.e., video conferences), interactions between providers and the electronic transfer of a patient's medical information. However, telehealth does not include services provided via telephone, email or fax.

The changes also allow health insurers to use providers accessible to patients via telehealth to meet network adequacy requirements that already exist under Colorado law.

While the changes address limitations in the existing law, they do not address related issues, including prescribing and the establishment of the physician-patient relationship. Providers utilizing telehealth to deliver care must carefully navigate state licensing requirements, hospital credentialing and liability issues related to malpractice. The costs associated with multi-state licensing, credentialing at every originating site, limitations on originating sites and concerns regarding malpractice and standard of care for telehealth services continue to add costs to telehealth transactions and reduce the anticipated savings.

However, many states are working to remove existing barriers so providers can leverage evolving technologies to deliver care through telehealth in non-rural areas and receive appropriate reimbursement.

For a copy of the Colorado law, please click [here](#).

If you have any questions regarding this law or telehealth more generally, please contact:

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- Your regular Hall Render attorney.

Special thanks to Amy Berenbaum, law clerk, for her assistance with the preparation of this Health Law News article.

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