

DEPARTMENT OF HEALTH & SOCIAL SERVICES



PROPOSED CHANGES TO REGULATIONS

MEDICAID COVERAGE & PAYMENT, TELEMEDICINE SERVICES

- 7 AAC 110. Medicaid Coverage; Professional Services.
- 7 AAC 135. Medicaid Coverage; Behavioral Health Services.
- 7 AAC 145. Medicaid Payment Rates.



PUBLIC REVIEW DRAFT
August 2, 2019

COMMENT PERIOD ENDS: September 27, 2019

**Please see the public notice for details about how to
comment on these proposed changes.**

Notes to reader:

- 1. Except as discussed in note 2, new text that amends an existing regulation is **bolded and underlined**.
- 2. If the lead-in line above the text of each section of the regulations states that a new section, subsection, paragraph, or subparagraph is being added, or that an existing section, subsection, paragraph, or subparagraph is being repealed and readopted (replaced), *the new or replaced text is not bolded or underlined.*
- 3. [ALL-CAPS TEXT WITHIN BRACKETS] indicates text that is to be deleted.
- 4. When the word “including” is used, Alaska Statutes provide that it means “including, but not limited to.”
- 5. Only the text that is being changed within a section of the current regulations is included in this draft. Refer to the text of that whole section, published in the current Alaska Administrative Code, to determine how a proposed change relates within the context of the whole section and the whole chapter.

**Title 7 Health and Social Services.
Chapter 110. Medicaid Coverage; Professional Services.**

Article 15. Telemedicine Services.

7 AAC 110.620. Scope.

7 AAC 110.620(a) is amended to read:

- (a) The department will pay for **covered** [MEDICAL] services **under 7 AAC 105 – 7**

AAC 160 that are

(1) furnished through **HIPAA-compliant** telemedicine applications as an alternative to traditional methods of delivering services to Medicaid recipients as provided in AS 47.07; **and**

- (2)** **delivered within the distant provider’s scope of practice.**

The introductory language of 7 AAC 110.620(b) is amended to read:

- (b) **A service provided through telemedicine is subject to the same accepted standard of medical practice as a service provided in a face to face setting.** For a provider to

receive payment under 7 AAC 110.620 - 7 AAC 110.639, the provider's use of telemedicine applications must comply with the standards set out in AS 47.07 and 7 AAC 105 - 7 AAC 160 for the **covered** [MEDICAL] service provided by the type of provider, including

...

(Eff. 2/1/2010, Register 193; am 10/1/2011, Register 199; am____/____/____, Register____)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

7 AAC 110.625(a) is repealed and readopted to read:

7 AAC 110.625. Telemedicine applications; limitations. The department will pay a provider for a service provided through a telemedicine application only if the provider provided the covered service through a live or interactive method of delivery in the specified manner.

To be eligible for payment under this subsection, the live or interactive method of service must be provided through the use of interactive audio, interactive video, or interactive data communication, including web-based applications, on a real-time basis. Medical services provided solely by telephone or facsimile are not eligible for payment under this subsection.

7 AAC 110.625(b) is repealed and readopted to read:

(b) The department will pay for a service provided through a telemedicine application only if

(1) the service is limited to

(A) an initial visit;

(B) a follow-up visit;

(C) a diagnostic, therapeutic, or interpretive service;

- (D) a psychiatric, substance abuse assessment, or psychotherapy; or
- (2) the behavioral health service is limited to
 - (A) professional behavioral health assessments under 7 AAC 135.110;
 - (B) pharmacologic management services under 7 AAC 135.140;
 - (C) psychotherapy under 7 AAC 135.150;
 - (D) short-term crisis intervention services under 7 AAC 135.160;
 - (E) short-term crisis stabilization services under 7 AAC 135.170; and
 - (F) comprehensive community support services for adults under 7 AAC 135.200.

(Eff. 2/1/2010, Register 193; am_____/_____/_____, Register____)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

7 AAC 110.630. Conditions for payment.

7 AAC 110.630(a) is amended to read:

(a) The department will pay for telemedicine [APPLICATIONS] provided by a **distant site** [TREATING, CONSULTING, PRESENTING, OR REFERRING] provider for a [MEDICAL] service covered by Medicaid and provided within the scope of the provider's license.

7 AAC 110.630(b) is amended to read:

(b) A **distant site** [TREATING OR CONSULTING] provider must use applicable modifiers **set out in the Healthcare Common Procedure Coding System (HCPCS), adopted by**

reference in 7 AAC 160.900, to identify the method of telemedicine delivery used [AS DESCRIBED IN 7 AAC 145.050 FOR BILLING FOR A TELMEDICINE APPLICATION].

7 AAC 110.630(c) is amended to read:

(c) A **distant site** [PRESENTING, REFERRING, OR CONSULTING] provider is subject to the conditions for payment that are described in 7 AAC 145.005.

7 AAC 110.630(d) is repealed:

(d) Repealed ____/____/____ (Eff. 2/1/2010, Register 193; am____/____/____, Register ____)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

7 AAC 110.630 is amended by adding a new subsection to read:

(e) The department will not pay a presenting provider at the originating site on the same date of service unless the presenting provider is billing for a separately identifiable billable service. Health records must document that all the components of the billed service were provided.

7 AAC 110.630 is amended by adding a new subsection to read:

(f) The department will pay for services provided through telemedicine by a provider located in the same community as the patient is located only if the location is a federally designated Health Professional Shortage Area (HPSA).

7 AAC 110.630 is amended by adding a new subsection to read:

(g) In addition to meeting the requirements for provider records in 7 AAC 105.230 and before the department will pay a distant site provider for a service conducted through a telemedicine application, the provider must ensure that each Medicaid-eligible patient record includes:

- (1) a statement that the service was provided using telemedicine;
- (2) the address location of the patient;
- (3) the address location of the provider;
- (4) the method of telemedicine used; and
- (5) the names of all persons participating in the telemedicine service and their role

in the encounter.

(Eff. 2/1/2010, Register 193; am ____/____/____, Register ____)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

7 AAC 110.635. Exclusions.

7 AAC 110.635(a)(10) is amended to read:

(a) The department will not pay for the following services provided by telemedicine application:

...

- (10) visual care, dispensing, or optician services;

7 AAC 110.635(a) is amended by adding a new paragraph to read:

(11) supervision under the presenting provider’s license or certification;

7 AAC 110.635(a) is amended by adding a new paragraph to read:

(12) community first choice personal care services.

7 AAC 110.635(b) is amended to read:

(b) The department will pay only for **the professional component of** [SERVICES FOR] a telemedicine [APPLICATION OF] service. The department will not pay for the use of technological equipment and systems associated with a telemedicine application to render the service.

7 AAC 110.635 is amended by adding a new subsection to read:

(c) The department will not pay for services provided solely through

- (1) audio-only telephone;
- (2) audio-only recording;
- (3) facsimile;
- (4) text or multimedia messaging;
- (5) e-mail.

(Eff. 2/1/2010, Register 193; am ___/___/___, Register ___)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

7 AAC 110.639 is repealed and readopted to read:

7 AAC 110.639. Definitions.

In 7 AAC 110.620 - 7 AAC 110.639,

(1) "distant site provider" means a provider who is located at a site other than where the recipient is located, and who evaluates the recipient and appropriate health care data or

images through a telemedicine mode of delivery upon recommendation of the referring or presenting provider;

(2) "presenting provider" means a provider who introduces a recipient to a consulting provider for examination, observation, or consideration of health care information;

(3) "referring provider" means a provider who evaluates a recipient, determines the need for a referral to another health care provider, and arranges those services for the purpose of diagnosis or treatment;

(4) "telemedicine" means the real-time use of interactive audio, interactive video, or interactive data communication to link patients face to face with health care professionals at distant locations; radiology and audiology services provided solely through the transference of digital images, sounds, or video recording are not considered telemedicine and are reimbursable in accordance with 7 AAC 105 – 160;

(5) "Health Professional Shortage Area (HPSA)" are designated by the Health Resources and Services Administration as having shortages of primary medical care, dental, or mental health providers and may be

(A) geographic, including a county or service area;

(B) demographic, including a low income population; or

(C) institutional, including a comprehensive health center, federally qualified health center, or other public facility.

(Eff. 2/1/2010, Register 193; am_____/_____/_____, Register____)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040

7 AAC 135.290 is repealed:

7 AAC 135.290. Facilitation of a telemedicine session. Repealed. (Eff. 10/1/2011, Register 199; am ____/____/____, Register ____)

7 AAC 145.270 is repealed and readopted to read:

7 AAC 145.270. Telemedicine payment rates.

(a) The department will pay a distant site provider for a service rendered

(1) in accordance with 7 AAC 145.020; and

(2) by a telemedicine application in the same manner as payment is made for the same service provided through traditional mode of delivery, not to exceed 100 percent of the rate established under 7 AAC 105 – 7 AAC 160 for that service and provider type.

(b) In this section, “distant site provider” and “telemedicine” have the meanings given in 7 AAC 110.639.

(Eff. 2/1/2010, Register 193; am ____/____/____, Register ____)

Authority: AS 47.05.010 AS 47.07.030 AS 47.07.040