Telehealth is Hot…  
Don’t get Burned

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Objectives

• Why healthcare providers and systems are using telehealth  
• The potential for telehealth to improve outcomes and reduce healthcare expenses  
• The state/federal legal and regulatory challenges and the concerns of compliance professionals

Get the right care  
to the right people  
at the right time  
in the right place
Get the right care
to the right people
at the right time
in the right place

*for the right price*

What did telehealth look like?

The future of telehealth
Why are providers & healthcare facilities using telehealth?

- Provider shortages
- Maldistribution of providers
- Communication technology and network improvements
- Improved legal and regulatory environment for telehealth
- Offensive weapon/Defensive weapon
- Patient demand for convenience
- Novelty
- Emphasize provider productivity. Traditional outreach clinics are not financially practical
- Move from fee-for-service to value-based payment models...keeping people out of the hospital. Shift from a “sick care” system to a “health care” system

The US Healthcare System

World Health Organization ranking of the health system of their 191 member countries

<table>
<thead>
<tr>
<th>Ranking</th>
<th>Country</th>
<th>Expenditure Per Capita</th>
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<tbody>
<tr>
<td>1</td>
<td>France</td>
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<td>2</td>
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<td>3</td>
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<td>10</td>
<td>Japan</td>
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Improving outcomes and reducing healthcare expenses – High risk OB

- Many rural patients can not or will not travel
- Many suffer Opioid addiction
- Lack of prenatal care can cause complications
- May result in expensive NICU time and the child’s separation from Mom
Improving outcomes and reducing healthcare expenses – Emergency Medicine

- Emergency transport and emergency care is very expensive
- Payers are discouraging casual use of ED’s
- Rural hospitals sometimes transfer to urban Emergency Departments to “sort out” the patients
- Options include – Send to ED, direct admit, keep in community hospital, send home and schedule specialty outpatient visit, palliative care
- Current telehealth project at UK changes the trajectory of care in 48% of patients

Improving outcomes and reducing healthcare expenses – Memory Disorders

- Many are faced with caring for a family member with dementia
- Institutionalization is not an option for many
- Proper management of a dementia patient can improve their quality of life and save the family
  - Clinic visits
  - virtual family support group
  - provider education

Improving outcomes and reducing healthcare expenses – Diabetic Retinal Exams

- 14.5% of Kentuckians have Diabetes
- 35.5% have prediabetes
- 102,952 adults have Diabetic Retinopathy
- Retinal exam is required to comply with a Comprehensive Diabetes Exam.
- Non-compliance with HEDIS outcome measures if no exam – financial penalties
- Medicare will reject claims in Kentucky
Legal and regulatory challenges to telehealth

- Unfamiliarity with telehealth rules/regulations
- Unclear rules/No rules
- Reimbursement
- Licensure
- Privileging/Credentialing
- Privacy and security

Billing/Coding/Compliance not familiar with telehealth

- The rules are evolving rapidly
- State and federal rules can conflict
- Rules and regulations are often silent on telehealth

Reimbursement

- Medicare – Rural mandate, restrictions on provider type, billing codes, originating sites, distant sites. Some modifications can be done by Secretary of HHS and some require legislation. Rules are changing to include home monitoring technology
- Medicaid – Must be member of state telehealth network. Limits on provider types. Kentucky telehealth parity Legislation becomes effective 7/1/19.
- Commercial Health Plans closely mirror Medicaid.
Licensure

• Must be licensed in the state where the patient is located at the time of the encounter.
• Physician Licensure Compact not ratified in Kentucky
• Many providers across the country use telehealth to see Kentucky patients with a state license

Privileging/Credentialing

• Privileging and credentialing is a local medical staff issue
• Primary source verification is an option but is time consuming and expensive
• CMS and JC have approved delegated credentialing

Privacy and Security

• Consider technology and communication infrastructure
• Consider clinic process
• Consider communication with patient and referring provider
• Consent the patient
• Don’t overpromise – give the patient a choice
**Potential Risks?**

- Department of Health and Human Services/Office of Inspector General report in April, 2018
  - Audited 100 random Medicare telehealth claims
  - 31 did not meet criteria for reimbursement
    - Patient not in rural area
    - Not appropriate “distant site practitioner”
    - Patient not in a qualifying originating site
    - Improper means of communications/telehealth technology
- Direct-to-Consumer telehealth visit resulted in licensure loss
- Exposure for NOT using telehealth

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