

CABINET FOR HEALTH AND FAMILY SERVICES
Department for Medicaid Services
Division of Policy and Operations
(Amendment)

907 KAR 3:170. Telehealth service~~[consultation]~~ coverage and reimbursement.

RELATES TO: KRS 194A.060, 194A.125, 205.510(15), 205.559, 205.560, 304.38-240, 422.317, 434.840-434.860, 42 C.F.R. 160, 162, 164, 415.174, 400.203, 415.184, 431.300-431.307, 440.50, 455.440, 45 C.F.R.162.406

STATUTORY AUTHORITY: KRS 194A.030(2), 194A.050(1), 205.520(3), 205.559(2), (7), 205.560

NECESSITY, FUNCTION, AND CONFORMITY: In accordance with KRS 194A.030(2), the Cabinet for Health and Family Services, Department for Medicaid Services, has responsibility to administer the Medicaid Program. KRS 205.520(3) authorizes the cabinet, by administrative regulation, to comply with any requirement that may be imposed or opportunity presented by federal law to qualify for federal Medicaid funds. KRS 205.559 establishes the requirements regarding Medicaid reimbursement of telehealth providers and KRS 205.559(2) and (7) require the cabinet to promulgate an administrative regulation relating to telehealth ser-vice~~s~~~~[consultations]~~ and reimbursement. This administrative regulation establishes the Department for Medicaid Services' coverage and reimbursement policies relating to telehealth services~~[consultations]~~ in accordance with KRS 205.559.

Section 1. Definitions. (1)~~["Advanced practice registered nurse" or "APRN" is defined by KRS 314.011(7). (2) "Certified nutritionist" is defined by KRS 310.005(12).~~

~~(3) "Chiropractor" is defined by KRS 312.015(3).~~

~~(4) "Community mental health center" or "CMHC" means a facility that provides a comprehensive range of mental health services to Medicaid recipients of a designated area in accordance with KRS 210.370 to 210.485.~~

~~(5) "Department" means the Department for Medicaid Services or its designated agent. [(6) "Diabetes self-management training consultation" means the ongoing process of facilitating the knowledge, skill, and ability necessary for diabetes self-care.~~

~~(7) "Direct physician contact" means that the billing physician is physically present with and evaluates, examines, treats, or diagnoses the recipient.~~

~~(8) "Encounter" means one (1) visit by a recipient to a telehealth spoke site where the recipient receives a telehealth consultation in real time, during the visit, from a telehealth provider or telehealth practitioner at a telehealth hub site.]~~

~~(2) [(9) "Face-to-face" means[, except as established in Section 4(4)(g) of this administrative regulation]:~~

~~(a) In person; and~~

~~(b) Not via telehealth.~~

~~(3) [(10) "Federal financial participation" is defined in 42 C.F.R. 400.203.~~

~~(4) "Health Insurance Portability and Accountability Act of 1996" or "HIPAA" means the federal law codified at 45 C.F.R. Parts 160, 162, and 164 that covers the use of a patient's protected health information. [(11) "GT modifier" means a modifier that identifies a telehealth consultation which is approved by the healthcare common procedure coding system (HCPCS).~~

~~(12) "Health care provider" means a Medicaid provider who is:~~

~~(a) Currently enrolled as a Medicaid provider in accordance with 907 KAR 1:672; and~~

~~(b) Currently participating as a Medicaid provider in accordance with 907 KAR 1:671.~~

~~(13) "Hub site" means a telehealth site:~~

~~(a) Where the telehealth provider or telehealth practitioner performs telehealth; and~~

~~(b) That is considered the place of service.~~

~~(14) "Legally authorized representative" means a Medicaid recipient's parent or guardian if a recipient is a minor child, or a person with power of attorney for a recipient.~~

~~(15) "Licensed clinical social worker" means an individual meeting the licensure requirements established in KRS 335.100.~~

~~(16) "Licensed dietitian" is defined by KRS 310.005(11).~~

~~(17) "Licensed marriage and family therapist" is defined by KRS 335.300(2).~~

~~(18) "Licensed professional clinical counselor" is defined by KRS 335.500(3).]~~

(5)[(19)] "Medical necessity" or "medically necessary" means a covered benefit is determined to be needed in accordance with 907 KAR 3:130 or pursuant to the process established in KRS 304.38-240.

(6)[(20)] "National Provider Identifier" or "NPI" means a standard unique health identifier for health care providers which:

(a) Is required by 42 C.F.R. 455.440; and

(b) Meets the requirements of 45 C.F.R. 162.406.

(7) "Place of service" means the originating site, where the patient is located, of a telehealth service as defined by Kentucky or federal law.

(8) "Telehealth" includes the delivery of HIPAA compliant health care services and public health via information and communication technologies or use of other electronic media to facilitate the diagnosis, consultation, treatment, education, care management, and self-management of a patient's health care and includes remote patient monitoring, synchronous interactions and asynchronous store and forward transfers of images and data.

(9) "Telehealth care provider" means a Medicaid provider who is:

(a) Currently enrolled as a Medicaid provider in accordance with 907 KAR 1:672; and

(b) Currently participating as a Medicaid provider in accordance with 907 KAR 1:671.

(10) "Telehealth service" means any:

(a) Event;

(b) Encounter;

(c) Consultation;

(d) Visit;

(e) Store and forward transfer;

(f) Remote patient monitoring;

(g) Referral;

(h) Treatment; or

(i) Other healthcare activity between a:

1. Telehealth care provider and Medicaid beneficiary; or

2. Telehealth care provider and specialist with regard to a Medicaid beneficiary, including services offered direct to patient. [(21) "Occupational therapist" is defined by KRS 319A.010(3).

~~(22) "Optometrist" means an individual licensed to engage in the practice of optometry in accordance with KRS 320.210(2).~~

~~(23) "Physical therapist" is defined by KRS 327.010(2).~~

~~(24) "Physician" is defined by KRS 311.550(12).~~

~~(25) "Physician assistant" is defined by KRS 311.840(3).~~

~~(26) "Psychologist" is defined by KRS 319.010(9).~~

~~(27) "Registered nurse" is defined by KRS 314.011(5).~~

~~(28) "Speech-language pathologist" is defined by KRS 334A.020(3).~~

~~(29) "Spoke site" means a telehealth site where the recipient receiving the telehealth consul-~~

tation is located.

~~(30) "Telehealth consultation" is defined by KRS 205.510(15).~~

~~(31) "Telehealth practitioner" means an individual who is:~~

~~(a) Authorized to perform a telehealth consultation in accordance with this administrative regulation;~~

~~(b) Employed by or is an agent of a telehealth provider; and~~

~~(c) Not the individual or entity who:~~

~~1. Bills the department for a telehealth consultation; or~~

~~2. Is reimbursed by the department for a telehealth consultation.~~

~~(32) "Telehealth provider" means a health care provider who:~~

~~(a) Performs a telehealth consultation at a hub site; or~~

~~(b) Is the employer of or entity that contracts with a telehealth practitioner who performs a telehealth consultation:~~

~~1. At a hub site; and~~

~~2. That is billed under the telehealth provider's national provider identifier.~~

~~(33) "Telehealth site" means a hub site or spoke site that has been approved as part of a telehealth network established in accordance with KRS 194A.125.~~

~~(34) "Telepresenter" means an individual operating telehealth equipment at a spoke site to enable a recipient to receive a telehealth consultation.~~

~~(35) "Transmission cost" means the cost of the telephone line and related costs incurred during the time of the transmission of a telehealth consultation.~~

~~(36) "Two (2) way interactive video" means a type of advanced telecommunications technology that permits a real time telehealth consultation to take place between a recipient and a telepresenter at the spoke site and a telehealth provider or telehealth practitioner at the hub site.]~~

Section 2. General Policies. (1)(a) Except as provided in paragraph (b) of this subsection, the coverage policies established in this administrative regulation shall apply to:

1. Medicaid services for individuals not enrolled in a managed care organization; and

2. A managed care organization's coverage of Medicaid services for individuals enrolled in the managed care organization for the purpose of receiving Medicaid or Kentucky Children's Health Insurance Program services.

(b) A managed care organization shall ~~[not be required to]~~ reimburse the same amount for a telehealth service[consultation] as the department reimburses unless a different payment rate is negotiated~~[, but may reimburse the same as the department reimburses if the managed care organization chooses to do so].~~

(2) A telehealth service[consultation] shall not be reimbursed by the department if:

(a) It is not medically necessary;

(b) The equivalent service is not covered by the department if provided in a face-to-face setting;

~~(c)[It requires a face-to-face contact with a recipient in accordance with 42 C.F.R. 447.371;~~

~~(d)] The telehealth care provider of the telehealth service[consultation] is:~~

~~1. Not currently enrolled in the Medicaid program pursuant to 907 KAR 1:672;~~

~~2. Not currently participating in the Medicaid program pursuant to 907 KAR 1:671;~~

~~3. Not in good standing with the Medicaid program;~~

~~4. Currently listed on the Kentucky DMS Provider Terminated and Excluded Provider List[of Excluded _____ Providers], which is available at <https://chfs.ky.gov/agencies/dms/dpi/pe/Pages/terminated.aspx> [<http://chfs.ky.gov/dms/provEnr>]; or~~

5. Currently listed on the United States Department of Health and Human Services, Office of Inspector General List of Excluded Individuals and Entities, which is available at <https://oig.hhs.gov/exclusions/>;

~~(e) It is provided by a telehealth practitioner or telehealth provider not recognized or authorized by the department to provide the telehealth consultation or equivalent service in a face-to-face setting.]~~

~~(3)(a) [A telehealth provider shall:~~

- ~~1. Be an approved member of the Kentucky Telehealth Network; and~~
- ~~2. Comply with the standards and protocols established by the Kentucky Telehealth Board.~~

~~(b) To become an approved member of the Kentucky Telehealth Network, a provider shall:~~

- ~~1. Send a written request to the Kentucky Telehealth Board requesting membership in the Kentucky Telehealth Network; and~~
- ~~2. Be approved by the Kentucky Telehealth Board as a member of the Kentucky Telehealth Network.~~

~~(4)(a) A telehealth consultation referenced in Section 3 or 4 of this administrative regulation shall be provided to the same extent and with the same coverage policies and restrictions that apply, except as established in Section 4(4)(g) and 4(5) of this administrative regulation to the equivalent service if provided in a face-to-face setting.~~

~~(b) If a telehealth coverage policy or restriction is not stated in this administrative regulation but is stated in another administrative regulation within Title 907 of the Kentucky Administrative Regulations, the coverage policy or restriction stated elsewhere within Title 907 of the Kentucky Administrative Regulations shall apply.~~

~~(5)(a) A telehealth service[consultation] shall be subject to utilization review for:~~

- ~~1. Medical necessity;~~
- ~~2. Compliance with this administrative regulation; and~~
- ~~3. Compliance with applicable state and federal law.~~

~~(b) The department shall not reimburse for a telehealth service if the department determines that a telehealth service[consultation] is not:~~

- ~~1. Not Medically necessary; is not~~
- ~~2. Compliant with this administrative regulation;~~
- ~~3. Applicable to this administrative regulation; or is not~~
- ~~4. Compliant with applicable state or federal law the department shall not reimburse for the telehealth consultation].~~

~~(c) The department shall recoup the reimbursement for a previously reimbursed telehealth service if the department determines that a telehealth service[consultation that it has already reimbursed for] was not:~~

- ~~1. Medically necessary; was not~~
- ~~2. Compliant with this administrative regulation;~~
- ~~3. Applicable to this administrative regulation; or was not~~
- ~~4. Compliant with applicable state or federal law the department shall recoup the reimbursement for the telehealth consultation from the provider]. ~~(6) A telehealth consultation shall require:~~~~

~~(a) The use of two (2) way interactive video;~~

~~(b) A referral by a health care provider; and~~

~~(c) A referral by a recipient's lock-in provider if the recipient is locked in pursuant to:~~

- ~~1. 42 C.F.R. 431.54; and~~
- ~~2. 907 KAR 1:677.]~~

Section 3. Telehealth Reimbursement. (1)(a) Until July 1, 2020, the department shall reim-

burse an eligible telehealth care provider for a telehealth service in an amount equal to the amount paid for a comparable in-person service unless a managed care organization and provider establish a different rate.

(b) After July 1, 2020, the department shall reimburse an eligible telehealth care provider for a telehealth service in an amount that is at least eighty-five (85) percent of the amount paid for a comparable in-person service unless a managed care organization and provider establish a different rate.

(c) It is the department's goal that the enhanced amount reimbursed until July 1, 2020 allows for Kentucky Medicaid providers to:

1. Educate patients about the availability of expanded telehealth services; and

2. Purchase, expand, and implement any technological upgrades needed to more fully adopt the use of telehealth services.

(2) The department shall not be liable for reimbursing a practitioner who is employed by a provider or is an agent of a provider.

(3) A provider shall appropriately denote telehealth services by place of service, modifiers or other means as designated by the department or as required in a managed care organization's contract with the provider or member.~~[Consultation Coverage in a Setting That is Not a Community Mental Health Center. (1) The policies in this section shall apply to a telehealth consultation provided in a setting that is not a community mental health center.~~

~~(2) The following telehealth consultations shall be covered by the department as follows:~~

~~(a) A physical health evaluation or management consultation provided by:~~

~~1. A physician including a physician:~~

~~a. With an individual physician practice;~~

~~b. Who belongs to a group physician practice; or~~

~~c. Who is employed by a federally-qualified health center, federally-qualified health center look-alike, rural health clinic, or primary care center;~~

~~2. An advanced practice registered nurse including an advanced practice registered nurse:~~

~~a. With an individual advanced practice registered nurse practice;~~

~~b. Who belongs to a group advanced practice registered nurse practice; or~~

~~c. Who is employed by a physician, federally-qualified health center, federally-qualified health center look-alike, rural health clinic, or primary care center;~~

~~3. An optometrist; or~~

~~4. A chiropractor;~~

~~(b) A mental health evaluation or management service provided by:~~

~~1. A psychiatrist;~~

~~2. A physician in accordance with the limit established in 907 KAR 3:005;~~

~~3. An APRN in accordance with the limit established in 907 KAR 1:102;~~

~~4. A psychologist:~~

~~a. With a license in accordance with KRS 319.010(6);~~

~~b. With a doctorate degree in psychology;~~

~~c. Who is directly employed by a psychiatrist; and~~

~~d. If:~~

~~(i) The psychiatrist by whom the psychologist is directly employed also interacts with the recipient during the encounter; and~~

~~(ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the psychologist is directly employed;~~

~~5. A licensed professional clinical counselor:~~

~~a. Who is directly employed by a psychiatrist; and~~

~~b. If:~~

- ~~(i) The psychiatrist by whom the licensed professional clinical counselor is directly employed also interacts with the recipient during the encounter; and~~
- ~~(ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the licensed professional clinical counselor is directly employed;~~
- ~~6. A licensed clinical social worker:~~
 - ~~a. Who is directly employed by a psychiatrist; and~~
 - ~~b. If:~~
 - ~~(i) The psychiatrist by whom the licensed clinical social worker is directly employed also interacts with the recipient during the encounter; and~~
 - ~~(ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the licensed clinical social worker is directly employed; or~~
- ~~7. A licensed marriage and family therapist:~~
 - ~~a. Who is directly employed by a psychiatrist; and~~
 - ~~b. If:~~
 - ~~(i) The psychiatrist by whom the licensed marriage and family therapist is directly employed also interacts with the recipient during the encounter; and~~
 - ~~(ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the licensed marriage and family therapist is directly employed;~~
- ~~(c) Individual or group psychotherapy provided by:~~
 - ~~1. A psychiatrist;~~
 - ~~2. A physician in accordance with the limit established in 907 KAR 3:005;~~
 - ~~3. An APRN in accordance with the limit established in 907 KAR 1:102;~~
 - ~~4. A psychologist:~~
 - ~~a. With a license in accordance with KRS 319.010(6);~~
 - ~~b. With a doctorate degree in psychology;~~
 - ~~c. Who is directly employed by a psychiatrist; and~~
 - ~~d. If:~~
 - ~~(i) The psychiatrist by whom the psychologist is directly employed also interacts with the recipient or recipients during the encounter; and~~
 - ~~(ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the psychologist is directly employed;~~
 - ~~5. A licensed professional clinical counselor:~~
 - ~~a. Who is directly employed by a psychiatrist; and~~
 - ~~b. If:~~
 - ~~(i) The psychiatrist by whom the licensed professional clinical counselor is directly employed also interacts with the recipient or recipients during the encounter; and~~
 - ~~(ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the licensed professional clinical counselor is directly employed;~~
 - ~~6. A licensed clinical social worker:~~
 - ~~a. Who is directly employed by a psychiatrist; and~~
 - ~~b. If:~~
 - ~~(i) The psychiatrist by whom the licensed clinical social worker is directly employed also interacts with the recipient or recipients during the encounter; and~~
 - ~~(ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the licensed clinical social worker is directly employed; or~~
 - ~~7. A licensed marriage and family therapist:~~
 - ~~a. Who is directly employed by a psychiatrist; and~~
 - ~~b. If:~~
 - ~~(i) The psychiatrist by whom the licensed marriage and family therapist is directly employed~~

~~also interacts with the recipient or recipients during the encounter; and~~

~~(ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the licensed marriage and family therapist is directly employed;~~

~~(d) Pharmacologic management provided by:~~

- ~~1. A physician in accordance with the limit established in 907 KAR 3:005;~~
- ~~2. An APRN in accordance with the limit established in 907 KAR 1:102; or~~
- ~~3. A psychiatrist;~~

~~(e) A psychiatric, psychological, or mental health diagnostic interview examination provided by:~~

- ~~1. A psychiatrist;~~
- ~~2. A physician in accordance with the limit established in 907 KAR 3:005;~~
- ~~3. An APRN in accordance with the limit established in 907 KAR 1:102;~~
- ~~4. A psychologist:~~
 - ~~a. With a license in accordance with KRS 319.010(6);~~
 - ~~b. With a doctorate degree in psychology;~~
 - ~~c. Who is directly employed by a psychiatrist; and~~
 - ~~d. If:~~
 - ~~(i) The psychiatrist by whom the psychologist is directly employed also interacts with the recipient during the encounter; and~~
 - ~~(ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the psychologist is directly employed;~~
- ~~5. A licensed professional clinical counselor:~~
 - ~~a. Who is directly employed by a psychiatrist; and~~
 - ~~b. If:~~
 - ~~(i) The psychiatrist by whom the licensed professional clinical counselor is directly employed also interacts with the recipient during the encounter; and~~
 - ~~(ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the licensed professional clinical counselor is directly employed;~~
- ~~6. A licensed clinical social worker:~~
 - ~~a. Who is directly employed by a psychiatrist; and~~
 - ~~b. If:~~
 - ~~(i) The psychiatrist by whom the licensed clinical social worker is directly employed also interacts with the recipient during the encounter; and~~
 - ~~(ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the licensed clinical social worker is directly employed; or~~
- ~~7. A licensed marriage and family therapist:~~
 - ~~a. Who is directly employed by a psychiatrist; and~~
 - ~~b. If:~~
 - ~~(i) The psychiatrist by whom the licensed marriage and family therapist is directly employed also interacts with the recipient during the encounter; and~~
 - ~~(ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the licensed marriage and family therapist is directly employed;~~

~~(f) Individual medical nutrition therapy consultation services provided by a:~~

- ~~1. Licensed dietitian:~~
 - ~~a. Who is directly employed by a physician, federally qualified health care center, rural health clinic, primary care center, a hospital's outpatient department, or the Department for Public Health; and~~
 - ~~b. If the telehealth consultation is billed under the:~~
 - ~~(i) NPI of the physician, federally qualified health care center, rural health clinic, hospital's~~

~~outpatient department, or primary care center by whom the licensed dietitian is directly employed; or~~

~~(ii) Department for Public Health if the licensed dietitian works for the Department for Public Health; or~~

~~2. Certified nutritionist:~~

~~a. Who is directly employed by a physician, federally qualified health care center, rural health clinic, primary care center, a hospital's outpatient department, or the Department for Public Health; and~~

~~b. If the telehealth consultation is billed under the:~~

~~(i) NPI of the physician, federally qualified health care center, rural health clinic, hospital's outpatient department, or primary care center by whom the certified nutritionist is directly employed; or~~

~~(ii) Department for Public Health if the certified nutritionist works for the Department for Public Health;~~

~~(g) Individual diabetes self-management training consultation if:~~

~~1. Ordered by a:~~

~~a. Physician;~~

~~b. APRN directly employed by a physician; or~~

~~c. Physician assistant directly employed by a physician;~~

~~2. Provided by a:~~

~~a. Physician;~~

~~b. APRN directly employed by a physician;~~

~~c. Physician assistant directly employed by a physician;~~

~~d. Registered nurse directly employed by a physician; or~~

~~e. Licensed dietitian directly employed by a physician, federally qualified health care center, rural health clinic, primary care center, a hospital's outpatient department, or the Department for Public Health; and~~

~~3. The telehealth consultation is billed under the:~~

~~a. NPI of the physician, federally qualified health care center, rural health clinic, hospital's outpatient department, or primary care center by whom the provider is directly employed; or~~

~~b. Department for Public Health if the provider works for the Department for Public Health;~~

~~(h) An occupational therapy evaluation or treatment provided by an occupational therapist who is directly employed by a physician:~~

~~1. If direct physician contact occurs during the evaluation;~~

~~2. If the telehealth consultation is billed under the physician's NPI; and~~

~~3. In accordance with the limits established in 907 KAR 3:005;~~

~~(i) An occupational therapy evaluation or treatment provided by an occupational therapist who is directly employed by or is an agent of a nursing facility:~~

~~1. If the telehealth consultation is billed under the nursing facility's NPI; and~~

~~2. In accordance with the limits established in 907 KAR 1:065;~~

~~(j) An occupational therapy evaluation or treatment provided by an occupational therapist who is directly employed by or is an agent of a home health agency:~~

~~1. If the telehealth consultation is billed under the home health agency's NPI; and~~

~~2. In accordance with the limits established in 907 KAR 1:030;~~

~~(k) A physical therapy evaluation or treatment provided by a physical therapist who is directly employed by a physician:~~

~~1. If direct physician contact occurs during the evaluation;~~

~~2. If the telehealth consultation is billed under the physician's NPI; and~~

~~3. In accordance with the limits established in 907 KAR 3:005;~~

~~(l) A physical therapy evaluation or treatment provided by a physical therapist who is directly employed by or is an agent of a hospital's outpatient department:~~

~~1. If the telehealth consultation is billed under the hospital's outpatient department's NPI; and~~

~~2. In accordance with the limits established in 907 KAR 10:014;~~

~~(m) A physical therapy evaluation or treatment provided by a physical therapist who is directly employed by or is an agent of a home health agency:~~

~~1. If the telehealth consultation is billed under the home health agency's NPI; and~~

~~2. In accordance with the limits established in 907 KAR 1:030;~~

~~(n) A physical therapy evaluation or treatment provided by a physical therapist who is directly employed by or is an agent of a nursing facility:~~

~~1. If the telehealth consultation is billed under the nursing facility's NPI; and~~

~~2. In accordance with the limits established in 907 KAR 1:065;~~

~~(o) A speech therapy evaluation or treatment provided by a speech-language pathologist who is directly employed by a physician:~~

~~1. If direct physician contact occurs during the evaluation or treatment;~~

~~2. If the telehealth consultation is billed under the physician's NPI; and~~

~~3. In accordance with the limits established in 907 KAR 3:005;~~

~~(p) A speech therapy evaluation or treatment provided by a speech-language pathologist who is directly employed by or is an agent of a hospital's outpatient department:~~

~~1. If the telehealth consultation is billed under the hospital's outpatient department's NPI; and~~

~~2. In accordance with the limits established in 907 KAR 10:014;~~

~~(q) A speech therapy evaluation or treatment provided by a speech-language pathologist who is directly employed by or is an agent of a home health agency:~~

~~1. If the telehealth consultation is billed under the home health agency's NPI; and~~

~~2. In accordance with the limits established in 907 KAR 1:030;~~

~~(r) A speech therapy evaluation or treatment provided by a speech-language pathologist who is directly employed by or is an agent of a nursing facility:~~

~~1. If the telehealth consultation is billed under the nursing facility's NPI; and~~

~~2. In accordance with the limits established in 907 KAR 1:065;~~

~~(s) A neurobehavioral status examination provided by:~~

~~1. A psychiatrist;~~

~~2. A physician in accordance with the limit established in 907 KAR 3:005; or~~

~~3. A psychologist:~~

~~a. With a license in accordance with KRS 319.010(6);~~

~~b. With a doctorate degree in psychology; and~~

~~c. Who is directly employed by a physician or a psychiatrist:~~

~~(i) In accordance with the limits established in 907 KAR 3:005;~~

~~(ii) If the physician or psychiatrist by whom the psychologist is directly employed also interacts with the recipient during the encounter; and~~

~~(iii) If the telehealth consultation is billed under the NPI of the physician or psychiatrist by whom the psychologist is directly employed; or~~

~~(t) End-stage renal disease monitoring, assessment, or counseling consultations for a home dialysis recipient provided by:~~

~~1. A physician directly employed by a hospital's outpatient department if the telehealth consultation is billed under the hospital's outpatient department's NPI; or~~

~~2. An APRN directly employed by a hospital's outpatient department if the telehealth consultation is billed under the hospital's outpatient department's NPI.~~

~~Section 4. Telehealth Consultation Coverage in a Community Mental Health Center. (1) The policies in this section shall apply to a telehealth consultation provided via a community mental health center.~~

~~(2) The limits, restrictions, exclusions, or policies:~~

~~(a) Which apply to a service provided face-to-face in a community mental health center shall apply to a telehealth consultation or service provided via telehealth via a community mental health center; and~~

~~(b) Established in 907 KAR 1:044 shall apply to a telehealth consultation or service provided via:~~

~~1. Telehealth; and~~

~~2. A community mental health center.~~

~~(3) The department shall not reimburse for a telehealth consultation provided via a community mental health center if:~~

~~(a) The consultation is not billed under the community mental health center's national provider identifier; or~~

~~(b) The person who delivers the telehealth consultation is not:~~

~~1. Directly employed by the community mental health center; or~~

~~2. An agent of the community mental health center.~~

~~(4) The following telehealth consultations provided via a community mental health center shall be covered by the department as follows:~~

~~(a) A psychiatric diagnostic interview examination provided:~~

~~1. In accordance with 907 KAR 1:044; and~~

~~2. By:~~

~~a. A psychiatrist; or~~

~~b. An APRN who:~~

~~(i) Is certified in the practice of psychiatric mental health nursing; and~~

~~(ii) Meets the requirements established in 201 KAR 20:057;~~

~~(b) A psychological diagnostic interview examination provided:~~

~~1. In accordance with 907 KAR 1:044; and~~

~~2. By:~~

~~a. A psychiatrist; or~~

~~b. A psychologist with a license in accordance with KRS 319.010(6);~~

~~(c) Pharmacologic management provided:~~

~~1. In accordance with 907 KAR 1:044; and~~

~~2. By:~~

~~a. A physician;~~

~~b. A psychiatrist; or~~

~~c. An APRN who:~~

~~(i) Is certified in the practice of psychiatric mental health nursing; and~~

~~(ii) Meets the requirements established in 201 KAR 20:057;~~

~~(d) Group psychotherapy provided:~~

~~1. In accordance with 907 KAR 1:044; and~~

~~2. By:~~

~~a. A psychiatrist;~~

~~b. A psychologist with a license in accordance with KRS 319.010(6);~~

~~c. A licensed professional clinical counselor;~~

~~d. A licensed marriage and family therapist;~~

~~e. A licensed clinical social worker;~~

~~f. A psychiatric registered nurse; or~~

- g. An APRN who:
 - (i) Is certified in the practice of psychiatric mental health nursing; and
 - (ii) Meets the requirements established in 201 KAR 20:057;
 - (e) Mental health evaluation or management emergency services provided:
 - 1. In accordance with 907 KAR 1:044; and
 - 2. By:
 - a. A psychiatrist;
 - b. A psychologist with a license in accordance with KRS 319.010(6);
 - c. A licensed professional clinical counselor;
 - d. A licensed marriage and family therapist;
 - e. A licensed clinical social worker;
 - f. A psychiatric medical resident;
 - g. A psychiatric registered nurse; or
 - h. An APRN who:
 - (i) Is certified in the practice of psychiatric mental health nursing; and
 - (ii) Meets the requirements established in 201 KAR 20:057;
 - (f) A mental health assessment provided:
 - 1. In accordance with 907 KAR 1:044; and
 - 2. By a psychologist with a license in accordance with KRS 319.010(6); or
 - (g) Individual psychotherapy provided:
 - 1. In accordance with 907 KAR 1:044 except that "face-to-face" shall include two (2) way interactive video for the purposes of individual psychotherapy provided via a community mental health center; and
 - 2. By:
 - a. A psychiatrist;
 - b. A psychologist with a license in accordance with KRS 319.010(6);
 - c. A licensed professional clinical counselor;
 - d. A licensed marriage and family therapist;
 - e. A licensed clinical social worker;
 - f. A psychiatric registered nurse; or
 - g. An APRN who:
 - (i) Is certified in the practice of psychiatric mental health nursing; and
 - (ii) Meets the requirements established in 201 KAR 20:057.
- (5) If a provision established in 907 KAR 1:044 or the material incorporated by reference in to 907 KAR 1:044 is in contrast with subsection (4)(g)1. of this section, the policy established in subsection (4)(g)1 of this section shall supersede the contrary statement.
- Section 5. Reimbursement. (1)(a) The department shall reimburse a telehealth provider who is eligible for reimbursement from the department for a telehealth consultation an amount equal to the amount paid for a comparable in-person service in accordance with:
- 1. 907 KAR 3:010 if the service was provided:
 - a. By a physician; and
 - b. Not in the circumstances described in subparagraphs 3., 4., 5., or 6. of this paragraph;
 - 2. 907 KAR 1:104 if the service was provided:
 - a. By an advanced practice registered nurse; and
 - b. Not in the circumstances described in subparagraphs 3., 4., 5., or 6. of this paragraph;
 - 3. 907 KAR 1:055 if the service was provided and billed through a federally-qualified health center, federally-qualified health center look-alike, rural health clinic, or primary care center;
 - 4. 907 KAR 10:015 if the service was provided and billed through a hospital outpatient department;

~~5. 907 KAR 1:031 if the service was provided and billed through a home health agency; or~~

~~6. 907 KAR 1:065 if the service was provided and billed through a nursing facility.~~

~~(b)1. Reimbursement for a telehealth consultation provided by a practitioner who is employed by a provider or is an agent of a provider shall be a matter between the provider and the practitioner.~~

~~2. The department shall not be liable for reimbursing a practitioner who is employed by a provider or is an agent of a provider.~~

~~(c) A managed care organization shall not be required to reimburse the same amount for a telehealth consultation as the department reimburses, but may reimburse the same amount as the department reimburses if the managed care organization chooses to do so.~~

~~(2) A telehealth provider shall bill for a telehealth consultation using the appropriate two (2) letter "GT" modifier.~~

~~(3) The department shall not require the presence of a health care provider requesting a telehealth consultation at the time of the telehealth consultation unless it is requested by a telehealth provider or telehealth practitioner at the hub site.~~

~~(4) The department shall not reimburse for transmission costs.~~

~~Section 6. Confidentiality and Data Integrity. (1) A telehealth consultation shall be performed on a secure telecommunications line or utilize a method of encryption adequate to protect the confidentiality and integrity of the telehealth consultation information.~~

~~(2) Both a hub site and a spoke site shall use authentication and identification to ensure the confidentiality of a telehealth consultation.~~

~~(3) A telehealth provider or telehealth practitioner of a telehealth consultation shall implement confidentiality protocols that include:~~

~~(a) Identifying personnel who have access to a telehealth transmission;~~

~~(b) Usage of unique passwords or identifiers for each employee or person with access to a telehealth transmission; and~~

~~(c) Preventing unauthorized access to a telehealth transmission.~~

~~(4) A telehealth provider's or telehealth practitioner's protocols and guidelines shall be available for inspection by the department upon request.~~

~~Section 7. Informed Consent. (1) Before providing a telehealth consultation to a recipient, a telehealth provider or telehealth practitioner shall document written informed consent from the recipient and shall ensure that the following written information is provided to the recipient in a format and manner that the recipient is able to understand:~~

~~(a) The recipient shall have the option to refuse the telehealth consultation at any time without affecting the right to future care or treatment and without risking the loss or withdrawal of a Medicaid benefit to which the recipient is entitled;~~

~~(b) The recipient shall be informed of alternatives to the telehealth consultation that are available to the recipient;~~

~~(c) The recipient shall have access to medical information resulting from the telehealth consultation as provided by law;~~

~~(d) The dissemination, storage, or retention of an identifiable recipient image or other information from the telehealth consultation shall comply with 42 U.S.C. 1301 et seq., 45 C.F.R. Parts 160, 162, 164, KRS 205.566, 216.2927, and any other federal law or regulation or state law establishing individual health care data confidentiality policies;~~

~~(e) The recipient shall have the right to be informed of the parties who will be present at the spoke site and the hub site during the telehealth consultation and shall have the right to exclude anyone from either site; and~~

- ~~(f) The recipient shall have the right to object to the video taping of a telehealth consultation.~~
- ~~(2) A copy of the signed informed consent shall be retained in the recipient's medical record and provided to the recipient or the recipient's legally authorized representative upon request.~~
- ~~(3) The requirement to obtain informed consent before providing a telehealth consultation shall not apply to an emergency situation if the recipient is unable to provide informed consent and the recipient's legally authorized representative is unavailable.~~

~~Section 8. Medical Records. (1) A request for a telehealth consultation from a health care provider and the medical necessity for the telehealth consultation shall be documented in the recipient's medical record.~~

~~(2) A health care provider shall keep a complete medical record of a telehealth consultation provided to a recipient and follow applicable state and federal statutes and regulations for medical recordkeeping and confidentiality in accordance with KRS 194A.060, 422.317, 434.840–434.860, 42 C.F.R. 431.300 to 431.307, and 45 C.F.R. 164.530(j).~~

~~(3)(a) A medical record of a telehealth consultation shall be maintained in compliance with 907 KAR 1:672 and 45 C.F.R. 164.530(j).~~

~~(b) A health care provider shall have the capability of generating a hard copy of a medical record of a telehealth consultation.~~

~~(4) Documentation of a telehealth consultation by the referring health care provider shall be included in the recipient's medical record and shall include:~~

~~(a) The diagnosis and treatment plan resulting from the telehealth consultation and a progress note by the referring health care provider if present at the spoke site during the telehealth consultation;~~

~~(b) The location of the hub site and spoke site;~~

~~(c) A copy of the document signed by the recipient indicating the recipient's informed consent to the telehealth consultation;~~

~~(d) Documentation supporting the medical necessity of the telehealth consultation; and~~

~~(e) The referral order and complete information from the referring health care provider who requested the telehealth consultation for the recipient.~~

~~(5)(a) A telehealth provider's or telehealth practitioner's diagnosis and recommendations resulting from a telehealth consultation shall be documented in the recipient's medical record at the office of the health care provider who requested the telehealth consultation.~~

~~(b) Except as established in paragraph (c) of this subsection, a telehealth provider or telehealth practitioner shall send a written report regarding a telehealth consultation within thirty (30) days of the consultation to the referring health care provider.~~

~~(c) If a community mental health center was the referring health care provider and the provider of the telehealth consultation for a recipient, the requirement in paragraph (b) of this subsection shall not apply.]~~

~~Section 4[9]. Federal Financial Participation. A policy established in this administrative regulation shall be null and void if the Centers for Medicare and Medicaid Services:~~

~~(1) Denies federal financial participation for the policy; or~~

~~(2) Disapproves the policy.~~

~~Section 5[10]. Appeal Rights. (1) An appeal of a department determination regarding a Medicaid beneficiary shall be in accordance with 907 KAR 1:563.~~

~~(2) An appeal of a department determination regarding Medicaid eligibility of an individual shall be in accordance with 907 KAR 1:560.~~

~~(3) A provider may appeal a department-written determination as to the application of this~~

administrative regulation in accordance with 907 KAR 1:671.

(4) An appeal of a managed care organization's determination regarding a Medicaid beneficiary shall be in accordance with 907 KAR 17:010.

CAROL H. STECKEL, Commissioner

ADAM M. MEIER, Secretary

APPROVED BY AGENCY: December 20, 2018

FILED WITH LRC: December 28, 2018 at noon

PUBLIC HEARING AND PUBLIC COMMENT PERIOD: A public hearing on this administrative regulation shall, if requested, be held on February 25, 2019, at 9:00 a.m. in Suites A & B, Health Services Building, First Floor, 275 East Main Street, Frankfort, Kentucky 40621. Individuals interested in attending this hearing shall notify this agency in writing by February 18, 2019, five (5) workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who attends will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on this proposed administrative regulation until February 28, 2019. Send written notification of intent to attend the public hearing or written comments on the proposed administrative regulation to the contact person. Pursuant to KRS 13A.280(8), copies of the statement of consideration and, if applicable, the amended after comments version of the administrative regulation shall be made available upon request.

CONTACT PERSON: Chase Coffey, Executive Administrative Assistant, Office of Legislative and Regulatory Affairs, 275 East Main Street 5 W-A, Frankfort, Kentucky 40621; phone 502-564-6746; fax 502-564-7091; CHFSregs@ky.gov.

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Contact Persons: Jonathan Scott, (502) 564-4321, ext. 2015, jonathant.scott@ky.gov; and Chase Coffey

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes Department for Medicaid Services (DMS) policies relating to telehealth. The coverage policies in this administrative regulation shall apply to a managed care organization's (MCO's) coverage of Medicaid services for individuals enrolled in the MCO for the purpose of receiving Medicaid or Kentucky Children's Health Insurance Program services. An MCO is only required to reimburse according to this administrative regulation depending on the rates negotiated with providers.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to establish DMS policies relating to telehealth in accordance with KRS 194A.125 and KRS 205.559.

(c) How this administrative regulation conforms to the content of the authorizing statutes: This administrative regulation conforms to the content of the authorizing statutes by establishing DMS telehealth policies.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation assists in the effective administration of the statutes by establishing DMS telehealth policies.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: The amendments to this administrative regulation provide new definitions for "telehealth", "telehealth service", "place of service", and "telehealth care provider". A new section relates to telehealth reimbursement. The administrative regulation is amended to allow a telehealth care provider to be reimbursed in an amount equal to the amount paid for a comparable in-person service until July 2020, after which time a telehealth care provider shall be reimbursed at least 85% of the amount paid for a comparable in-person service, and to require providers to appropriately denote telemedicine services. In addition, many of the previous provisions are being repealed.

(b) The necessity of the amendment to this administrative regulation: The amendment is necessary to ensure that policies stated in the administrative regulation are consistent with policies approved by CMS for federal funding.

(c) How the amendment conforms to the content of the authorizing statutes: The amendment conforms to the content of the authorizing statutes by complying with KRS 205.559 and conforming the administrative regulation's policies to those approved by CMS; thus, ensuring federal funding for the policies.

(d) How the amendment will assist in the effective administration of the statutes: The amendment will assist in the effective administration of the authorizing statutes by conforming the administrative regulation's policies to those approved by CMS; thus, ensuring federal funding for the policies.

(3) List the type and number of individuals, businesses, organizations, or state and local government affected by this administrative regulation: The Department for Medicaid Services, MCOs, any enrolled and credentialed provider who could provide appropriate telehealth services, and Medicaid members.

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: To be reimbursed for a telehealth service, a provider will have to comply with the policies and requirements established in this administrative regulation. Participation is optional, not mandatory.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3). No cost is imposed on the entities regulated by the administrative regulation as participation is optional.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3). Those who opt to perform telehealth services in compliance with this administrative regulation will be reimbursed for services rendered.

(5) Provide an estimate of how much it will cost to implement this administrative regulation:

(a) Initially: The department anticipates that it will incur no additional expenses in the implementation of these amendments in the first year of operation.

(b) On a continuing basis: The department anticipates that it will incur no additional expenses in implementing these amendments on a continuing basis.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: The sources of revenue to be used for implementation and enforcement of this administrative regulation are federal funds authorized under the Social Security Act, Title XIX and matching funds of general fund appropriations.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: Neither an increase in fees nor funding will be necessary to implement this administrative regulation.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: This administrative regulation neither establishes nor increases any fees.

(9) Tiering: Is tiering applied? Tiering was not applied as telehealth services standards are applied equally to all affected individuals.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

1. What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Department for Medicaid Services (DMS) will be impacted by the amendment.

2. Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. This amendment is authorized by KRS 194A.010, 194A.030(2), 194A.125, 205.520, 205.559

3. Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? The amendment is not expected to generate revenue for state or local government.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? The amendment is not expected to generate revenue for state or local government.

(c) How much will it cost to administer this program for the first year? The department anticipates no additional costs in administering these amendments in the first year.

(d) How much will it cost to administer this program for subsequent years? The department anticipates no additional costs in administering these amendments in subsequent years.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-):

Expenditures (+/-):

Other Explanation: