

Compliance Today – December 2018 The diverse faces of telemedicine delivery and reimbursement

by John P. Benson, JD, AHFI, CFE, CIFI

John P. Benson (john@verisys.com) is co-founder and CEO, Verisys Corporation in Alexandria, VA.

- [linkedin.com/in/johnpbenson](https://www.linkedin.com/in/johnpbenson)

There is no debate about the value of telemedicine. However there is quite a tangle of variances in documentation and reimbursement regulations between federal and state governments as well as private payers.

Barriers to reimbursement

Because the U.S. has a multiple payer healthcare system, the rules addressing reimbursement are designed as barriers to suit respective business models based on access vs. risk vs. sustainability and, in the case of private payers, risk vs. revenue and profit. Risk primarily encompasses a lack of controls that introduces waste, abuse, or fraud into a system or process.

With disparity of self-interest between the federal government, individual states, and private payers, the sheer volume of reimbursement rules applied by payers is mindboggling. And federal and state governments and standard-setting organizations still have not addressed the confusion by working to align rules of reimbursement in a coherent and manageable way.

There are conditions that sit inside of business rules that activate upon dozens of contingencies. Cost, access rules, patient safety, documentation, and HIPAA privacy concerns should be at the center of the discussion of rules, codes, regulations, laws, and best practices, but self-serving concerns create layers of bureaucracy that prevent universal access to quality care through the use of telemedicine.

Another barrier to widespread telemedicine adoption is risk aversion on the part of practitioners and institutions. Because the rules of delivery and reimbursement are ambiguous and convoluted, navigating the ever-changing landscape is a robust exercise — a recipe for risk, lost revenue, and fines.

Telemedicine can ultimately save payers and, hopefully, employers and consumers money, because it has been shown to reduce Emergency Room visits and re-admittances, creates a higher saturation of preventive care, provides immediate response to episodes related to chronic disease, and supports compliance with treatment plans.^[1],^[2] Wellness is not reimbursable, whereas telemedicine is, and it plays an ever more important role in population wellness.

Guidelines and frameworks

If the goal is to provide quality healthcare at a lower cost, it seems reasonable that regulators, payers, and standard setters would organize around a common set of guidelines that all healthcare providers and payers can agree upon and drive the process forward. The simple set consists of:

- Rules for patient access, privacy, and safety

- Controls that prevent fraud
- Processes to promote a streamlined, documented transaction

This basic framework strikes a balance with the components of an ideal model:

- Patient safety through the delivery of quality care by appropriately credentialed providers who have been screened, verified, and are continuously monitored;
- Ease of appropriate access to virtual healthcare, because it is the virtual transaction that is going to drive a valuable outcome;
- Non-intrusive, transactionally zero-cost controls to prevent fraud, waste, and abuse;
- Reimbursement models that translate to lower costs and lower prices; and
- A clear runway for enhanced innovation, specifically, the removal of barriers, rather than the addition of regulatory and administrative demands.

To elaborate on patient safety, the primary purpose of regulating healthcare is to assure the provider is correctly licensed, qualified to practice, and is without adverse actions indicating potential harm to a patient. And, most importantly, it ensures the patient is matched to the provider who can deliver the best possible outcome based on their qualifications, credentials, and experience.

Once there is assurance of the provider, the excessive regulations governing telemedicine are transient and arbitrary, given the extreme deviance from one regulatory scheme to another. Gaining a thorough understanding of the variances of regulations is a challenge, because there are indecipherable subtleties that change daily.

The Center for Connected Health Policy^[3] publishes a number of resources, including an interactive state-by-state guide to laws and reimbursement policies affecting telemedicine, a PDF listing of laws and reimbursement policies for each state, as well as an interactive directory of pending legislation and regulation. The 262-page PDF, updated in the fall of 2017, confirms that every state differs wildly in defining the practice of and reimbursement for telemedicine.

This document is only available to members. Please log in or become a member.

[Become a Member Login](#)