

BREAKOUT SESSION



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Business and Leadership Track:

Telehealth Parity: Evaluations at the National, State, and Organizational Level

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Examination of Telehealth Parity:

- Telehealth Utilization by State and Parity Law
- Provider Perceptions of Parity
- Modeling Budget Impacts of Parity on Hospital Finance

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Learning Objectives

1. Explain the results of telehealth payment parity evaluations performed at a federal, state, and organizational level.
2. Demonstrate how other organizations may perform their own telehealth payment and utilization evaluation and utilization evaluation using the Excel-based technical assistance tool we provide.




Background

- Obtaining timely healthcare services can be extremely challenging for patients who reside in rural or medically underserved communities.¹⁻²
- Telehealth is a promising approach to improving healthcare access and quality, while controlling costs.¹⁻²
- Reimbursement as one of the most significant barriers to telehealth utilization.
- Medicare began reimbursing for telehealth services in 1997.⁴⁻⁵
- Over half of Americans are covered through private health insurance.⁶
- Telehealth parity is a critical health policy issue as the Public Health Emergency (PHE) ends.
- Prior studies found that states with telehealth parity policies experienced greater use of telehealth services.

What is telehealth parity?

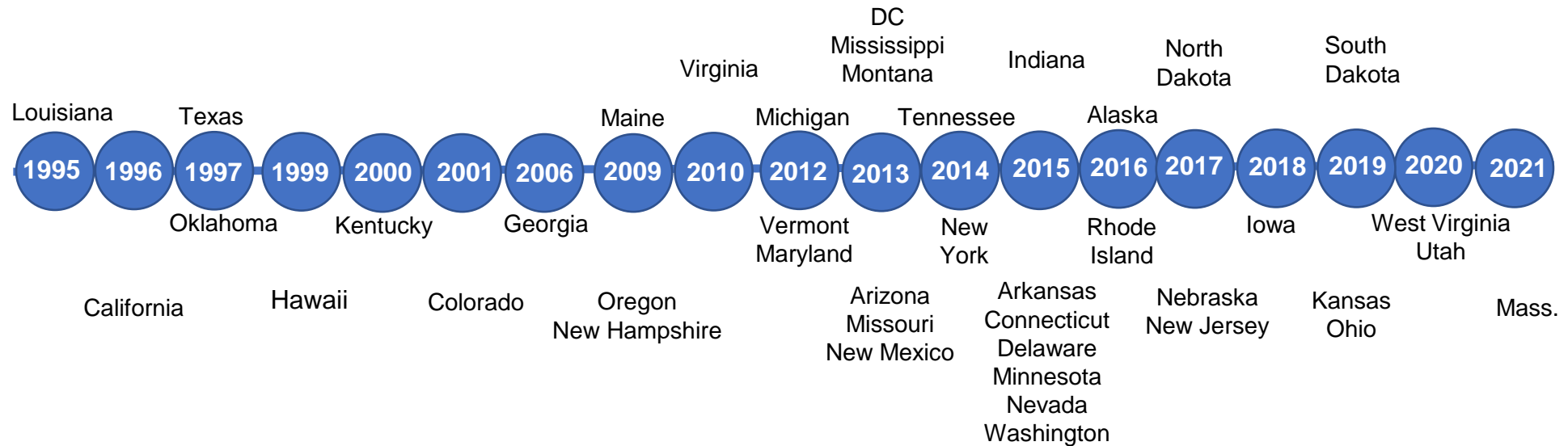
- Telehealth parity laws require private insurance companies to reimburse telemedicine services similar to in-person healthcare visits.
 - Coverage or Service Parity: Requires insurance to cover the telehealth visit
 - Payment Parity: Requires insurers to pay for telehealth and in-person at the same rate.



Telehealth Utilization by State and Type of Parity Law

Timeline of State Telehealth: Initial Private Insurance Parity⁷⁻⁸

Coverage Parity

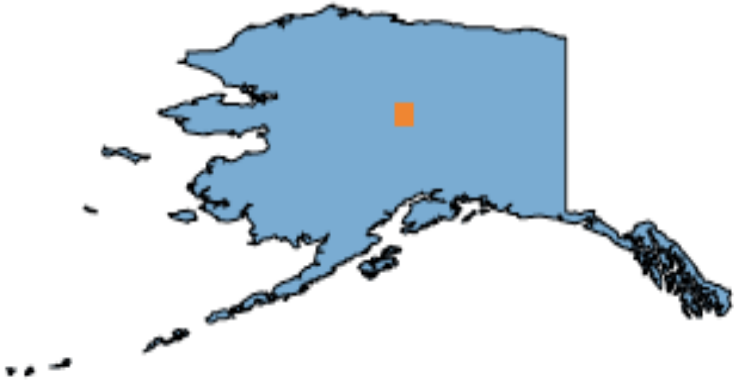


Coverage & Payment Parity

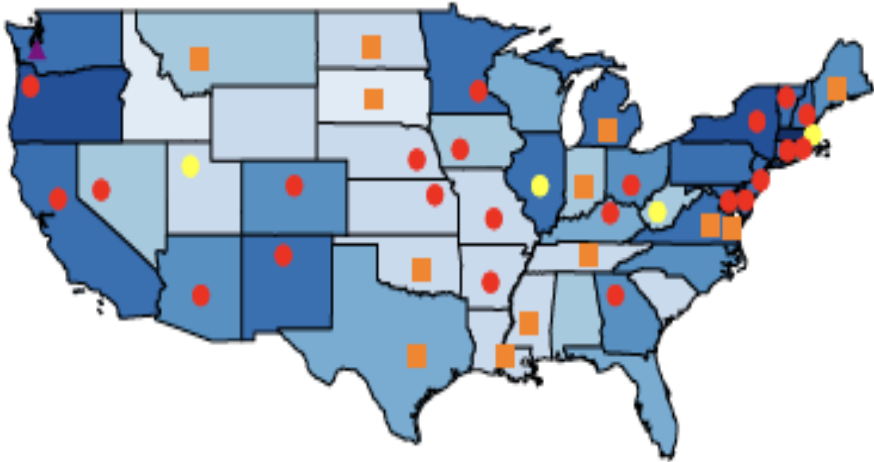
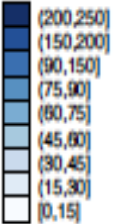
- How does telehealth utilization vary across states with and without parity?
- Is there a difference in utilization among different levels of telehealth parity (coverage vs payment)?
- Are there any differences in monthly visit rate trends among different levels of telehealth parity?
- Do Public Health Emergency measures impact the monthly visit rate trends in states with different parity levels?

- Data Source: Merative ® MarketScan Commercial Claims Data
- Variables:
 - Patient-level telehealth claim
 - State parity legislation categories:
 - No parity
 - Coverage parity only
 - Coverage and payment parity
 - Years parity legislation first enacted
- Analysis:
 - Diff-in-Diff model looking at tele visits/enrollees in states with different coverage models

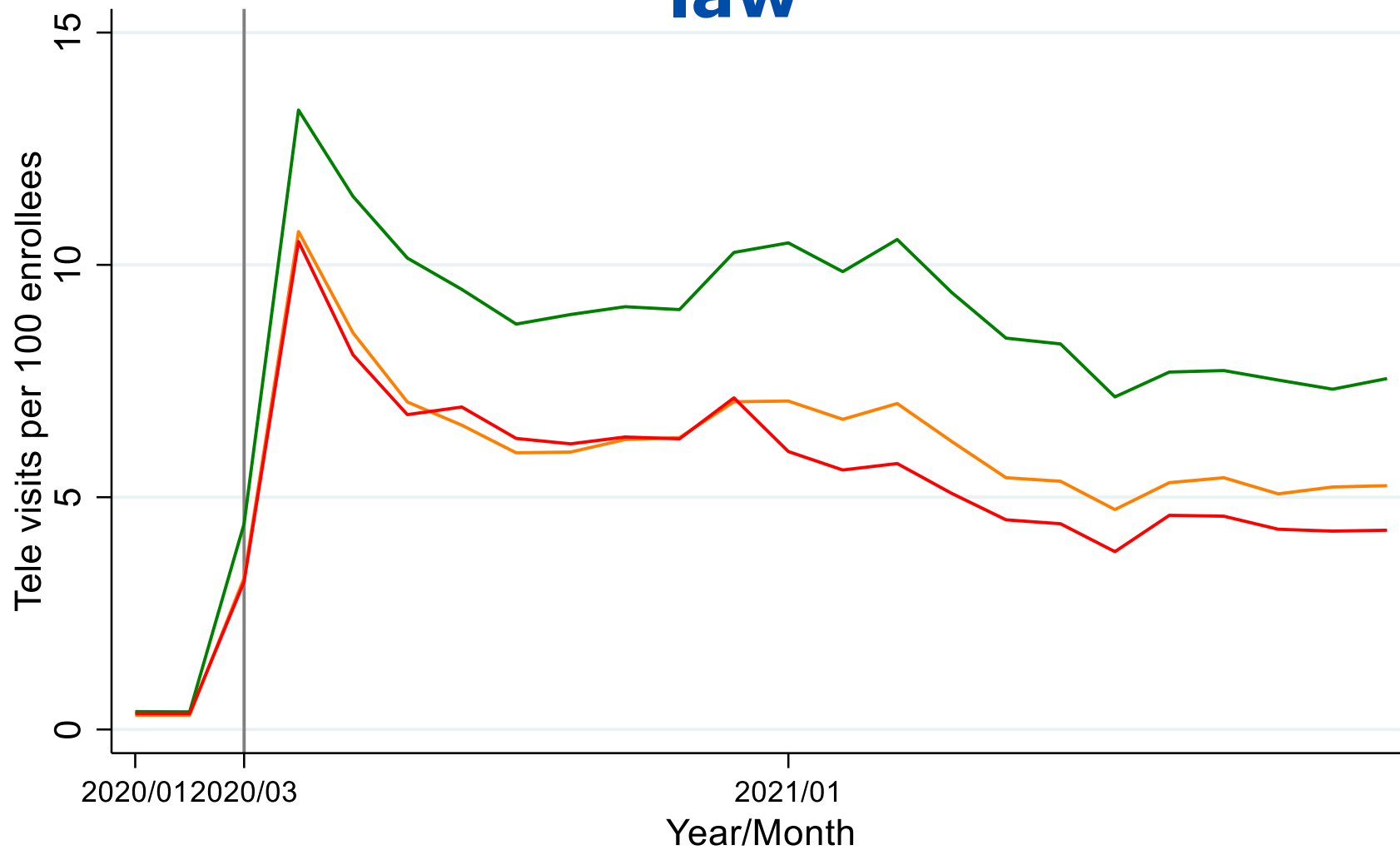
Telehealth Utilization by State and Parity Coverage



- Full Parity Since COVID-19
- Full Parity Before COVID-19
- Coverage Parity Before COVID-19



Tele visit rates in states categorized by parity law





Provider Perceptions

Research Questions

- What are South Carolina providers' perceptions of telehealth parity?
- How do South Carolina provider characteristics and perceptions of telehealth parity impact the barriers and facilitators to utilization?

Methods

- Cross-sectional mixed methods survey of SC providers using snowball sampling regarding:
 - Barriers to telehealth
 - Confidence in understanding telehealth policy
 - Knowledge assessment regarding parity policy
 - Reimbursement and payment for telehealth

Response Characteristics

325
Respondents

Location

Location	Count	Percentage
Suburban	131	40.4%
Rural	97	29.9%
Urban	96	29.6%

Practice Type

Practice Type	Count	Percentage
Hospital/Health System	131	40.3%
Academic Medical Center	76	23.4%
Independently Owned	55	16.9%
FQHC	30	9.2%
Other	19	5.9%
Multi-site Practice Network	14	4.3%

Practice Specialty

Practice Specialty	Count	Percentage
Pediatrics	102	31.4%
Family Medicine	84	25.9%
Other	82	25.2%
Psychiatry	45	13.9%
Primary Care	37	11.4%
OBGYN	33	10.2%
Internal Medicine	30	9.2%
Emergency Medicine	11	3.4%
General Practice	11	3.4%
General Surgery	8	2.5%
Cardiovascular Disease	7	2.2%
Urology	6	1.9%
Gastroenterology	5	1.5%
Occupational Medicine	5	1.5%
Dermatology	4	1.2%
Ophthalmology	1	0.3%

Provider Confidence & Knowledge of Telehealth Policy

How confident are you in your understanding of telehealth coverage policies in South Carolina?	Clinical		Non-Clinical	
	n	%	n	%
Not at all confident	61	21.5%	7	18.4%
Slightly confident	72	25.4%	9	23.7%
Moderately confident	76	26.8%	8	20.1%
Confident	56	19.7%	10	26.3%
Very Confident	19	6.7%	4	10.5%

To the best of your ability, please indicate which of the following SC legal statutes regarding telehealth coverage and payment you understand to be true:	n	%
SC has a coverage parity law (insurers must cover services that are allowable in-person via telehealth, but not necessarily at the same rate)	65	20.0%
SC has a payment parity law (insurers must reimburse for services via telehealth at the same rate they cover those same services for in-person)	7	2.2%
SC has both coverage and payment parity (insurers must cover and reimburse in the same way for telehealth services as they do in-person services)	14	4.3%
SC has no parity law (insurers may choose which services are covered via telehealth, and may provide different reimbursement rates for telehealth vs. in-person services)	96	29.5%
Unsure	162	49.9%

Reimbursement Deterring Telehealth Use

Does the uncertainty/unavailability of telehealth reimbursement deter your practice from utilizing any of the following telehealth modalities? (check all that apply)	n	%
Live video visits with a patient	117	36.0%
Real-time two-way interactions between patient and provider	80	24.6%
Audio-only/telephone visits with a provider	158	48.6%
Remote Patient Monitoring	106	32.6%
eConsult	82	25.2%
Store and forward	74	22.8%
Non-face to face patient initiated communications through an online portal	112	34.5%
Other	12	3.7%
We do not use telehealth	37	11.4

Barriers by Clinical vs. Non-clinical

- Clinical n = 284 (88.2%), Non-clinical n = 38 (11.8%)

Select the top 3 barriers to providing telehealth in your practice	Clinical		Non-Clinical	
	n	%	n	%
Technical Difficulties	129	45.3%	8	21.1%
Patient digital literacy challenges	109	38.3%	20	52.6%
Inadequate reimbursement	97	34.0%	14	36.8%
Coding or billing complexities/time	83	29.1%	15	39.5%
Staying up to date with current regulations	80	28.1%	13	34.2%
Workflow Inefficiencies	74	26.0%	6	15.8%
Denials from insurance	54	19.0%	9	23.7%
None	27	9.5%	5	13.2%
Other	23	8.1%	2	5.3%
Out-of-pocket costs for the patient	18	6.3%	5	13.2%
Low/Lack of facility fee payment	21	7.4%	1	2.6%

Barriers by Geography

- Rural n = 97 (29.9%), Suburban n = 131 (40.4%), Urban n = 96 (29.6%)

Select the top 3 barriers to providing telehealth in your practice	Rural		Suburban		Urban	
	N	%	N	%	N	%
Technical Difficulties	43	44.3%	53	40.5%	41	42.7%
Patient digital literacy challenges	48	49.5%	40	30.5%	41	42.7%
Inadequate reimbursement	32	33.0%	53	40.5%	27	28.1%
Coding or billing complexities/time	31	32.0%	37	28.2%	32	33.3%
Staying up to date with current regulations	24	24.7%	34	26.0%	35	36.5%
Workflow Inefficiencies	22	22.7%	31	23.7%	28	29.2%
Denials from insurance	21	21.7%	28	21.4%	15	15.6%
None	9	9.3%	16	12.2%	7	7.3%
Other	6	6.2%	10	7.6%	8	8.3%
Out-of-pocket costs for the patient	10	10.3%	4	3.1%	9	9.4%
Low/Lack of facility fee payment	3	3.1%	10	7.6%	9	9.4%



Modeling budget impacts of lack of telehealth and in- person parity reimbursement for a hospital

- Objective: To provide a Technical Assistance (TA) document and Excel template to healthcare providers evaluating telehealth reimbursement relative to in-person reimbursement.
- Issue: Uncertain telehealth parity reimbursement may have material impacts on the financial performance of providers (e.g., hospitals and physician practices) and payers (e.g., commercial, federal, and state).
- Analytical Approach: We created a TA document and Excel template providers may use to evaluate their internal data and forecast projections related to changes in telehealth payment.
- Impact: Understanding the impacts of existing telehealth reimbursement, relative to in-person reimbursement and potential changes to those reimbursement levels is important for providers and policymakers. Quantifying forecasts reduces uncertainty (risk), therefore improving opportunities to effectively change/codify telehealth reimbursement.

- Summary: Understanding the impacts of existing telehealth reimbursement, relative to in-person reimbursement and potential changes to those reimbursement levels is important for providers and policymakers. Quantifying forecasts reduces uncertainty (risk), therefore improving opportunities to effectively change/codify telehealth reimbursement.
- **The Telehealth Payment Parity TA document and Excel Template are available at:**
<https://telehealthcoe.org/telehealth-payment-parity-technical-assistance-template/>

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- The contents are those of the author(s) and do not necessarily represent the official views of, nor an endorsement, by HRSA, HHS or the U.S. Government.
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