INSIGHTS FROM THE BDO CENTER FOR HEALTHCARE EXCELLENCE & INNOVATION

TELEHEALTH'S NEW RELEVANCY IN AN AGE OF COVID-19

Evolving to the virtual care of tomorrow

By Jim Watson, MBA

Telehealth has long been promised as a tool that could be used to leapfrog advances in access to care. Over recent years, the utility of telehealth has been clearly demonstrated, yet its progression into the mainstream has been stalled as payers struggled with finalizing details around coverage and reimbursement. More recently, healthcare providers and healthcare payers have found ways to provide telehealth coverage, often via an add-on or carve-out on a per visit basis.

As of January 1, 2020, telebehavioral health coverage was mandated for ACA plans. In many ways, this primed the pump and set the stage for what is now an almost overnight phenomenon driven by COVID-19. As it became clear that the spread of the novel coronavirus evolved into a pandemic, the federal government and commercial payers moved with unprecedented speed to allow for the expansion of virtual health visits.

Effective March 6, CMS is temporarily allowing Medicare and Medicare Advantage to reimburse clinicians for telehealth services provided to beneficiaries across the country in all care settings at the same rate as in-person visits. Healthcare Service Corporation/BlueCross BlueShield also announced coverage for telehealth visits, with all major insurers closely following suit.

TELEHEALTH HAS ARRIVED: WHAT IS NOW COVERED.

- **Expanded Telehealth Coverage via COVID-19 Public Health Emergency (PHE):** Effective for services starting March 6, 2020 and for the duration of the COVID-19 Public Health Emergency, Medicare will pay for Medicare telehealth services furnished to patients in broader circumstances. For example, Medicare recipients will be allowed to use telehealth services to replace common office visits, including evaluation and management appointments, behavioral health counseling and preventive health screenings.
- **Expanded Telehealth Coverage via Expanded Sites of Service:** Starting March 6, 2020 and for the duration of the COVID-19 Public Health Emergency, Medicare will make payment for professional services furnished to beneficiaries in all areas of the country *in all settings* (previous Medicare coverage was limited to very specific settings). Medicare will pay for Medicare telehealth services furnished to beneficiaries in any healthcare facility and in their home.
- **Considered same as in-person visits and paid at same rate:** These visits are considered the same as in-person visits and are paid at the same rate as regular, in-person visits.
- **No costly technology required:** The new waiver explicitly allows HHS to authorize the use of telephones that have audio and video capabilities for the furnishing of Medicare telehealth services during the COVID-19 PHE. In addition, effective immediately, the HHS OCR will exercise enforcement discretion and waive penalties for noncompliance with HIPAA Rules against providers that serve patients in good faith through communication technologies listed in the Notification of Enforcement Discretion for Telehealth. Appointments can be conducted over a smartphone with video capability or any device using video technology, such as a tablet or a laptop. For some appointments a simple check-in over the phone without video capabilities may suffice.
- **Patient Cost Share Waiver:** The Medicare coinsurance and deductible would generally apply to these services. However, the HHS Office of Inspector General (OIG) is providing flexibility for healthcare providers to reduce or waive cost-sharing for telehealth visits paid by federal healthcare programs. To the extent the 1135 waiver requires an established relationship, HHS will not conduct audits to ensure that such a prior relationship existed for claims submitted during this public health emergency.

HERE ARE QUESTIONS—AND RELATED ACTIONS—HEALTHCARE ORGANIZATIONS SHOULD CONSIDER WHEN ADDRESSING TELEHEALTH PATIENT CARE:

1. What does it mean to deliver telehealth services?

THERE ARE 3 TYPES OF VIRTUAL VISITS

TYPE OF SERVICE	WHAT IS THE SERVICE	HCPCS/CPT CODE	PATIENT RELATIONSHIP WITH PROVIDER
MEDICARE TELEHEALTH VISITS	A visit with a provider that uses telecommunication systems between a provider and a patient.	Common telehealth services include: ▶ 99201-99215 (Office or other outpatient visits) ▶ G0425-G0427 (Telehealth consultations, emergency department or initial inpatient) ▶ G0406-G0408 (Follow-up inpatient telehealth consultations furnished to beneficiaries in hospitals or SNFs) For a complete list: https://www.cms.gov/Medicare/Medicare-General-Information/Telehealth/Telehealth-codes	For new* or established patients. *To the extent the 1135 waiver requires an established relationship, HHS will not conduct audits to ensure that such a prior relationship existed for claims submitted during this public health emergency
VIRTUAL CHECK-IN	A brief (5-10 minutes) check-in with your practitioner via telephone or other telecommunications device to decide whether an office visit or other service is needed. A remote evaluation of recorded video and/or images submitted by an established patient.	▶ HCPCS code G2012 ▶ HCPCS code G2010	For established patients
E-VISITS	A communication between a patient and their provider through an online patient portal	▶ 99431 ▶ 99422 ▶ 99423 ▶ G2061 ▶ G2062 ▶ G2063	For established patients

2. Can I bill and get paid for telehealth services?

Medicare has issued codes and reimbursement amounts for all three levels of care. BCBSIL has done the same.

BILLING & PAYMENT:

- Clinicians can bill immediately for dates of service starting March 6, 2020. Telehealth services are paid under the Physician Fee Schedule at the same amount as in-person services.
- Medicare telehealth services are generally billed as if the service had been furnished in-person.
- For Medicare telehealth services, the claim should reflect the designated Place of Service (POS) code 02-Telehealth, to indicate the billed service was furnished as a professional telehealth service from a distant site.
- Medicare coinsurance and deductible still apply for these services. Additionally, the HHS Office of Inspector General (OIG) is providing flexibility for healthcare providers to reduce or waive cost-sharing for telehealth visits paid by federal healthcare programs.
- For more information: read the CMS Fact Sheet and Frequently Asked Questions on this announcement.
- To view HCSC/BCBSIL telehealth coverage announcements, visit www.bcbsil.com.

3. What do patients know about telehealth?

Most payers have sent communications to their members related to COVID-19 and coverage for telehealth and testing. As time passes, more and more patients will be interested in telehealth, especially those who require non-urgent or behavioral health services that can be conducted virtually. During this period of office closures, we expect that telehealth may become a prime revenue generator as patients continue to try to mitigate their risk of exposure to COVID-19. With this in mind, you are well served to understand telehealth, and be proactive in educating your patient base, in addition to the deployment of the service itself.

Telehealth Visits

Medicare patients may use telecommunication technology for office, hospital visits and other services that generally occur in-person.

- The provider must use an interactive audio and video telecommunications system that permits real-time communication between the distant site and the patient at home.
- Distant site practitioners who can furnish and receive payment for covered telehealth services (subject to state law) can include physicians, nurse practitioners, physician assistants, nurse midwives, certified nurse anesthetists, clinical psychologists, clinical social workers, registered dietitians, and nutrition professionals.
- CMS is waiving the requirement that you must have a prior existing relationship with a patient and is providing flexibility for providers to reduce or waive cost-sharing for telehealth visits

Virtual Check-Ins

In all areas, established Medicare patients in their home may have a brief communication service with practitioners via several communication technology modalities, including a synchronous discussion over a telephone or the exchange of information through video or image. We expect that these virtual services will be initiated by the patient; however, practitioners may need to educate beneficiaries on the availability of the service prior to the patient initiation. Medicare pays for "virtual check-ins" (or brief communication technology-based service) for patients to communicate with their doctors in order to avoid unnecessary trips to the doctor's office.

- Virtual check-ins are for patients with an established (or existing) relationship with a physician or certain practitioners where the communication is not related to a medical visit within the previous 7 days and does not lead to a medical visit within the next 24 hours (or soonest appointment available).
- The patient must verbally consent to receive virtual check-in services.
- The Medicare coinsurance and deductible would generally apply to these services.

Doctors and certain practitioners may bill for these virtual check-in services furnished through several communication technology modalities, such as telephone (HCPCS code G2012).

The practitioner may respond to the patient's concern by telephone, audio/video, secure text messaging, email, or use of a patient portal. Standard Part B cost-sharing applies to both. In addition, separate from these virtual check-in services, captured video or images can be sent to a physician (HCPCS code G2010).

- **HCPCS code G2012:** Brief communication technology-based service, e.g. virtual check-in, by a physician or other qualified healthcare professional who can report evaluation and management services, provided to an established patient, not originating from a related e/m service provided within the previous 7 days nor leading to an e/m service or procedure within the next 24 hours or soonest available appointment; 5-10 minutes of medical discussion.
- **HCPCS code G2010:** Remote evaluation of recorded video and/or images submitted by an established patient (e.g., store and forward), including interpretation with follow-up with the patient within 24 business hours, not originating from a related e/m service provided within the previous 7 days nor leading to an e/m service or procedure within the next 24 hours or soonest available appointment.

E-Visits

In all types of locations including the patient's home, and in all areas, established Medicare patients may have non-face-to-face patient-initiated communications with their doctors without going to the doctor's office by using online patient portals. The services may be billed using **CPT codes 99421-99423** and **HCPCS codes G2061-G2063**, as applicable.

- These services can only be reported when the billing practice has an established relationship with the patient.
- For e-visits, the patient must generate the initial inquiry and communications can occur over a 7-day period.
- The patient must verbally consent to receive virtual check-in services. The Medicare coinsurance and deductible would apply to these services.

Medicare Part B also pays for e-visits or patient-initiated online evaluation and management conducted via a patient portal. Practitioners who may independently bill Medicare for evaluation and management visits (for instance, physicians and nurse practitioners) can bill the following codes:

- **99421:** Online digital evaluation and management service, for an established patient, for up to 7 days, cumulative time during the 7 days; 5–10 minutes.
- **99422:** Online digital evaluation and management service, for an established patient, for up to 7 days cumulative time during the 7 days; 11– 20 minutes.
- **99423:** Online digital evaluation and management service, for an established patient, for up to 7 days, cumulative time during the 7 days; 21 or more minutes.

Clinicians who may not independently bill for evaluation and management visits (for example – physical therapists, occupational therapists, speech language pathologists, clinical psychologists) can also provide these e-visits and bill the following codes:

- **G2061:** Qualified non-physician healthcare professional online assessment and management, for an established patient, for up to seven days, cumulative time during the 7 days; 5–10 minutes.
- **G2062:** Qualified non-physician healthcare professional online assessment and management service, for an established patient, for up to seven days, cumulative time during the 7 days; 11–20 minutes.
- **G2063:** Qualified non-physician qualified healthcare professional assessment and management service, for an established patient, for up to seven days, cumulative time during the 7 days; 21 or more minutes.

STRATEGIC CONSIDERATIONS

During the pandemic, the broad deployment of telehealth is more of a civil defense/infection control strategy than a business strategy. As you think through telehealth as a longer-term care delivery strategy and a business strategy, consider these questions:

- Do we want patients/consumers to become accustomed to the quick, convenient model of virtual check ins and e-visits?
- How will this affect competition across independent physicians, employed medical groups and even payers who will likely enter this space to control revenue streams and referral patterns?
- How does your practice strategy align with the broader industry trend of private equity (PE) investment in consumer-driven delivery models like telehealth?
- How do you balance activating and engaging your patient base to telehealth, while protecting your revenue levels from historical in-person visits?

LEARN HOW YOU CAN REALIZE A **TELEHEALTH STRATEGY** TO SECURE YOUR FUTURE.

CONTACT:

JIM WATSON, MBA
Principal, Healthcare Advisory
847-410-5711 / jwatson@bdo.com

MICHAEL LEE
Principal, BDO Digital
630-286-8126 / milee@bdo.com

CHRIS COOPER, RN, MHA, MIM
Managing Director, Healthcare Advisory
312-550-1262 / ccooper@bdo.com

DEB SHEEHAN, EDAC, DBIA
Managing Director, Healthcare Advisory
312-616-4635 / dsheehan@bdo.com

STEVEN SHILL, CPA
National Leader & Assurance Partner
The BDO Center for Healthcare Excellence & Innovation
714-668-7370 / sshill@bdo.com

ABOUT THE BDO CENTER FOR HEALTHCARE EXCELLENCE & INNOVATION

The BDO Center for Healthcare Excellence & Innovation unites recognized industry thought leaders to provide sustainable solutions across the full spectrum of healthcare challenges facing organizations, stakeholders and communities. Leveraging deep healthcare experience in financial, clinical, data analytics and regulatory disciplines, we deliver research-based insights, innovative approaches and value-driven services to help guide efficient healthcare transformation to improve the quality and lower the cost of care. For more information, please visit https://www.bdo.com/industries/healthcare/overview

@BDOHealth **Accountants | Advisors | Doctors** **www.bdo.com/healthcare**

ABOUT BDO

BDO is the brand name for BDO USA, LLP, a U.S. professional services firm providing assurance, tax, and advisory services to a wide range of publicly traded and privately held companies. For more than 100 years, BDO has provided quality service through the active involvement of experienced and committed professionals. The firm serves clients through more than 65 offices and over 700 independent alliance firm locations nationwide. As an independent Member Firm of BDO International Limited, BDO serves multi-national clients through a global network of more than 88,000 people working out of more than 1,600 offices across 167 countries and territories.

BDO USA, LLP, a Delaware limited liability partnership, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms. For more information please visit: www.bdo.com.

Material discussed is meant to provide general information and should not be acted on without professional advice tailored to your needs.

People who know Healthcare, know BDO.

www.bdo.com/**healthcare**