Medicare Telehealth Services and Nephrology: Policies for Eligibility and Payment

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The criteria for Medicare payment of telehealth nephrology services, and all other Medicare telehealth services, are set forth in section 1834(m) of the Social Security Act. There are just over 80 professional physician or practitioner services that may be furnished via telehealth and paid under Medicare Part B, when an interactive audio and video telecommunication system that permits real-time communication between a beneficiary at the originating site and the physician or practitioner at the distant site substitutes for an in-person encounter. These services include 16 nephrology billing codes for furnishing ESRD services for monthly monitoring and assessment and two billing codes for chronic kidney disease education. In recent years, many mobile health devices and other web-based tools have been developed in support of monitoring, observation, and collaboration for people living with chronic disease. This article reviews the statutory and program guidance that governs Medicare telehealth services, defines payment policy terms (e.g., originating site and distant site), and explains payment policies when telehealth services are furnished.

Published by Elsevier Inc. on behalf of the National Kidney Foundation, Inc.

Key Words: Medicare telehealth, Telehealth originating site, Telehealth distant site, Eligible Medicare telehealth individual, Medicare telehealth reimbursement

Medicare coverage and payment for services delivered via telecommunications systems was authorized nearly 20 years ago, when on August 5, 1997, the Congress enacted section 4206 of the Balanced Budget Act of 1997, titled "Medicare Reimbursement for Telehealth Services."[1] In 2000, the Congress expanded the types of eligible telehealth services and stipulating payment provisions in section 223 of the Medicare, Medicaid, and State Children's Health Insurance Program Benefits Improvements Protection Act of 2000 entitled "Revisions of Medicare Reimbursement for Telehealth Services."[2] These provisions amended the Social Security Act (the Act) by adding section 1834(m) to the Act, Payment for Telehealth Services, which allows Medicare to make payment for a limited number of Part B services when furnished by a physician or eligible nonphysician practitioner to an eligible Part B Medicare beneficiary via a telecommunication system. Section 1834(m) of the Act limits Medicare's definition of telehealth services to only those services that could be furnished in person, face-to-face, but are instead furnished via a telecommunications system.

CONTEXTUAL POLICY FOR TELEHEALTH SERVICES IN MEDICARE

Section 1834(m) (4) (F) (i) of the Act defines Medicare telehealth services to include consultations, office visits, office-based psychiatry services, and any additional service specified by the Secretary, when furnished via a telecommunications system. In addition, the Congress recognized an ongoing program need to update the list of Medicare telehealth services over time, and as such, section 1834(m) (4) (F) (ii) of the Act requires an annual update process for the addition or deletion of Medicare telehealth services, as appropriate, that are authorized for payment.[3] In December 2002, the Centers for Medicare and Medicaid Services (CMS) finalized a process for adding or deleting services from the list of Medicare telehealth services. Under this process, CMS assigns any qualifying request to make additions to the list of telehealth services to one of two categories.[4]

- *Category 1:* Services that are similar to professional consultations and office visits that are currently included on the list of Medicare telehealth services, and
- *Category 2:* Services that are not similar to services currently on the list of Medicare telehealth services, but where the request includes an assessment of whether the service is accurately described by the corresponding code when furnished via telehealth and documents with evidence that there is a demonstrated benefit to the patient when the service is furnished via telehealth.[5]

Examples of the types of "benefit" in the context of considering whether to add Medicare telehealth services include a reduced rate of adverse health complications, a reduction in hospital readmissions, decreased pain or other quantifiable symptoms, and improved recovery time.[6] Additional information on submitting a request to add or delete a telehealth service to CMS for consideration in the annual telehealth update process can be found on the CMS Web site at www.cms.gov/Medicare/Medicare-General-Information/Telehealth.

ELIGIBLE NEPHROLOGY TELEHEALTH SERVICES UNDER MEDICARE

CMS has used the program authority outlined above to update the list of telehealth services annually. As such, Medicare has expanded coverage and payment to over

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Financial Disclosure: The author has no financial disclosures relevant to this article.

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Published by Elsevier Inc. on behalf of the National Kidney Foundation, Inc.
1548-5595/$36.00
http://dx.doi.org/10.1053/j.ackd.2016.11.003

80 telehealth services, including 16 Current Procedural Terminology (CPT) codes for the treatment of ESRD and two Healthcare Common Procedure Coding System codes for CKD education. The specific telehealth nephrology billing codes are identified in Table 1. A complete list of all Medicare telehealth services in calendar year (CY) 2017 can be found on the CMS Web site.[7] Nephrology services were among the first billing and payment codes to be added as Medicare telehealth services. In 2003, Medicare received a request to add ESRD monthly services as Medicare telehealth services to minimize the burden of multiple monthly appointments necessary for ESRD monitoring and follow-up for beneficiaries with ESRD who reside in rural and isolated areas. The request encouraged CMS to include ESRD monthly services on the list of Medicare telehealth services because the monthly monitoring services furnished in the physician capitation payment were similar to existing telehealth services for consultation and office visits and would enable Medicare beneficiaries to receive nephrology care in their communities, avoiding the hardship and financial burden of making multiple long-distance trips to receive their nephrology monitoring and follow-up care.[8]

Based on this request, CMS added nephrology CPT codes 90951 through 90961 to the list of Medicare telehealth services through rulemaking, and as of 2005, CMS began making payment for a limited number of nephrology services when furnished via telehealth to eligible Medicare ESRD beneficiaries.[8] In 2011, Medicare established coverage for Kidney Disease Education services, as required in section 152(b) of the Medicare Improvements for Patients and Providers Act of 2008 and implemented Medicare payment for Healthcare Common Procedure Coding System codes G0420 and G0421 to report individual and group educational and counseling services furnished to Medicare CKD patients.[9] These services were included on the list of Medicare telehealth services based on similarity to existing telehealth services for other educational and counseling services.[10] Kidney Disease Education counseling services are essential in providing patients with the education necessary to understand their CKD treatment options, to slow disease progression, and to support long-term decision making on the optimal transition to dialysis or kidney transplant in the future.

In addition to the nephrology services noted earlier, CMS has also received requests to add the beneficiary's home and independent dialysis facility to the list of sites that an individual can receive telehealth services for the management of home dialysis. However, these sites are not included under section 1834(m) (4) (C) (ii) of the Act, which lists the specific originating sites from which telehealth services can be provided (discussed in more detail subsequently). Therefore, under the statute, a Medicare beneficiary's home and an independent dialysis facility are not an allowable originating site for Medicare telehealth services.

CMS recognized that many components of the monthly monitoring services for home dialysis patients, CPT codes 90963 through 90966[11] meet the criteria for consideration in category 1 as they are similar to other nephrology services included as Medicare telehealth services. In addition, these services could be furnished when a beneficiary is located at a telehealth originating site as defined in section 1834(m) (4) (C) of the Act and discussed in the following Medicare Program Definitions and Billing Requirements section.[12] Therefore, beginning in CY 2016, beneficiaries with ESRD receiving home dialysis are now able to receive their monthly ESRD-monitoring services at a qualifying telehealth originating site. Lastly, beginning in 2017, CMS added 4 additional ESRD-related CPT codes for dialysis services less than a full month.[13]

CLINICAL SUMMARY

- Medicare makes a payment for a limited number of Part B Telehealth Services.
- Telehealth Services must include a CMS Payment Modifier for billing and payment.
- Both the originating site and distant site are required to have telecommunication systems that support audio and visual capabilities that replace a face-to-face exchange.

MEDICARE PROGRAM DEFINITIONS AND BILLING REQUIREMENTS

Access to care for Medicare's beneficiaries was a significant consideration for the inclusion of telehealth services in the Balanced Budget Act and Benefits Improvements Protection Act enactments. For example, in 2000, the Congress directed Medicare to limit payment for telehealth services to those services furnished to beneficiaries in certain originating sites. The term "originating site" is defined in section 1834(m) (4) (C) of the statute as the location of the eligible telehealth Medicare beneficiary at the time the telehealth service is furnished. The statute specifies that a telepresenter, or facility staff at the originating site, need not be present with the beneficiary unless the distant site physician or practitioner determines such assistance to be medically necessary. An originating site must be one of the following locations: physician or practitioner's office, a critical access hospital, a rural health clinic, federally qualified health center, hospital, hospital-based or critical access hospital-based kidney dialysis center, skilled nursing facility, or community mental health center. Based on the specified types of facilities identified as originating sites in statute, a Medicare patient's home or an independent dialysis center do not qualify as an originating site for telehealth services under Medicare Part B.[14]

In addition to specifying the types of sites that can serve as a telehealth originating site, the statute also specifies that the site must be located in an area that is designated as a rural health professional shortage area under section 332(a) (1) (A) of the Public Health Service Act[15] or located in a county that is not included in a metropolitan statistical area. CMS requires that a site's geographic eligibility as a telehealth

Table 1. Medicare Nephrology Telehealth Services

90951	ESRD-related services four visits per month for patient younger than 2 y.
90952	ESRD-related services two to three visits per month for patient younger than 2 y.
90954	ESRD-related services four visits per month for patients aged 2-11 y.
90955	ESRD-related services two to three visits per month for patients aged 12-19 y.
90957	ESRD-related services four visits per month for patients aged 12-19 y.
90958	ESRD-related services two to three visits per month for patients aged 12-19 y
90960	ESRD-related services monthly, for patients aged ≥ 20 y; with four or more face-to-face physician visits per month
90961	ESRD-related services monthly, for patients ≥ 20 y; with two to three face-to-face physician visits per month
90963	ESRD-related services for home dialysis per full month, for patients <2 y to include monitoring for the adequacy of nutrition, assessment of growth and development, and counseling of parents
90964	ESRD-related services for home dialysis per full month, for patients aged 2-11 y to include monitoring for the adequacy of nutrition, assessment of growth and development, and counseling of parents
90965	ESRD-related services for home dialysis per full month, for patients aged 12-19 y to include monitoring for the adequacy of nutrition, assessment of growth and development, and counseling of parents
90966	ESRD-related services for home dialysis per full month, for patients aged ≥ 20 y
90967	ESRD-related services for dialysis less than a full month of service, per day, for patients younger than 2 years of age.
90968	ESRD-related services for dialysis less than a full month of service, per day, for patients 2-11 years of age.
90969	ESRD-related services for dialysis less than a full month of service, per day, for patients 12-19 years of age.
90970	ESRD-related services for dialysis less than a full month of service, per day, for patients 20 years of age and older.
G0420	Face-to-face educational services related to the care of chronic kidney disease; individual, per session, per 1 h
G0421	Face-to-face educational services related to the care of chronic kidney disease; group, per session, per 1 h

originating site must be established on an annual basis. The Health Resources and Services Administration, Federal Office of Rural Health Policy, has developed a Web site tool to assist potential originating sites in determining their eligibility. The "Medicare Telehealth Payment Eligibility Analyzer" is updated each year and allows for the potential originating site to input its street address and confirm whether it meets the most current originating site eligibility criteria for providing telehealth services. This Web site may be accessed at http://datawarehouse.hrsa.gov/tools/analyzers/geo/Telehealth.[16]

Medicare does allow for a single exception to the statutory requirements for originating sites. Specifically, as authorized in section 1834(m) (4) (C) (i), entities that participate in a federal telemedicine demonstration project approved by or receiving funding from the Secretary as of December 31, 2000, are considered telehealth originating sites regardless of the type or location of the facility. The Medicare payment to the originating site for each telehealth service is a per encounter amount set by a formula specified in section 1834(m) (2) (B) of the Act.[17] It is $25.40 for 2017 and updated annually by the Medicare Economic Index and is intended to cover the costs incurred by the originating facility in furnishing the telehealth service.

The distant site is defined in the statute at 1834(m) (4) (A) of the Act as the location of the physician or practitioner at the time the service is provided via telehealth.[18] The statutory and regulatory provisions make it clear that the distant site cannot be the same location as the originating site where the Medicare patient is located. There are no geographic restrictions, rural or urban, for the distant site. As such, providers authorized to furnish telehealth services are those that are enrolled in Medicare as a physician defined under section 1861(r) of the Act[19] or a practitioner as defined under 1842(b) (18) (C) of the Act.[20] No other health care practitioners may furnish telehealth services under Medicare at this time.

Table 2. CMS Telehealth Payment Modifiers

GQ	Via Asynchronous Telecommunication Systems
GT	Via Interactive Auio and Video Telecommunication Systems

Payment to the distant site physician or practitioner is made under the Medicare Physician Fee Schedule. When billing for distant site telehealth services, the billing physician, or practitioner must append, as described in Table 2, a payment modifier indicating that the service was furnished via telehealth. Although the modifier denotes that the services were furnished via an interactive telecommunication system, it does not affect the payment amount for the service. Section 1834(m) (2) (A) of the Act[21] requires that a physician or practitioner who furnishes a telehealth service to an eligible telehealth individual be paid an amount equal to the amount that would have been paid if the service had been furnished without using a telecommunication system.

Section 1834(m) (1) of the Act provides that for any Federal telemedicine Medicare demonstration projects in Alaska and Hawaii, the telecommunications system for these areas are not required to be expressly permitted by statute to furnish telehealth services using asynchronous communication. Thus, entities in Alaska and Hawaii participating in these demonstration projects are allowed to furnish Medicare telehealth services that are not furnished in real time.[21] In these cases, Medicare will make a payment for telehealth services furnished using "store-and-forward" technologies.[22] Store-and-forward is a single media format that does not include an interactive face-to-face encounter and supports the exchange of information. When store-and-forward telehealth services are furnished, the distant-site physician or practitioner will append a payment modifier noting

that the services were furnished via an asynchronous telecommunications system in a non–face-to-face format. Section 1834(m) (2) (A) of the Act requires physicians or practitioners to be paid an amount equal to the amount that would have been paid if the service had been furnished without using an asynchronous telecommunications system.

Both the originating sites and distant sites are required to have telecommunications systems that support audio and visual capabilities that replace a face-to-face, patient/physician, or practitioner exchange. Although the Congress did not define "telecommunication systems" in the statute, Medicare did promulgate a regulatory definition in the CY 1999 Medicare Physician Fee Schedule final rule[23] and codified at 42 CFR 410.78(a) (3).[24] Under this definition, "Interactive telecommunication system means multimedia communication equipment that includes, at a minimum, audio and video equipment permitting two-way, real-time interactive communication between the patient and the distant site physician or practitioner." The definition goes on to state that "Telephones, facsimile machines, and electronic mail systems do not meet the definition interactive telecommunication systems" because they are not two-way interactive audio and visual devices.

The regulation for interactive telecommunications systems predates the widespread use of smartphones or other technological advancements that are changing the way people communicate. For example, smartphones include not only real-time audio and visual capabilities but may also be used for accessing online services and exchanging information. An estimated 194 million, or nearly two-thirds, of Americans own a smartphone and use them to navigate numerous life activities, including managing health.[25]

FUTURE CONSIDERATIONS FOR THE MEDICARE TELEHEALTH BENEFIT

As noted, many of the requirements regarding telehealth services are specified in the Act, and CMS has program authority to determine the types of services that may be furnished via telehealth and to update the list of services over time.

The advancement of electronic medical devices and Web applications are transforming the delivery of many health care services and are tools to reduce the costs of care and increase capacity in the health care system. To capitalize on these advances, the CMS Center for Medicare and Medicaid Innovation (Innovation Center) tests new payment and service delivery models to improve the quality of care provided to Medicare, Medicaid, and CHIP beneficiaries and lower costs. Once such model is the Comprehensive ESRD Care model, a new accountable care model that aims to identify ways to improve the coordination and quality of care for Medicare ESRD beneficiaries while reducing Medicare expenditures. Facilities participating in the Comprehensive ESRD Care model have the opportunity to receive Medicare payment for providing eligible beneficiaries with comprehensive integrated care beyond the ESRD services included in the ESRD prospective payment bundle, including access to home visits and telehealth services. These tests will play a part in shaping future Medicare telehealth policies.

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