


## MEMORANDUM

DATE	May 6, 2016
TO	Board of Psychology
FROM	 Jason Glasspiegel Central Services Coordinator
SUBJECT	Agenda Item #28 (c) – Legislative Update – AB 2507 (Gordon) Telehealth: Access

**Background:**

This bill adds video and telephone communications to the definition of telehealth. Prohibits a health care provider from requiring the use of telehealth when a patient prefers in-person services and requires health care service plans and insurers to include coverage for services provided to a patient through telehealth. Prohibits an insurer from interfering with the provider-patient relationship based on telehealth services.

**Location:** Assembly Appropriations Committee

**Status:** In Assembly Committee on Appropriations: To Suspense File

**Action Requested:**

The Telepsychology Committee's recommends the full Board take a "Support" position.

Attachment A is the analysis of AB 2507 (Gordon)

Attachment B is the language of AB 2507 (Gordon)

Attachment C is the Assembly Appropriations Analysis of AB 2507 (Gordon)

# CALIFORNIA STATE BOARD OF PSYCHOLOGY

## BILL ANALYSIS

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**BILL NUMBER:** AB 2507

**VERSION:** AMENDED APRIL 26, 2016

**AUTHOR:** GORDON (D)

**SPONSOR:** STANFORD HEALTH CARE

**BOARD POSITION:** NONE

**SUBJECT:** ACCESS TO TELEHEALTH

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### **Summary:**

This bill requires that a health care service plan or health insurer must cover patient services provided via telehealth to the same extent as services provided in-person. It also specifies various communications platforms that are acceptable for telehealth.

### **Existing Law:**

- 1) Defines "telehealth" as a mode of delivering health care via information and communication technologies. The patient's location is the originating site, and the health care provider's location is the distant site. (Business and Professions Code (BPC) §2290.5)
- 2) States that prior to providing health care via telehealth, the health care provider shall inform the patient about the use of telehealth and obtain verbal or written consent. (BPC §2290.5)
- 3) Defines an "originating site" as the site where the patient is located at the time health care services are provided. (BPC §2290.5)
- 4) Defines "distant site" as the site where the health care provider is located while providing the telehealth services. (BPC §2290.5)
- 5) States that this section shall not prevent patients from receiving in-person treatment after agreeing to receive services via telehealth. (BPC §2290.5)
- 6) States that a health care service plan or health insurer shall not require in-person contact between a health care provider and a patient before payment is made for covered services that are appropriately provided through telehealth. (This provision is subject to the terms and conditions of the contract with the health care service plan.) (Health and Safety Code (HSC) §1374.13(c), Insurance Code (IC) §10123.85(c))
- 7) States that a health care service plan or health insurer shall not limit the type of setting where services are provided before payment is made for covered services that are appropriately provided through telehealth. (This provision is subject to the terms and conditions of the contract with the health care service plan.) (HSC §1374.13(d), IC §10123.85(d))

- 8) States that a health care service plan or health insurer shall not require the use of telehealth when the health care provider has determined that it is not appropriate. (HSC §1374.13(f), IC §10123.85(e))

### **This Bill:**

- 1) Specifies that definition of telehealth includes communication via video and telephone (BPC §2290.5(a)(6))
- 2) Allows that patient consent for telehealth can be oral, written, or digital. (BPC §2290.5(b))
- 3) States that telehealth should be practitioner-guided and patient preferred, and that the law does not authorize a health care provider to require services be performed via telehealth when the patient prefers to be treated in-person. (HSC §1374.13(g), IC §10123.85(f))
- 4) States that a health care service plan or health insurer must cover patient services provided via telehealth to the same extent as services provided in-person. (HSC §1374.13(h), IC §10123.85(g))
- 5) Prohibits a health care service plan or health insurer from interfering with the provider-patient relationship based on the modality used for appropriately provided services through telehealth. (HSC §1374.13(i), IC §10123.85(h))

### **Comments:**

- 1) **Author's Intent.** This bill aims to provide a viable telehealth reimbursement infrastructure in California in order to improve patient access.

The author notes that while a health insurer cannot limit the types of settings where services are provided, the law does not require health plans to include coverage and reimbursement for services provided via telehealth. Currently, these must be negotiated separately into each plan contract. They note that many other states require health plans to provide coverage for telehealth services to the same extent as in-person services. This is not currently the case in California.

Under this bill, providers will be able to offer telehealth services with a guarantee that they will receive health plan reimbursement.

- 2) **Mode of Delivery.** This bill clarifies that the definition of telehealth includes communication via video or telephone.

There are safeguards built into the law to ensure that health plans cannot require the use of telehealth when the health care provider has determined it is not appropriate (HSC §1374.13(f), IC §10123.85(e))

- 3) **Support and Opposition.**

#### **Support:**

Stanford Health Care (sponsor)  
AARP California

Adventist Health  
ALS Association Golden West Chapter  
American Association for Marriage and Family Therapy  
Association of California Healthcare Districts  
California Academy of Family Physicians  
California Association of Health Plans  
California Children's Hospital  
California Life Sciences Association  
California Medical Association  
California Primary Care Association  
Center for Information Technology Research in the Interest of Society  
Center for Technology and Aging  
The Children's Partnership  
El Camino Hospital  
Health Care Interpreters Network  
John Muir Health  
Lucile Packard Children's Hospital  
National Multiple Sclerosis Society  
Occupational Therapy Association of California  
Providence Health & Services  
Sutter Health

**Oppose:**

America's Health Insurance Plans  
Association of California Life and Health Insurance Companies  
California Association of Health Plans  
California Chamber of Commerce  
California Right to Life Committee, Inc.

**4) History**

04/26/16 Read second time and amended.  
04/25/16 From committee: Amend, and do pass as amended and re-refer to Com. on APPR.  
(Ayes 11. Noes 1.) (April 19).  
03/08/16 Referred to Com. on HEALTH.  
02/22/16 Read first time.  
02/21/16 From printer. May be heard in committee March 22.  
02/19/16 Introduced. To print.



# California

## LEGISLATIVE INFORMATION

**AB-2507 Telehealth: access.** (2015-2016)

AMENDED IN ASSEMBLY APRIL 26, 2016

CALIFORNIA LEGISLATURE— 2015–2016 REGULAR SESSION

### ASSEMBLY BILL

**No. 2507**

**Introduced by Assembly Member Gordon**

**February 19, 2016**

An act to amend Section 2290.5 of the Business and Professions Code, to amend Section 1374.13 of the Health and Safety Code, and to amend Section 10123.85 of the Insurance Code, relating to telehealth.

### LEGISLATIVE COUNSEL'S DIGEST

AB 2507, as amended, Gordon. Telehealth: access.

(1) Existing law defines "telehealth" as the mode of delivering health care services and public health via information and communication technologies to facilitate the diagnosis, consultation, treatment, education, care management, and self-management of a patient's health care while the patient is at the originating site and the health care provider is at a distant site, and that facilitates patient self-management and caregiver support for patients and includes synchronous interactions and asynchronous store and forward transfers. Existing law requires that prior to the delivery of health care via telehealth, the health care provider initiating the use of telehealth inform the patient about the use of telehealth and obtain documented verbal or written consent from the patient for the use of telehealth.

This bill would add video ~~communications, telephone communications, email communications, and synchronous text or chat conferencing~~ *communications and telephone communications* to the definition of telehealth. The bill would also provide that the required prior consent for telehealth services may be digital as well as oral or written.

(2) Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law also provides for the regulation of health insurers by the Department of Insurance. Existing law prohibits health care service plans and health insurers from limiting the type of setting where services are provided for the patient or by the health care provider before payment is made for the covered services appropriately provided through telehealth, subject to the terms and conditions of the contract entered into between the enrollee, insured, subscriber, or policyholder and the plan or insurer, and between the plan or insurer and its participating providers or provider groups.

This bill would also prohibit a health care provider from requiring the use of telehealth when ~~a patient prefers to receive health care services in person~~ *it is not appropriate* and would require health care service plans and health insurers to include coverage and reimbursement for services provided to a patient through telehealth to



the same extent as though provided in person or by some other means, as specified. The bill would prohibit a health care service plan or health insurer from limiting coverage or reimbursement based on a contract entered into between the plan or insurer and an independent telehealth provider. The bill would prohibit a health care service plan or a health insurer from ~~interfering with the physician-patient~~ *altering the provider-patient* relationship based on the modality utilized for services appropriately provided through telehealth. *The bill would provide that all laws regarding the confidentiality of health care information and a patient's right to his or her medical information shall apply to telehealth services.*

Because a willful violation of the bill's provisions by a health care service plan would be a crime, it would impose a state-mandated local program.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

## THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Section 2290.5 of the Business and Professions Code is amended to read:

**2290.5.** (a) For purposes of this division, the following definitions apply:

(1) "Asynchronous store and forward" means the transmission of a patient's medical information from an originating site to the health care provider at a distant site without the presence of the patient.

(2) "Distant site" means a site where a health care provider who provides health care services is located while providing these services via a telecommunications system.

(3) "Health care provider" means either of the following:

(A) A person who is licensed under this division.

(B) A marriage and family therapist intern or trainee functioning pursuant to Section 4980.43.

(4) "Originating site" means a site where a patient is located at the time health care services are provided via a telecommunications system or where the asynchronous store and forward service originates.

(5) "Synchronous interaction" means a real-time interaction between a patient and a health care provider located at a distant site.

(6) "Telehealth" means the mode of delivering health care services and public health via information and communication technologies to facilitate the diagnosis, consultation, treatment, education, care management, and self-management of a patient's health care while the patient is at the originating site and the health care provider is at a distant site. Telehealth facilitates patient self-management and caregiver support for patients and includes synchronous interactions and asynchronous store and forward transfers, ~~including, but not limited to, including video communications, telephone communications, email communications, and synchronous text or chat conferencing.~~ *communications and telephone communications.*

(b) Prior to the delivery of health care via telehealth, the health care provider initiating the use of telehealth shall inform the patient about the use of telehealth and obtain oral, written, or digital consent from the patient for the use of telehealth as an acceptable mode of delivering health care services and public health. The consent shall be documented.

(c) Nothing in this section shall preclude a patient from receiving in-person health care delivery services during a specified course of health care and treatment after agreeing to receive services via telehealth.

(d) The failure of a health care provider to comply with this section shall constitute unprofessional conduct. Section 2314 shall not apply to this section.

(e) This section shall not be construed to alter the scope of practice of any health care provider or authorize the delivery of health care services in a setting, or in a manner, not otherwise authorized by law.

(f) All laws regarding the confidentiality of health care information and a patient's rights to his or her medical

information shall apply to telehealth interactions.

(g) This section shall not apply to a patient under the jurisdiction of the Department of Corrections and Rehabilitation or any other correctional facility.

(h) (1) Notwithstanding any other provision of law and for purposes of this section, the governing body of the hospital whose patients are receiving the telehealth services may grant privileges to, and verify and approve credentials for, providers of telehealth services based on its medical staff recommendations that rely on information provided by the distant-site hospital or telehealth entity, as described in Sections 482.12, 482.22, and 485.616 of Title 42 of the Code of Federal Regulations.

(2) By enacting this subdivision, it is the intent of the Legislature to authorize a hospital to grant privileges to, and verify and approve credentials for, providers of telehealth services as described in paragraph (1).

(3) For the purposes of this subdivision, "telehealth" shall include "telemedicine" as the term is referenced in Sections 482.12, 482.22, and 485.616 of Title 42 of the Code of Federal Regulations.

**SEC. 2.** Section 1374.13 of the Health and Safety Code is amended to read:

**1374.13.** (a) For the purposes of this section, the definitions in subdivision (a) of Section 2290.5 of the Business and Professions Code apply.

(b) It is the intent of the Legislature to recognize the practice of telehealth as a legitimate means by which an individual may receive health care services from a health care provider without in-person contact with the health care provider.

(c) A health care service plan shall not require that in-person contact occur between a health care provider and a patient before payment is made for the covered services appropriately provided through telehealth, subject to the terms and conditions of the contract entered into between the enrollee or subscriber and the health care service plan, and between the health care service plan and its participating providers or provider groups.

(d) A health care service plan shall not limit the type of setting where services are provided for the patient or by the health care provider before payment is made for the covered services appropriately provided through telehealth, subject to the terms and conditions of the contract entered into between the enrollee or subscriber and the health care service plan, and between the health care service plan and its participating providers or provider groups.

(e) The requirements of this section shall also apply to health care service plan and Medi-Cal managed care plan contracts with the State Department of Health Care Services pursuant to Chapter 7 (commencing with Section 14000) or Chapter 8 (commencing with Section 14200) of Part 3 of Division 9 of the Welfare and Institutions Code.

(f) Notwithstanding any law, this section shall not be interpreted to authorize a health care service plan to require the use of telehealth when the health care provider has determined that it is not appropriate.

(g) Notwithstanding any law, this section shall not be interpreted to authorize a health care provider to require the use of telehealth when ~~a patient prefers to be treated in an in-person setting. Telehealth services should be physician—or practitioner-guided and patient-preferred.~~ *it is not appropriate. Nothing in this section shall preclude a patient from receiving in-person health care delivery services.*

(h) A health care service plan shall include in its plan contract coverage and reimbursement for services provided to a patient through telehealth to the same extent as though provided in person or by some other means.

(1) A health care service plan shall reimburse the health care provider for the diagnosis, consultation, or treatment of the enrollee when the service is delivered through telehealth at a rate that is at least as favorable to the health care provider as those established for the equivalent services when provided in person or by some other means.

(2) A health care service plan may subject the coverage of services delivered via telehealth to copayments, coinsurance, or deductible provided that the amounts charged are at least as favorable to the enrollee as those established for the equivalent services when provided in person or by some other means.

(i) A health care service plan shall not limit coverage or reimbursement based on a contract entered into between the health care service plan and an independent telehealth provider or ~~interfere with the physician-patient~~ *alter the provider-patient* relationship based on the modality utilized for services appropriately provided



through telehealth.

*(j) Notwithstanding any other law, this section shall not be interpreted to prohibit a health care service plan from undertaking a utilization review of telehealth services, provided that the utilization review is made in the same manner as a utilization review for equivalent services when provided in person or by other means.*

*(k) This section shall not be construed to alter the scope of practice of any health care provider or authorize the delivery of health care services in a setting, or in a manner, not otherwise authorized by law.*

*(l) All laws regarding the confidentiality of health care information and a patient's right to his or her medical information shall apply to telehealth services.*

**SEC. 3.** Section 10123.85 of the Insurance Code is amended to read:

**10123.85.** (a) For purposes of this section, the definitions in subdivision (a) of Section 2290.5 of the Business and Professions Code shall apply.

(b) It is the intent of the Legislature to recognize the practice of telehealth as a legitimate means by which an individual may receive health care services from a health care provider without in-person contact with the health care provider.

(c) No health insurer shall require that in-person contact occur between a health care provider and a patient before payment is made for the services appropriately provided through telehealth, subject to the terms and conditions of the contract entered into between the policyholder or contractholder and the insurer, and between the insurer and its participating providers or provider groups.

(d) No health insurer shall limit the type of setting where services are provided for the patient or by the health care provider before payment is made for the covered services appropriately provided by telehealth, subject to the terms and conditions of the contract between the policyholder or contract holder and the insurer, and between the insurer and its participating providers or provider groups.

(e) Notwithstanding any other provision, this section shall not be interpreted to authorize a health insurer to require the use of telehealth when the health care provider has determined that it is not appropriate.

(f) Notwithstanding any law, this section shall not be interpreted to authorize a health care provider to require the use of telehealth when ~~a patient prefers to be treated in an in-person setting. Telehealth services should be physician—or practitioner-guided and patient-preferred. It is not appropriate. Nothing in this section shall preclude a patient from receiving in-person health care delivery services.~~

(g) A health insurer shall include in its policy coverage and reimbursement for services provided to a patient through telehealth to the same extent as though provided in person or by some other means.

(1) A health insurer shall reimburse the health care provider for the diagnosis, consultation, or treatment of the insured when the service is delivered through telehealth at a rate that is at least as favorable to the health care provider as those established for the equivalent services when provided in person or by some other means.

(2) A health insurer may subject the coverage of services delivered via telehealth to copayments, coinsurance, or deductible provided that the amounts charged are at least as favorable to the insured as those established for the equivalent services when provided in person or by some other means.

(h) A health insurer shall not limit coverage or reimbursement based on a contract entered into between the health insurer and an independent telehealth provider or ~~interfere with the physician-patient~~ alter the provider-patient relationship based on the modality utilized for services appropriately provided through telehealth.

*(i) Notwithstanding any other law, this section shall not be interpreted to prohibit a health insurer from undertaking a utilization review of telehealth services, provided that the utilization review is made in the same manner as a utilization review for equivalent services when provided in person or by other means.*

*(j) This section shall not be construed to alter the scope of practice of any health care provider or authorize the delivery of health care services in a setting, or in a manner, not otherwise authorized by law.*

*(k) All laws regarding the confidentiality of health care information and a patient's right to his or her medical information shall apply to telehealth services.*

**SEC. 4.** No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California



Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

Date of Hearing: May 4, 2016

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Lorena Gonzalez, Chair

AB 2507 (Gordon) – As Amended April 26, 2016

Policy Committee: Health

Vote: 11 - 1

Urgency: No

State Mandated Local Program: Yes

Reimbursable: No

**SUMMARY:**

This bill amends the definition of telehealth service, and requires health plans and insurers to cover telehealth services. Specifically, this bill:

- 1) Allows a patient to consent to telehealth digitally
- 2) Specifies video and telephone communications are included in the definition of telehealth.
- 3) Requires plans and insurers to include in its contracts coverage and reimbursement for services provided to a patient through telehealth to the same extent as though provided in person or by some other means.
- 4) Requires plans and insurers to reimburse health care providers for diagnosis, consultation, or treatment of the enrollee when the service is delivered through telehealth at a rate that is at least as favorable to the health care provider as those established for the equivalent services when provided in person or by some other means. Restricts enrollee and insured copayments, deductibles, and coinsurance to be no more than the amount that would apply to an in-person visit.
- 5) Prohibits plans and insurers from limiting coverage or reimbursement based on a contract entered into between the plan or insurer, and an independent telehealth provider.
- 6) Prohibits plans from altering the provider-patient relationship based on the modality utilized for services appropriately provided through telehealth, but specifies utilization review is allowed.

**FISCAL EFFECT:**

- 1) This bill has been amended since the California Health Benefits Review Program (CHBRP) analyzed it. Original cost estimates have been modified based on the amendments, and are estimated as follows:
  - a) \$25.6 million to Medi-Cal (GF/federal) and \$2 million to CalPERS (GF/federal/special/local).
  - b) Increased employer-funded premium costs in the private insurance market of approximately \$28.3 million.

- c) Increased premium expenditures by employees and individuals purchasing insurance of \$22.7 million, and additional total out-of-pocket expenses of \$14.9 million.
- 2) Costs to the California Department of Insurance (CDI; Insurance Fund) and the Department of Managed Health Care (DMHC; Managed Care Fund) to verify plans and insurers comply with this requirement, at a minimum of \$50,000-\$100,000 to DMHC and \$10,000-\$50,000 for CDI.
- 3) Additional state costs to DMHC and CDI are possible for the following: 1) addressing additional disputes between plans and providers about coverage and reimbursement; 2) addressing additional consumer complaints and inquiries; and 3) issuing regulations, if necessary to clarify how reimbursement and coverage must be operationalized in contracts. The likelihood and magnitude of these activities and costs are unknown.
- 4) Unknown state GF fiscal risk if this mandate is deemed to exceed Essential Health Benefits (EHBs) as described in greater detail in "Essential Health Benefits," below.

#### COMMENTS:

- 1) **Purpose.** According to the author, this bill removes barriers to health care services provided via telehealth and ensures patient access, choice, and convenience. The author states the modality, or how the service is delivered, should not determine whether a service should be covered or reimbursed. Furthermore, a fully developed and supported telehealth infrastructure will provide California with economic and social benefits by reducing the needs of patients to leave their home or work to obtain health care services, helping to maintain a healthy and productive workforce and overall population, and using the same modern technologies California is pioneering.
- 2) **Background.** Existing law defines "telehealth" as a mode of delivering health care services and public health via information and communication technologies to facilitate aspects of a patient's health care, while the patient is at the originating site and the health care provider is at a distant site. Telehealth includes synchronous interactions, such as live video consultations, as well as asynchronous "store-and-forward" transfers, such as a radiologist at a distant site reading an x-ray. Telehealth services are used and often covered by insurance now, but there are limitations. The fee-for-service Medicare program, for example, only covers telehealth that uses an interactive audio and video telecommunications system that permits real-time communication between a distant site and the beneficiary at the originating site (which must be a health care facility).

Existing state law prohibits plans from requiring in-person contact for a health care service appropriately provided through telehealth, and also prohibits plans from limiting the setting of services. However, it also indicates coverage is subject to the terms and conditions of contractual agreements between plans and providers. The law does not, however, establish a patient right to access telehealth services or explicitly require telehealth services to be covered—instead, it prohibits certain requirements that could otherwise restrict coverage of services provided through telehealth. This bill instead requires contracts to include coverage for services provided through telehealth to the same extent as provided in person or by some other means, and it specifies requirements related to reimbursement and patient cost-sharing.



- 3) **CHBRP findings on medical effectiveness.** CHBRP indicates that the evidence related to medical effectiveness of telehealth varies by modality. The scope of this bill applies to virtually all diseases and conditions. Key findings include:
- a) **Live video:** There is clear and convincing evidence that these modalities are at least as effective as in-person care for both mental health services and dermatology. However, this evidence may not be generalizable to live video usage in other specialty areas.
  - b) **Telephone:** For the areas studied (e.g., mental health), the studies of the effect of telephone consultations on subsequent utilization are inconsistent. Therefore, the evidence that medical care provided by telephone compared to medical care provided in person is ambiguous. Furthermore, it is unknown whether diagnoses made using these technologies are as accurate as diagnoses made during in-person visits.
- 4) **Essential Health Benefits (EHBs).** The federal Patient Protection and Affordable Care Act (ACA) requires health plans offered in the individual and small group markets, both inside and outside of health insurance exchanges, to offer a comprehensive set of services termed EHBs. The ACA specifies that if states require plans in the exchange to offer additional benefits that go beyond the defined EHBs, then states must pay the additional cost related to those mandates. CHBRP found this coverage mandate does not interact with EHBs, but there is disagreement. Plans dispute this finding, indicating their belief that this bill requires them to cover services they do not cover today. For example, they indicate telephone transactions are currently not a covered service and this bill mandates coverage for telephone services. Proponents point out that services appropriately delivered by telephone should be covered just like in-person visits, and it is a change in modality of service delivery, not a new benefit. It is unclear whether this mandate would be interpreted to exceed EHBs, but if it were, there could be significant unknown fiscal risk to the state.
- 5) **Support.** According to the sponsor, Stanford Health Care, this bill seeks to fulfill the promise of telehealth and further improves access to health care by ensuring that providers and recipients of telehealth services have guaranteed coverage and reimbursement for telehealth services that are physician or practitioner-guided and retains patient choice. A number of other health care providers also support this bill.
- 6) **Opposition.** Plans and insurers oppose this bill indicating they have taken important steps over the last decade to address the critical issues of increasing access to innovative, quality health care products, and cost control mechanisms that better allow individuals and small businesses to obtain coverage in the private market. This bill threatens the efforts of all health care stakeholders to provide consumers with meaningful health care choices and affordable coverage options, and could exceed EHBs.
- 7) **Staff Comments.** This bill could be clarified and narrowed to be clear about what services are covered, which would remove any concern about exceeding EHBs as well as offer greater ability to contain costs. As noted above, current law prohibits plans from requiring that in-person contact occur between a health care provider and a patient before payment is made for the covered services appropriately provided through telehealth, but makes this subject to the terms and conditions of a contract between plans and providers. This reliance on contractual agreements to determine the nuanced details, processes, and circumstances under which reimbursement is made offers greater ability for the plan to manage utilization and costs.

At the same time, proponents raise legitimate issues like, for example, allowing a person's normal primary care provider to be reimbursed for performing a service like a normal office visit for evaluation and management, through telehealth. Currently, contracts may prohibit reimbursement for a patient's primary care provider and only reimburse for telehealth services through a centrally contracted telehealth provider. It could be argued the spirit of the law implies telehealth should be treated similarly to in-person visits, and it is generally agreed that maintaining continuity of care is beneficial for patients. But the current bill language lacks key protections that could keep costs in check, and applies to many visits that would not maintain continuity of care from regular providers. For example, it does not require the patient to be an established patient of the provider. It appears to leave it in the provider's hands to decide when a service is appropriately provided through telehealth, instead of requiring this to be a contractual agreement. By removing the contractual requirement, it is unclear whether a plan would have recourse to deny reimbursement for a visit they thought was not appropriate to provide through telehealth. It does not ensure providers are not paid double for, say, a telephone visit that leads to an in-office visit. Finally, CHBRP notes it is not clear that all telehealth services are as effective as in-person services. A mandate to treat all visits equally, inability to distinguish services based on effectiveness, and a total reliance on the provider to decide what should be reimbursed does not seem consistent with promoting high-quality cost-effective care.

**Analysis Prepared by:** Lisa Murawski / APPR. / (916) 319-2081