
OLR Bill Analysis

sHB 5483 (as amended by House "A")*

AN ACT CONCERNING COVERAGE OF TELEMEDICINE SERVICES UNDER MEDICAID.

SUMMARY:

To the extent permitted by federal law, and where deemed clinically appropriate, this bill authorizes the Department of Social Services (DSS) to establish a demonstration project at federally-qualified community health centers. The project would provide Medicaid-covered health care services by telemedicine in place of in-person contact between a patient and health care provider. Under the bill, "telemedicine" means the use of interactive audio, video, or data communication, other than facsimile and audio-only telephone transmissions, in the delivery of medical advice, diagnosis, care, treatment, or similar services.

The bill also:

1. authorizes the DSS commissioner to follow existing procedures to ensure the project's services are covered by Medicaid and to set reimbursement rates for telemedicine procedures,
2. subjects personally identifying telemedicine data and records to state and federal confidentiality laws, and
3. requires the commissioner to report to legislative committees on telemedicine services offered and their cost-effectiveness.

*House Amendment "A":

1. substitutes the term "clinically appropriate" for "medically appropriate," but leaves the definition unchanged;
2. allows, rather than requires, the DSS commissioner to establish Medicaid reimbursement rates for telemedicine, eliminating

requirements that he (a) set rates by regulation and (b) consult with the Public Health commissioner; and

3. eliminates the deadline for DSS to file a report with legislative committees.

EFFECTIVE DATE: January 1, 2013

DEMONSTRATION PROJECT

The project targets individuals who have difficulty gaining access to, or paying for, primary care.

Clinically Appropriate

Under the bill, “clinically appropriate” means care that is (1) provided in a timely manner and meets professionally recognized standards of acceptable medical care; (2) delivered in the appropriate medical setting; and (3) the least costly of multiple, equally effective alternative treatments or diagnostic modalities.

Federal Approval

If necessary, the bill authorizes the DSS commissioner to file a state plan amendment with federal Medicaid officials to ensure that the demonstration project’s telemedicine services will be covered. By law, he must notify the Human Services and Appropriations committees before submitting it to the federal officials.

Rate-Setting

The bill also allows the DSS commissioner to establish reimbursement rates for telemedicine service providers. He must consider, to the extent applicable, reductions in how far patients’ and health care providers’ travel to receive or provide treatment, and may take into account other factors he deems relevant.

Privacy Protections

The bill subjects telemedicine transmission, storage, and dissemination of data and records to federal and state law and regulations governing the privacy, security, confidentiality, and safeguarding of individually identifiable information.

Report

The bill requires the commissioner to submit a report to the Appropriations and Human Services committees concerning the services offered and the program's cost effectiveness. It does not set a deadline for doing so.

BACKGROUND

Federally Qualified Community Health Centers

Federally qualified community health centers are non-profit or public health care organizations that provide comprehensive primary care and supportive services to medically underserved populations. These include low-income people, the uninsured, those who speak little or no English, and the homeless. Fees are adjusted based on ability to pay.

COMMITTEE ACTION

Human Services Committee

Joint Favorable Substitute

Yea 16 Nay 0 (03/22/2012)