PAYMENT POLICIES

Telemedicine Services (Commercial)

Scope

This policy applies to:

☑ Kaiser Permanente Health Plan of Washington ☑ Kaiser Permanente Health Plan of Washington Options, Inc.

☑ Commercial ☐ Medicare ☐ Medicaid

Policy

When benefits allow, telemedicine services will be reimbursed when all of the following criteria are met:

a) The services are medically necessary.

b) The originating site is qualified.

c) The distant site practitioner is qualified.

d) Live interactive video is used or store-and-forward technology. Associated office visit between member and the referring practitioner when store-and-forward technology is used.

  • As of March 24, 2020 audio-only telemedicine & non-HIPAA compliant platforms are allowable. This is effective through August 16, 2020.

e) Patient is present at an originating site and able to participate.

f) The claim is billed according to the Centers for Medicare & Medicaid Services (CMS) guidelines for telehealth services.

  • Starting March 6, 2020 additional telemedicine/telehealth codes were allowed.

Billing/Coding Guidelines

All claims will be billed according to CMS guidelines.

The practitioner located at the distant site must submit the appropriate HCPCS/CPT codes for the services rendered. Place of Service code 02 or 11 with modifier 95 must be billed with all codes when the service is conducted via a real-time interactive audio and video telecommunications system or telephonically. Modifier GQ must be appended to all codes when the service is conducted via asynchronous telecommunications “store-and-forward” system. Place of Service 02. Modifier 95 or GQ does not increase or decrease reimbursement rates. Though the 02 does not affect reimbursement rates, CPT/HCPC usage does. If billed with in person evaluation and management procedure codes telehealth rates will match that of in person rates.
If the originating site is a facility provider, the site fee charge must be submitted as an outpatient service with revenue code 0780 and corresponding HCPCS code Q3014. If the originating site is not a facility bill HCPCS code Q3014.

**Policy Definitions**

**Distant Site Practitioners**
Practitioners at the distant site who may furnish and receive payment for covered telemedicine services are defined under Title 18 or chapter 70.127 RCW, to practice health or health-related services or otherwise practicing health care services in Washington State consistent with state law or contracted providers.

**Interactive Audio and Video Telecommunication**
Medical information is communicated in real-time with the use of interactive audio and video communications equipment. The real-time communication is between the performing physician and a distant physician or health care specialist. The patient is present during the communication. This is also referred to as interactive telecommunication.

**Originating Site**
A qualifying site the patient is physically located at while receiving health care services through telemedicine. The originating sites for telemedicine services are:

- The offices of physicians or practitioners
- Hospitals
- Critical access hospitals
- Rural health clinics
- Home
- Federally qualified health centers
- Hospital-based or CAH-based Renal Dialysis Centers
- Skilled nursing facilities
- Community mental health centers

**Store-and-Forward Technology**
The use of an asynchronous transmission of a covered person’s medical information from an originating site to the health care provider at a distant site which results in medical diagnosis and management of the covered person. Does not include the use of audio-only telephone, facsimile, or email.

**Telemedicine**
The delivery of health care services through the use of interactive audio and video technology, permitting real-time communication between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment. “Telemedicine” does currently include the use of audio-only telephone, facsimile, or email.
Prerequisite(s)

Service meets Washington State regulations for telemedicine services.

References

CMS Place of Service Code Set – CMS.gov

“Senate Bill 6519,” State of Washington 64th Legislature 2016 Regular Session

“Senate Bill 5175,” State of Washington 64th Legislature 2015 Regular Session

“Final Policy, Payment, and Quality Provisions in the Medicare Physician Fee Schedule for Calendar Year 2018” Centers for Medicare & Medicaid Services

“New Place of Service (POS) Code for Telehealth and Distant Site Payment Policy” MLN Matters
Department of Health and Human Services Centers for Medicare & Medicaid Services

Related Policies

Telehealth (Medicare)

Virtual Care (Commercial)

Frequently Asked Questions

Q1: A patient is in a rural health clinic and uses video conferencing technology to interact with a distant site practitioner for a consultation. Is this a reimbursable telemedicine service?

A1: Yes. This service will reimbursable; it is considered telemedicine according to Washington State statute.

Q2: A patient is in a critical access hospital, the practitioner creates a video regarding the patient’s medical state. The video is later forwarded to a distant site practitioner who then reviews and replies to the originating practitioner with a diagnosis and medical management treatment plan. Is this a reimbursable telemedicine service?

A2: Yes. This service will be reimbursable; this service is considered store-and-forward telemedicine under the Washington State statute.

Q3: What is the difference between telemedicine services and virtual care services?

A3: Telemedicine services use interactive audio and video technology, permitting real-time communication between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or
treatment. Store-and-forward technology use of an asynchronous transmission of a covered person’s medical information from an originating site to the health care provider at a distant site which results in medical diagnosis and management can also be used for a telemedicine service but there must be an associated office visit between the commercial member and the referring health care provider.

Virtual care services use online technology (computer, tablet, or smartphone), telephonic, or secure messaging transmissions of patient initiated care from a remote location (ex. home); with a provider for the purpose of diagnosis and treatment focused; the member is NOT located at a healthcare site.

Q4: What is the difference between telemedicine services and telehealth services?

A4: Telemedicine services use interactive audio and video technology, permitting real-time communication between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment for commercial members. Store-and-forward technology use of an asynchronous transmission of a covered person’s medical information from an originating site to the health care provider at a distant site which results in medical diagnosis and management can also be used for a telemedicine service but there must be an associated office visit between the commercial member and the referring health care provider.

Telehealth services are a live, interactive audio and visual transmission of a physician-patient encounter from one site to another, using telecommunications technologies that follow CMS guidelines for Medicare members.

Q5: Skype is used from the patient’s home to contact a provider for a diagnosis based billable visit. Is this a reimbursable telemedicine service?

A5: Yes. A patient’s home is recognized as a qualifying originating site as of 1/1/2018 and therefore is considered a telemedicine service when billed appropriately.

Revisions

07/20/2020 – Updated end date of audio-only telemedicine & non-HIPAA compliant platforms due to OIC extension.

Note: This information is intended to serve only as a general reference resource regarding reimbursement policy for the services described and is not intended to address every aspect of a reimbursement situation. Accordingly, we may use reasonable discretion in interpreting and applying this policy to services being delivered in a particular case. Further, the policy does not cover all issues related to reimbursement for services rendered to our enrollees as legislative mandates, the provider contracts, the enrollee’s benefit coverage documents, and the Provider Manual all may supplement or in some cases supersede this policy. This policy may be modified from time to time by publishing a new version of the policy on Kaiser Permanente provider website; however, the information presented in this policy is believed to be accurate and current as of the date of publication.