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**FISCAL IMPACT STATEMENT**

**LS 6719**  
**BILL NUMBER: SB 284**

**NOTE PREPARED: Feb 10, 2022**  
**BILL AMENDED: Feb 10, 2022**

**SUBJECT:** Telehealth Matters.

**FIRST AUTHOR:** Sen. Charbonneau  
**FIRST SPONSOR:** Rep. Barrett

**BILL STATUS:** CR Adopted - 2<sup>nd</sup> House

**FUNDS AFFECTED:**  **GENERAL**  
 **DEDICATED**  
 **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) The bill consolidates Medicaid telehealth language.

*Health Care Services:* The bill provides that "health care services" does not include certain case management services, care management services, service coordination services, or care coordination services for purposes of telehealth.

*Practitioners:* It also adds school psychologists, specified developmental therapists, peers, clinical fellows, students, and certain community mental health center providers to the definition of "practitioner" for purposes of practicing telehealth.

*Behavior Health Analysts:* It allows behavior health analysts to temporarily perform telehealth during the time when the professional licensing agency is preparing to implement licensure for the profession.

**Effective Date:** July 1, 2022.

**Explanation of State Expenditures:** (Revised) Certain telehealth services could potentially become more accessible to state Medicaid enrollees or state employee health plan insureds as a result of the bill expanding the definition of telehealth practitioners to include occupational therapists and therapist assistants, speech-language therapy fellows, school psychologists, students directed by license holders, and behavior analysts.

The PLA may have some minor workload increase to recognize behavior health analysts prior to a full professional licensing program is implemented.

Additional Information -

*Expansion of Telehealth Services:* The bill's impact on claims payments under state health programs will depend on the extent to which telehealth services add to or displace care that would have otherwise occurred. An increase in telehealth visits may be mitigated by factors such as a reduced likelihood of emergency visits, transportation costs, and possible lower payment rates for practitioners with limited licenses or permits.

*Medicaid Telehealth Services:* The Medicaid state plan currently limits reimbursement for telehealth services to certain eligible services and provider types. Payment for telehealth services rendered by students or through delegated services as described by the bill would depend on determinations made by the FSSA and its contracted managed care entities that the services are eligible for reimbursement.

*Medicaid State Share:* Medicaid and the Children's Health Insurance Program (CHIP) are jointly funded between the state and federal governments. The standard state share of costs for most Medicaid medical services for FFY 2021 is 34%, or 10% for the age 19 to 64 expansion population within the Healthy Indiana Plan. The standard state share of CHIP costs is 24%.

*State Employee Health Plan:* Costs for the state health plans are shared between the state and state employees covered by the plan as determined in the plans' designs, including premiums, coinsurance, copayments, and deductibles. An increase in premiums cost may be mitigated with adjustments to other benefits or to employee compensation packages, or through the division of premium costs between the state and state employees.

**Explanation of State Revenues:** *Insurance Premium Tax:* An increase in private insurance claims for telehealth services may create upward pressure on premiums collected in the state. Any increase in insurance company premiums will increase General Fund revenue from either insurance premium tax collections or Adjusted Gross Income (AGI) tax collections. This impact is expected to be minimal.

**Explanation of Local Expenditures:** *Local Health Plans:* The bill potentially impacts local units of government who offer certain types of health insurance coverage for employees. Added local health coverage costs may be mitigated with adjustments to other benefits or to the total employee compensation packages, or through the division of costs between the local unit and employees. This impact is expected to be minimal.

*School Corporations:* The bill could impact the hiring decisions of school corporations to the extent that it facilitates the provision of certain school-based health services via telehealth.

**Explanation of Local Revenues:**

**State Agencies Affected:** Professional Licensing Agency; Family and Social Services Administration; State Personnel Department; all state agencies.

**Local Agencies Affected:** Schools and local units providing health care.

**Information Sources:** Family and Social Services Administration, Provider Reference Module: Telehealth and Telemedicine Services;  
<https://www.in.gov/medicaid/providers/files/telemedicine-and-telehealth-services.pdf>.

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