

HOUSE BILL 923

By Gilmore

AN ACT to amend Tennessee Code Annotated, Title 56;
Title 63 and Title 71, relative to telemedicine.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, Part 10, is amended by adding the following as a new section.

56-7-1018.

(a)

(1) As used in this section, “telemedicine” means, as it relates to the delivery of health care services, the use of interactive audio, video, or other telecommunications or electronic technology by a licensed health care provider to deliver a health care service within the scope of practice of the health care provider at a site other than the site at which the patient is located.

(2) “Telemedicine” does not include:

(A) An audio-only telephone conversation between a health care provider and a patient;

(B) An electronic mail message between a health care provider and a patient; or

(C) A facsimile transmission between a health care provider and a patient.

(b) This section applies to:

(1) Insurers and nonprofit health service plans that provide hospital, medical, or surgical benefits to individuals or groups on an

expense-incurred basis under health insurance policies or contracts that are issued or delivered in the state; and

(2) Health maintenance organizations that provide hospital, medical, or surgical benefits to individuals or groups under contracts that are issued or delivered in the state.

(c) An entity subject to this section:

(1) Shall provide coverage under a health insurance policy or contract for health care services appropriately delivered through telemedicine; and

(2) May not exclude from coverage a health care service solely because it is provided through telemedicine and is not provided through an in-person consultation or contact between a health care provider and a patient.

(d) An entity subject to this section:

(1) Shall reimburse a health care provider for the diagnosis, consultation, and treatment of an insured patient for a health care service covered under a health insurance policy or contract that can be appropriately provided through telemedicine;

(2) Is not required to:

(A) Reimburse a health care provider for a health care service delivered in person or through telemedicine that is not a covered benefit under the health insurance policy or contract; or

(B) Reimburse a health care provider who is not a covered provider under the health insurance policy or contract; and

(3)

(A) May impose a deductible, copayment, or coinsurance amount on benefits for health care services that are delivered either through an in-person consultation or through telemedicine;

(B) May impose an annual dollar maximum as permitted by federal law; and

(C) May not impose a lifetime dollar maximum.

(e) An entity subject to this section may undertake utilization review, including preauthorization, to determine the appropriateness of any health care service whether the service is delivered through an in-person consultation or through telemedicine if the appropriateness of the health care service is determined in the same manner.

(f) A health insurance policy or contract may not distinguish between patients in rural or urban locations in providing coverage under the policy or contract for health care services delivered through telemedicine.

(g) A decision by an entity subject to this section not to provide coverage for telemedicine in accordance with this section constitutes an adverse determination, as defined in § 56-61-102 of this title, if the decision is based on a finding that telemedicine is not medically necessary, appropriate, or efficient.

SECTION 2. The department of correction shall study the use of telemedicine to identify opportunities to reduce the costs of delivering health care services to inmates incarcerated in a state or local correctional facility, such as reducing the cost of secure transportation. On or before December 1, 2013, the department shall report to the general assembly, and include a plan for implementing the use of telemedicine to deliver health care services to inmates.

SECTION 3. The department of finance and administration shall:

(1) Conduct a review of the current literature and evidence regarding the different types of telemedicine, and conduct a review of other payers' and other state medicaid agencies' telemedicine policies and procedures;

(2) Include in its review the evidence regarding the appropriate use of telemedicine in delivering mental health services;

(3) Based on its review, determine which types of patients would be suitable for which types of telemedicine and conduct a fiscal impact analysis that estimates the potential effect of medicaid coverage of telemedicine on utilization, price, substitution, and effects on other services; and

(4) On or before December 1, 2013, report to the finance, ways and means committees of the senate and house of representatives on the findings of its review and any recommendations on the provision of telemedicine for the medical assistance program population under title 71, including:

(A) Any cost-neutral coverage of telemedicine that can be implemented in fiscal year 2014; and

(B) Any recommended coverage of telemedicine that would require additional funding to implement in fiscal year 2015.

SECTION 4. This act shall apply to all policies, contracts, and health benefit plans issued, delivered, or renewed in the state on or after October 1, 2013.

SECTION 5. This act shall take effect October 1, 2013, the public welfare requiring it.