

## MEMORANDUM

**TO:** CHHA and LTHHCP Members  
**FROM:** Diane Darbyshire, Senior Policy Analyst  
**DATE:** February 5, 2008  
**SUBJECT:** **DOH Issues Home Health Telehealth Rate Process**  
**ROUTE TO:** CEOs, CFOs, Administrators

ABSTRACT: DOH issues information for providers to access telehealth rates.

### Introduction

The Department of Health (DOH) has issued a *Dear Administrator* letter to inform Certified Home Health Agencies (CHHAs) and Long Term Home Health Care Program (LTHHCPs) that rates have been approved for telehealth services provided to home care patients. These demonstration rates of payment were authorized in Section 3614, subdivision 3-c of the Public Health Law. The DAL, which is posted on the Health Provider Network (HPN), is attached for your convenience.

### Telehealth Rates

As has been discussed in previous NYAHSA memos, the DAL outlines a tiered pricing approach based on the level of interoperability of the system. It is important to note that a *Home Care Telehealth Survey* will be posted on the HPN this week, and **must be submitted electronically by February 25<sup>th</sup> in order to be eligible to bill the telehealth rates.**

Reimbursement will be provided for services to patients who have conditions or clinical circumstances which require frequent monitoring; and where the provision of telehealth services can appropriately reduce the need for an on-site or in-office visit or acute or long term care facility admission. Patient eligibility for purposes of this demonstration must be determined through both a physician's order and a patient risk assessment tool to be administered by the home care provider. This risk assessment tool can be agency specific but must incorporate certain key aspects delineated in the DAL.

Providers participating in this demonstration will be required to submit patient-specific quarterly reports to DOH electronically through the HPN. This information will be used to evaluate home health telehealth use.

Members should review the DAL carefully for important instructions on how to access rates. Any questions regarding the telehealth rate demonstration or this DAL should be directed to Rebecca Fuller Gray, DOH Director Bureau of Home Care and Hospice Surveillance, Quality Indicators/Evaluation at 518-408-1638.

## **Conclusion**

If you have any questions or comments regarding the contents of this memo, please contact Diane Darbyshire at 518-449-2707, ext. 162 or [ddarbyshire@nyahsa.org](mailto:ddarbyshire@nyahsa.org).

## **Attachment**

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# STATE OF NEW YORK DEPARTMENT OF HEALTH

Corning Tower The Governor Nelson A. Rockefeller Empire State Plaza Albany, New York 12237

Richard F. Daines, M.D.  
*Commissioner*

Wendy E. Saunders  
*Chief of Staff*

February 1, 2008

**DAL:** HCBS 08-09  
**SUBJECT:** Rate Approvals for Telehealth Services  
Provided to Home Care Patients

Dear Administrator:

This letter is to inform certified home health care agencies and long term home health care program providers that rates have recently been approved for telehealth services provided to home care patients. These demonstration rates of payment were authorized in Section 3614, subdivision 3-c of the Public Health Law to ensure the availability of technology-based patient monitoring, communication and health management. Reimbursement will be provided for services to patients who have conditions or clinical circumstances which require frequent monitoring; and where the provision of telehealth services can appropriately reduce the need for an on-site or in-office visit or acute or long term care facility admission.

The demonstration rates reflect the monthly costs of telehealth services and account for daily variation in the intensity and complexity of patients' telehealth services needs. These functions include monitoring of patient vital signs; patient education; medication management; equipment maintenance; review of patient trends and/or other changes in patient condition necessitating professional intervention.

The department has developed a tiered-pricing approach, which is based on the level of interoperability that has been incorporated in the individual telemedicine program used by the home care agency. Interoperability is defined in this context as the ability to exchange health information among disparate providers, other authorized entities and patients using widely divergent systems in real time while ensuring security, privacy and other protections. The tiers of interoperability eligible for reimbursement re defined as follows:

1. Tier 1 – Class 2 Medical Device that is FDA approved with interoperability.
2. Tier 2 – Tier 1, plus a standard interconnection with a home care point of care system.
3. Tier 3 – Tier 2, plus a standard interconnection with electronic health record and statewide health information network for New York.

The initial rates capture those systems within tier 1 and tier 2 categories. For tier 1, the rate of \$270 per month per patient with a one-time installation fee of \$50 will be paid. For those agencies that utilize and can demonstrate the use of an interoperable point of care system an enhanced rate of \$310 per month per patient with a one-time installation fee of \$50 will be paid.

Only agencies that have existing telehealth programs that utilize systems meeting or exceeding tier 1 interoperability standards and have been approved by the Department of Health will be eligible to submit claims. Interested providers must submit to the Department via the Health Provider Network

(HPN) the survey titled, *Home Care Telehealth Survey*. The survey will be available on the HPN the week of February 4, 2008 and will serve as the basis for adding a schedule to the cost report to electronically gather actual information for 2007 and 2008. A copy of the survey questions is attached for your reference. Providers must complete the HPN survey electronically by February 25, 2008 to be eligible to bill the telehealth rates.

A complete listing of rate codes for certified home health agencies and long term home health care programs that are approved to bill the telehealth rates will be sent directly to providers once the rate codes are finalized. Only providers that complete and submit the questionnaire to the Department and are approved to bill for telehealth services will have access to these rates. Providers who implement telehealth programs after the rates are promulgated will be required to submit information to the Department to receive approval to bill.

Patient eligibility for purposes of this demonstration must be determined through both a physician's order and a patient risk assessment tool to be administered by the home care provider. This risk assessment tool can be agency specific but must incorporate such variables as whether an individual:

- is at risk for hospitalization or emergency care visits;
- lives alone;
- has a documented history of or is at high risk of requiring unscheduled nursing visits or interventions;
- has a history of non-compliance adhering to disease management recommendations;
- requires on-going symptom management related to dyspnea, fatigue, pain, edema, or medication side effects or adverse effects;
- resides in a medically under-served, rural, or geographically inaccessible area;
- requires frequent physician's office visits;
- has difficulty traveling to and from home for medical appointments; and
- has the functional ability to work with the telehealth monitoring equipment, in terms of sight, hearing, manual dexterity, comprehension and ability to communicate.

A copy of the risk assessment tool to be used and how determinations will be made must be submitted to the Department prior to the rate being approved. Providers are requested to submit this information by February 25, 2007 to Rebecca Fuller Gray at the following address:

New York State Department of Health  
Office of Long Term Care  
Bureau of Home Care and Hospice Surveillance, Quality Indicators/Evaluation  
161 Delaware Avenue  
Delmar, New York 12054

Only patients identified, as high risk as a result of the provider's in-person assessment will be determined eligible for reimbursement purposes. The risk assessment must be done prior to enrolling the patient in the telehealth rate demonstration and at least every 60 days thereafter while telehealth intervention is being used. Documentation of the patient specific risk assessments must be maintained in the patient record and must be made available to the Department on request.

Reimbursement is available for Medicaid eligible patients through this demonstration rate. Providers can not bill for telehealth services provided to patients who have Medicare, commercial insurance or are insured through other payers, during the same time period or episode of care in which the provider is billing or is being paid by another insurer.

Providers participating in this rate demonstration will be required to submit patient specific quarterly reports electronically through the Department's HPN. The required format for these submissions will be provided by the Department at a later date. These data submissions will provide the Department with information to evaluate the use of telehealth in the home care setting. The requested information will include but will not be limited to:

- the number of patients screened, i.e. the number of risk assessments performed;
- the number of patients enrolled by payer;
- patient specific diagnosis including both primary and secondary diagnoses;
- patient specific cost information;
- the number of days telehealth monitoring was used by patient;
- the number of telehealth encounters/visits by patient;
- the number of home care nursing visits by;
- the number of emergency room visits by;
- the number of hospitalizations by patient enrolled in the rate demonstration;
- the number of unscheduled physician visits by patient; and
- reason for discontinuing telehealth monitoring.

Providers are reminded that only technology that is used for health status, assessment and monitoring will be eligible for reimbursement. Motion and activity, medication dispensing, telephone monitoring and PERS type technology will not be eligible for reimbursement through this rate.

Failure to perform the risk assessments, billing inappropriately, or not responding to the quarterly HPN survey of approved providers within the specified time periods will result in the provider's approval to bill for telehealth services to be rescinded.

If you have any questions regarding the telehealth rate demonstration, please contact Rebecca Fuller Gray, Director Bureau of Home Care and Hospice Surveillance, Quality Indicators/Evaluation at (518) 408-1638.

Sincerely,



Mark Kissinger  
Deputy Commissioner  
Office of Long Term Care

Attachment

cc: Deborah Bachrach, New York State Medicaid Director  
James Sheehan, Office of the Medicaid Inspector General

New York State Department of Health  
 Division of Health Care Financing  
 Bureau of Long Term Care Reimbursement

Telehealth (Article 36 Section 14 Subsection 3C) Survey

Home Care Agencies that are requesting a Medicaid rate for telehealth technology must provide the following information:

1) Agency Information:

- Agency Name \_\_\_\_\_
- Address \_\_\_\_\_
- Address \_\_\_\_\_
- City \_\_\_\_\_
- State \_\_\_\_\_
- Zip \_\_\_\_\_

2) Contact Information:

- Name \_\_\_\_\_
- Title \_\_\_\_\_
- Phone Number \_\_\_\_\_

3) Type of Agency:

- CHHA
- LTHHC

4) Estimated Telehealth Installations (Annually) in 2008 \_\_\_\_\_.

5) Estimated Utilization by payer and service for Monthly Monitoring (Annually) 2008:

	Tier I	Tier II	Tier III
Medicaid			
Medicare			
Other			

- Tier 1 – Class 2 Medical Device that is FDA approved with interoperability capability.
- Tier 2 – Tier 1, plus a standard interconnection with a home care point of care system.
- Tier 3 – Tier 2, plus a standard interconnection with an electronic health record and statewide health information network for New York.

6) Specify the make, model, manufacturer of the telehealth equipment and the name of the telehealth vendor used by your agency:

- Make: \_\_\_\_\_
- Model: \_\_\_\_\_
- Manufacturer: \_\_\_\_\_

7) Vendor: \_\_\_\_\_

Vendor contact information:

Name:

Position:

Telephone number:

8) Type and current version of the standards used to support interconnections with other systems:

\_\_\_\_\_  
\_\_\_\_\_

9) Do you plan to implement an electronic health record with this interoperability within the next three years?

Yes \_\_\_\_\_ No \_\_\_\_\_

10) Actual Telehealth Installation Utilization (3 Month) October – December 2007 \_\_\_\_\_.

11) Actual Utilization by payer and service for Monthly Monitoring (3 Month) October – December 2007.

	Tier I	Tier II	Tier III
Medicaid			
Medicare			
Other			

By submitting this information, I hereby certify and attest that the information furnished in this report is in accordance with the applicable instructions furnished by the New York State Department of Health and is true and correct to the best of my knowledge.

NAME CHIEF EXECUTIVE OFFICER,  
OPERATOR/OWNER OF THE AGENCY

\_\_\_\_\_

DATE: \_\_\_\_\_

TELEPHONE NUMBER:

\_\_\_\_\_