

# Telehealth and SNFs: Capitalizing on an Opportunity

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## Overview

1. The Telehealth Opportunity for SNFs
2. Medicare Reimbursement of Telehealth
3. Services that Can (and cannot) Be Provided via Telehealth
4. Further Legal Considerations
5. Coming Attractions: Federal Legislation, CMS Rulemaking

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## Goals

1. Understand what telehealth is, and how it can be a difference-maker for SNFs from a quality perspective.
2. Learn about opportunities for reimbursement, including where your SNF may be "leaving money on the table."
3. Join "Team Telehealth!"



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## The Telehealth Opportunity for SNFs

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### What is telehealth?

Synchronous Audio-Video

Asynchronous communication, *i.e.*, store and forward

Remote patient monitoring

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### Will Seniors Even Use Telehealth?

- A 2019 Senior Consumer Survey finds that 52% of Americans age 65+ are open to telehealth.
- 45% of Americans age 65+ have used the equivalent of telehealth technology – videoconferencing via Skype, FaceTime, etc. – but not for healthcare.
- If anything, there are concerns about *over* utilization of telehealth within this population after appropriate training is provided.

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How is telehealth used in SNFs?

- Primary Care Support
- Behavioral Health Services
- Specialty Consults
- Virtual check-ins
- Remote patient monitoring

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Does this actually work? A success story

350-bed SNF in New York City utilized telehealth for one year. What happened?

- Utilizing an after hours virtual telehealth service reduced hospitalizations by nearly 20%, avoiding 91 admissions.
- Cost to the SNF? \$60,000
- Cost savings for Medicare? \$1.3 million
- Additional billings for the SNF? \$132,000

See Impact of After-Hours Telemedicine on Hospitalizations in a Skilled Nursing Facility, American Journal on Managed Care August 2018 Volume 24, Issue 8.

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Does this actually work? A success story

Plainview, NY's Central Island Healthcare ("CIH") was among the 3% of SNFs to qualify for the maximum CMS bonus under the SNF Value-Based Purchasing Program in 2019, earning a \$150,000 bonus.

- *How did telehealth help? By reducing hospital transfers 44%, improving patient care, and improving staff morale.*
- *CIH achieved these results by partnering with a 24/7 on-call physician service.*

See E. Wicklund, How One SNF Used Telemedicine to Qualify for a Medicare Bonus, mHealthIntelligence (Dec. 13, 2018).

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### Does this actually work? Tele-behavioral health

A Texas-based provider of behavioral health services in some 1400 LTCFs across 27 states is utilizing telehealth. What have they found?

- *Telehealth makes a huge difference combatting access issues in rural areas and areas impacted by natural disasters.*
- *Telehealth allows for consistent delivery of high-quality services, including by a patient's own provider in a time of crisis.*
- *Many SNFs believe they don't have the money or the technology to make this work, but with careful planning, determining exactly what you need, and utilizing the right technology, it doesn't have to cost a ton of money.*

See E. Wiklund, Telemedicine Helps SNFs Connect Patients to Mental Health Services, *vrhealthintelligence* (Mar. 11, 2018).

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### Telehealth and Palliative Care (including in CA)

- The Hospice of Santa Cruz County is using a \$167,000 grant to create a telehealth platform for patients in need of palliative care. The platform will enable virtual visits, medication management, and more.
- Calvary Hospital in NYC provides palliative care via telehealth, as they don't have the manpower to provide the services in-person. But they aren't able to move the services to post-acute settings because facilities aren't using telehealth. Using telehealth allowed Calvary to:
  - Monitor a late-stage population at high risk of rehospitalization;
  - Begin difficult discussions earlier; and
  - Access in-demand specialists when needed.

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### The Telehealth Value Proposition for SNFs is Changing

Medicare's fee-for-service landscape has been challenging for telehealth, but change is underway. Specifically:

- CMS is now paying for certain telehealth services regardless of where the patient is located.
- Payment is available to SNFs through value-based payment incentives that telehealth can help SNFs achieve
- Telehealth can create additional inpatient days for SNF residents by preventing hospitalizations

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# Understanding Telehealth Reimbursement

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Overview

Medicare fee-for-service

Medicare Advantage

Medi-Cal

Communication Technology and Remote Evaluation Services

SNF Value-Based Purchasing

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Medicare Telehealth Services: In the beginning ...

CMS began covering telehealth services for Medicare FFS beneficiaries in 1997.

Ask yourself:

1. How has the utilization of technology in health care changed since 1997?

2. How has your work changed since 1997?

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### Medicare Telehealth Services

**Geographic Restrictions:** "Medicare telehealth services" are only covered if the patient is in a rural health professional shortage area ("HPSA") or a county that is not a metropolitan statistical area ("MSA") (unless an exception applies).

**Right type of provider?**

**Service included on list of "Medicare telehealth services"?**

**Is synchronous audio-video technology used?**

**Originating Site Restrictions**

- Hospitals
- Community Access Hospitals
- Hospital-based or CAH-based renal dialysis centers
- **Skilled Nursing Facilities (SNFs)**
- Community Mental Health Centers
- Physician or practitioner offices
- Rural health clinics
- Federally qualified health centers (FQHCs)
- *New originating sites added starting in July 1, 2019...*

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### Does my SNF qualify as an approved originating site? How does billing work?

Medicare Telehealth Payment Eligibility Analyzer

Professional Fee → Clinician

Facility Fee → SNF

*Yes, a facility fee can be billed as a Part B service during a Part A SNF stay.*

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### Medicare Advantage and "Additional Telehealth Benefits"

- **What changed?** Medicare Advantage has long had flexibility to cover telehealth as *supplemental* benefits. Now, MA plans can cover services provided via telehealth as *basic* benefits.
- **What can MA plans cover?** Any services that Medicare covers, so long as the plan determines that it is "clinically appropriate" to provide the service via telehealth.
- **When does this take effect?** January 1, 2020.

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## Medi-Cal

...who knows?



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## SNF Value Based Purchasing

### SNF VBP Funding

As required by statute, CMS withholds 2% of SNFs' fee-for-service (FFS) Part A Medicare payments to fund the program. This 2% is referred to as the "withhold". CMS redistributes 60% of the withhold to SNFs as incentive payments.

The withhold is "earned back" by reducing hospital readmissions. Treating patients via telehealth at a SNF can reduce hospital readmissions, helping to "earn back" the withhold.

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## Communication Technology and Remote Evaluation Based Services

### Virtual Check-ins, Store-and-Forward, Inter-professional Consults

- Synchronous audio or audio-video communication only (except store and forward).
- Is a follow-up necessary?
- Cannot be related to service provided within previous 7 days, next 24 hours, or soonest available appointment.
- Patient consent is required.
- For existing patients only.

### Remote Patient Monitoring

- 99453: Pays for initial equipment set-up and patient education.
- 99454: Pays for interpretation/monitoring of information from devices that communicate clinical information on a daily basis.
- 99457: Remote physiological treatment management services. To bill using this code, the patient must receive at least 20 minutes of interactive treatment each month.

***These are not "Medicare telehealth services," so they can be provided to patients regardless of their location.***

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So ... what opportunities are available to me  
(provided I satisfy other applicable requirements)?

1. **Medicare FFS:** Only if you are an eligible rural SNF (remember: Use the [Medicare Telehealth Payment Eligibility Analyzer](#))
2. **Medicare Advantage:** Any SNF with patients enrolled in MA plans that cover telehealth services beginning January 1, 2020.
3. **Medi-Cal:** SNFs treating Medi-Cal patients.
4. **SNF Value Based Purchasing:** SNFs treating Medicare patients.
5. **Communication Technology and Remote Based Services:** SNFs treating Medicare patients.

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Services Available (and  
unavailable) via Telehealth

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Medicare Restrictions: Telehealth Services at SNFs

SNF Intake Physician Services:



Subsequent Nursing Facility Services:



Initial Inpatient Telehealth Consults:



Follow-up Inpatient Telehealth Consults:



Federally Mandated Behavioral Health  
Services:



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### California Restrictions: Telehealth Services at SNFs

**SNF Intake Physician Services:**



**Subsequent Physician Services:**



**Initial Inpatient Telehealth Consults:**



**Follow-up Inpatient Telehealth Consults:**



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### Telehealth and State-Level Legal Considerations

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### Telehealth Regulation: Clinical Professionals

- What modalities does the state allow?
- What services can be provided via telehealth?
- Who can provide services via telehealth?
- Where can patients receive treatment via telehealth?
- How can a practitioner-patient relationship be established?

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## Federal focus on seniors and health care technology

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### Reducing Unnecessary Senior Hospitalizations ("RUSH") Act

- Would qualify SNFs to receive "non-surgical items and services furnished at a hospital ED that may be safely furnished by a qualified group practice at a qualified SNF."
- → *Note the continued emphasis on reducing hospitalizations.*



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### Creating Opportunities Now for Necessary and Effective Care Technologies ("CONNECT") Act

2017 bill reintroduced by Senators Schatz (HI), Cardin (MD), Wicker (Miss), Cochran (Miss), Thune (SD), Warner (VA)

1. Build on the CHRONIC Care Act of 2017 (and the Bipartisan Budget Act of 2018) which expanded telehealth in MA and ACO contexts;
2. Expand RPM for individuals with chronic conditions;
3. Expand telehealth and RPM at FQHCs, CHCs, and IHS facilities;
4. **Grant HHS the authority to lift reimbursement limitations and coverage restrictions on telehealth when quality and cost criteria are satisfied;**
5. Expand the use of tele-behavioral health services.

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### 2019 CMS and ONC Proposed Rules on Interoperability: RFI on Post-Acute Care

- In 2019, CMS and ONC issued dual proposed rules regarding patient access to health information and interoperability, focusing on providers and payers.
- *However*, the proposed rules included a request for information ("RFI") on how to increase adoption of health care technology and interoperability tools among post-acute care providers.

➔ This strongly suggests that CMS will be turning its attention to interoperability in the post-acute space.

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## Thank You Questions?

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