Hogg Foundation *for* Mental Health

HB 2612 (Raney) – Telehealth and Telemedicine Payment Parity

HB 2612 is referred to by many as the telehealth parity bill. Among other things, this bill requires that telemedicine and telehealth visits be reimbursed at the same rate as in-person visits and a specific platform may not be required. The Hogg Foundation for Mental Health has long supported the need to promote equity in service delivery and payment, and supports the advancement of telehealth especially for mental health and substance use services.

It is illogical to think that providing telehealth services as one service delivery option (not typically the only option) would significantly reduce the providers' costs. On the contrary, providing this additional mode of service delivery often increases costs due to the need for higher quality equipment and reliable bandwidth/broadband service not normally needed when only providing in-person services. Additionally, the vast majority of providers will continue to provide in-person services and consequently will continue to incur the ongoing costs of supporting a clinic or community office. As recognized by the Texas Coalition of Health Minds:

> *During the pandemic, CMS changed Medicare rules to allow for expanded telehealth services. Recognizing the importance of telehealth/telemedicine services to accessing treatment, CMS required reimbursement at the same rate as in-person visits.*[1] *Telemedicine and telehealth should be considered one option available to provide mental health and substance use services – not the only option. Mode of delivery should be person-centered, decided in consultation with the provider and the individual.*

A 50-state survey of insurance laws conducted by Foley and Lardner LLP provides indication that the lack of telemedicine/telehealth payment parity could limit a provider's willingness to offer telehealth services, inhibiting access to services. The study stated that, "If the health plan's payment rate is too low, it can create a disincentive for providers to offer telehealth services, undermining the very policy purposes the coverage law was intended to achieve. When this happens, in-network providers have no recourse other than to 1) offer telehealth services at a loss, or 2) simply no longer offer telehealth as an option."[2]

> *Take a clinician attending to a patient with a chronic illness, for example. They meet regularly, so it would be easier for the patient to adhere to a care plan by attending some visits via telehealth instead of only in-person. If that clinician is not guaranteed payment because the patient's insurer doesn't cover telehealth - or even if the private payer pays substantially less solely because the visit is virtual - then that clinician is less likely to offer telehealth to their patients.*
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> *(Sarah Iacomini, Will Telehealth Payment Parity be Permanent or a passing Fancy? E-Health Intelligence, February 22, 2021)*

If telehealth services are not offered with reimbursement parity, providers will likely not be as willing to offer these services in the future, undoing many of the advances made during the pandemic. This would have a strong impact on rural areas of Texas and likely increase health inequities and disparities.

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[1] Centers for Medicaid and Medicare Services. (March 17, 2020). Medicare telemedicine health care provider fact sheet. Retrieved from https://www.cms.govinnewsrom/fact-sheet/medicare-telemedicke-health-care-provider-fact-sheet.

[2] Lacktman, N., et al. (February 2021). 50-State Survey of Telehealth Commercial Insurance Laws. Retrieved from https://www.foley.com/-/media/files/insights/publications/2021/02/21mc30431-50state-telemed-reportmaster-02082021.pdf