

Legislative Analysis



TELEMEDICINE

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 5412 as introduced
Sponsor: Rep. Hank Vaupel

Analysis available at
<http://www.legislature.mi.gov>

House Bill 5413 as introduced
Sponsor: Rep. Douglas C. Wozniak

House Bill 5415 as introduced
Sponsor: Rep. Frank Liberati

House Bill 5414 as introduced
Sponsor: Rep. Phil Green

House Bill 5416 as introduced
Sponsor: Rep. Mary Whiteford

Committee: Health Policy
Complete to 2-26-20

SUMMARY:

House Bills 5415 and 5416 would each add a section to the Social Welfare Act to require coverage of certain telemedicine services.

Specifically, **HB 5415** would require the Department of Health and Human Services to provide coverage for *remote patient monitoring services* through the medical assistance program and Healthy Michigan program under the act.

Remote patient monitoring services would mean digital technology to collect medical and other forms of health data from an individual in one location and electronically transmit that information securely to a health care provider in a different location for assessment and recommendations.

HB 5416 would provide that, beginning October 1, 2020, telemedicine services be covered under the medical assistance program and Healthy Michigan program if the originating site were an in-home or in-school setting, in addition to any other *originating site* allowed in the Medicaid provider manual or any established site considered appropriate by the provider.

Originating site would mean the location of the eligible recipient at the time the service being furnished by a telecommunications system occurs.

HB 5415: Proposed MCL 400.105g

HB 5416: Proposed MCL 400.105g

House Bill 5414 would add the following definition for *telemedicine* to the Mental Health Code:

Telemedicine means the use of an electronic media to link patients with health care professionals in different locations. To be considered telemedicine under this

section, the health care professional must be able to examine the patient via a secure interactive audio or video, or both, telecommunications system, or through the use of store and forward online messaging.

It would also specify that a *recipient*, for the purposes of the code, would be someone receiving mental health “either in person or through telemedicine.”

MCL 330.1100c and 330.1100d

House Bills 5412 and 5413 would amend the definition of telemedicine in the Insurance Code and the Nonprofit Health Care Corporation Reform Act, respectively. Both would remove the option that the telecommunications system be “real-time” and the requirement that the patient be able to interact with the off-site health care professional at the time the service is provided. Instead, they would adopt the same definition as is provided for telemedicine in HB 5414, above.

HB 5412: MCL 500.3476

HB 5413: MCL 550.1401k

FISCAL IMPACT:

These bills would have an indeterminate fiscal impact but likely increase Medicaid-related expenditures a minimal amount from increased access to and utilization of telemedicine. Allowing for non-real-time telemedicine services and requiring the Department of Health and Human Services (DHHS) to provide telemedicine services through medical assistance would increase ease of access to medical services, likely resulting in an increase in traditional Medicaid and Healthy Michigan Plan caseloads and subsequent expenditures. If Medicaid costs would increase, the federal share of the increase would be 64.06% for traditional Medicaid and 90.75% for Healthy Michigan Plan.

Specifically, these bills would require DHHS to offer telemedicine services through medical assistance, meaning that telemedicine services could be provided through Medicaid managed care organizations—pursuant to contracts with DHHS—or would alternately be provided through fee-for-service. Additionally, providing for flexibility in the designation of an originating site for telemedicine services would further increase access to medical services.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.