January 24, 2019

Stephanie Muth, Deputy Executive Commissioner
Medicaid & CHIP Services
Texas Health and Human Services Commission
4900 N. Lamar Blvd.
Austin, TX 78751-2316

Dear Ms. Muth:

On behalf of the Texas Medical Association, Texas Association of Health Plans, Texas Association of Community Health Plans, Texas Hospital Association, Texas Pediatric Society, and Texas Academy of Family Physicians, we are writing to respectfully urge the Texas Health and Human Services Commission (HHSC) to: (1) expedite the update of Medicaid telemedicine policy to include all currently covered Current Procedural Terminology (CPT) codes for which telemedicine services might appropriately be provided consistent with state law, and (2) provide guidance with respect to the extent to which Medicaid managed care organizations may provide payment for telemedicine medical services outside those services recognized by HHSC policy.

Since October 2018, our organizations have held three Medicaid Managed Care Summits so our members can work collaboratively to improve Medicaid. Our organizations are committed to working with HHSC staff to implement pragmatic changes we believe will help ensure more timely, accountable, and quality care.

One such reform is to update the state’s Medicaid telemedicine policy outlined in the Texas Medicaid Provider Procedures Manual (TMPPM) to include the universe of Medicaid services eligible for payment when provided via telemedicine. Currently, Texas Medicaid telemedicine policy recognizes only a discrete and narrow list of CPT codes for which a physician may be
paid using the telemedicine modifier. However, this policy is inconsistent with current Texas law, which requires Medicaid payment for telemedicine medical services a physician initiates or provides, without regard to any additional conditions or qualifications HHSC policy imposes. In fact, the legislature, through the enactment of Senate Bill 1107 (85th regular legislative session), already has dictated the appropriate guidelines for providing telemedicine medical services. HHSC thus should allow payment to the extent a telemedicine medical service falls within those guidelines, rather than restricting payment to only a few hand-selected codes.

Telemedicine is not currently used through Medicaid to the extent we believe it could be, at least in part because HHSC’s restrictive payment policy makes it difficult for physicians to use telemedicine to provide patients access to medical services. As detailed in the HHSC Telemedicine, Telehealth, and Home Telemonitoring Services in Texas Medicaid December 2018 report, while use of teleservices has increased, the proportion of Medicaid services delivered remotely is still relatively small. In 2016, only 437 physicians billed for telemedicine services; in 2017, the number increased to 527 physicians. The majority of those telemedicine providers reside in metropolitan areas such as Houston, Austin, and Dallas, while far fewer rural physicians are using telemedicine.

The limited set of currently covered Medicaid CPT codes for which HHSC has outlined in the TMPPM as allowable for provision via teleservices remains a primary barrier to broader use of telemedicine within the Medicaid program. Thus, we strongly encourage HHSC to expeditiously update its policies to clarify that all currently billable Medicaid codes for which telemedicine services might appropriately be provided are allowable for payment for telemedicine medical services to the extent required under law.

One additional barrier to increased patient use of telemedicine is the lack of clarity surrounding Medicaid managed care payment. The Medicaid managed care plans are restricted by their contract to pay only for codes outlined in the Texas Medicaid Provider Procedures Manual. Thus, we also seek written clarification that Medicaid managed care organizations do have discretion to pay for any service provided via telemedicine so long as the service is covered by Texas Medicaid.

Thank you for your consideration.

Sincerely,

Douglas W. Curran, MD  
President  
Texas Medical Association

Jamie Dudensing  
Chief Executive Officer  
Texas Association of Health Plans
John Hawkins  
Senior Vice President, Government Relations 
Texas Hospital Association

Kay Ghahremani  
President and CEO 
Texas Association of Community Health Plans

Ben Raimer, MD  
President  
Texas Pediatric Society

Janet Hurley, MD  
President  
Texas Academy of Family Physicians

cc: The Honorable Charles Schwertner, MD  
The Honorable Four Price  
Erin McManus, Policy Analyst, HHSC