

- SUBJECT:** Telemedicine pilot programs for Medicaid, ERS, and TRS patients
- COMMITTEE:** Public Health — committee substitute recommended
- VOTE:** 11 ayes — Crossover, Naishtat, Blanco, Coleman, Collier, S. Davis, Guerra, R. Miller, Sheffield, Zedler, Zerwas
- 0 nays
- WITNESSES:** For — Bobby Dale; Kevin Dyer; (*Registered, but did not testify*: Dan Posey, Baylor Scott and White Health; Gabriela Saenz, CHRISTUS Health; Greg Hansch, National Alliance on Mental Illness Texas; Marina Hench, Texas Association for Home Care and Hospice; Amanda Martin, Texas Association of Business; Jaime Capelo, Texas Chapter American College of Cardiology; Nora Belcher, Texas e-Health Alliance; Dan Finch, Texas Medical Association; Clayton Travis, Texas Pediatric Society; John Davidson, Texas Public Policy Foundation)
- Against — None
- On — (*Registered, but did not testify*: Laurie VanHoose, HHSC)
- BACKGROUND:** Under Government Code, sec. 531.02176, the authorization for the Health and Human Services Commission to reimburse providers under the Medicaid program for the provision of home telemonitoring services will expire on September 1, 2015. Some have called for the extension of Medicaid reimbursement for these services and the coverage of these services under the Employees Retirement System and Teacher Retirement System (TRS) health insurance programs. Telemonitoring and telemedicine can be important to individuals in rural areas and to those who have chronic medical conditions who risk compromising their immune systems by traveling outside their homes for healthcare.
- DIGEST:** CSHB 3476 would require the development and implementation of three separate pilot projects by June 1, 2016, to provide telemedicine and telehealth services for a Medicaid recipient, TRS-Care recipient, or an

ERS annuitant at the individual's residence.

**Medicaid pilot project.** The bill would require the executive commissioner of the Health and Human Services Commission (HHSC) to develop and implement a pilot project under Medicaid that would provide for the reimbursement of telemedicine medical services and telehealth services provided to recipients at their residence. The bill would specify that a request to HHSC for reimbursement for a telemedicine medical service that was medically necessary could not be denied solely because of the service delivery method. The executive commissioner would submit a report to the Legislature on the results of the pilot project by December 1, 2018.

The HHSC executive commissioner would adopt the rules necessary to implement the pilot project and related reimbursement conditions by May 1, 2016.

The bill would repeal the current expiration date of September 1, 2015, for reimbursement for provision of home telemonitoring services under Medicaid.

**ERS group benefits pilot project.** CSHB 3476 would require the board of trustees of the Employees Retirement System of Texas (ERS) to establish a pilot project under which an ERS group health benefit plan would provide benefits for telemedicine medical services and telehealth services to annuitants at their residences. An annuitant would mean an individual eligible to participate in the ERS group benefits program. The board of trustees would enter into any agreements necessary to provide benefits for telemedicine medical services and telehealth services to annuitants participating in the pilot project by June 1, 2016.

The bill would specify that the pilot project would have to:

- provide services in a manner that allowed at least 1 percent of annuitants to participate in the pilot project;
- aim to provide quality and cost-effective care to annuitants; and

- ensure that the pilot project was able to provide services to annuitants.

The board of trustees would submit a report to the Legislature on the results of the ERS pilot project by December 1, 2018. The bill would specify the contents of the report.

ERS would adopt rules necessary to implement the pilot project by May 1, 2016.

**TRS pilot project.** The bill would require the Teacher Retirement System (TRS) of Texas to establish a pilot project under which a health benefit plan provided under Insurance Code, ch. 1575, the Texas public school employees group benefits program, would provide benefits for telemedicine medical services and telehealth services provided to retirees at their residence. The bill would require TRS to enter into any agreements necessary to provide benefits for telemedicine medical services and telehealth services to retirees who would participate in the pilot project. The pilot project would have to:

- provide services in a manner that allowed at least 1 percent of retirees to participate in the pilot project;
- aim to provide quality and cost-effective care to retirees; and
- ensure that the pilot project was able to provide services to retirees.

The bill would require TRS to submit a report to the Legislature by December 1, 2018, on the results of the pilot project.

TRS would adopt the rules necessary to implement the pilot project by May 1, 2016. The provisions of the bill creating the pilot projects would expire on September 1, 2019.

**Telemonitoring.** If HHSC determined that a statewide program that permitted reimbursement under the state Medicaid program for home telemonitoring services would be feasible, the program would have to provide that home telemonitoring services were available to:

- an individual 60 years old or older;
- an individual with special health care needs, including a chronic physical or developmental condition or a terminal illness; or
- an individual who was diagnosed with conditions as specified in existing statute under Government Code, sec. 531.02164.

The HHSC executive commissioner would adopt the rules necessary to implement the telemonitoring provisions by March 1, 2016.

**Application to insurance claims.** The bill's provisions regarding telemonitoring would apply only to an insurance claim filed or entered into or a legal cause arising on or after September 1, 2015.

**Federal waiver.** If before implementing any provision of the bill a state agency determined that a waiver or authorization from a federal agency was necessary to implement that provision, the bill would direct the agency affected by the provision to request the waiver or authorization and the agency could delay implementing that provision until the waiver or authorization was granted.

The bill would take effect September 1, 2015.