

LEGISLATIVE UPDATE



Week of February 1, 2021

State Issues

Budget Trailer
Bill Language:
Telehealth

This week, the Department of Finance released several sets of proposed trailer bill language. The Office of Health Care Affordability was supposed to be included – but was not. More to come. What was released included a detailed review of the Department of Health Care Services’ policy proposal and changes related to telehealth. This new proposal has been in the works for more than a year, and providers have been anxiously awaiting their plan.

While Medi-Cal had always offered some telehealth services, in the early days of the pandemic, DHCS had implemented broad flexibilities to rules limiting access and provider reimbursement. DHCS’s “temporary” flexibilities have allowed 1) All Medi-Cal services able to be provided via telehealth to be provided in that modality, including traditionally school-based services; 2) allowing new patients to be established with a new provider via telehealth; 3) allowing payment parity between traditional in person care and telehealth services; and 4) waiving site limitation – meaning both the patient and the provider can be outside of the hospital (like while quarantined in their homes).

We know, and the Department reports, that both physical and behavioral health patients and providers responded positively to this increased support and access to telehealth – including telephone-only visits. Providers quickly adjusted and patients welcomed the convenience, rapid appointment response times and the elimination of other barriers to care – like travel times, time off work, and stigma barriers for behavioral health care and care for LGBTQ patients. Patients without broadband access (including rural communities) or smart phones or other technology, welcomed the telephone only care they could receive. “No Show” rates, which has been a challenge for Medi-Cal providers, has seen a significant decrease.

The State proposes, as of July 1, 2021 (and once all necessary federal waivers and rule changes are made), the following permanent changes to the state’s telehealth policy:

- Require payment parity between in-person visits and synchronous telehealth care.
- Expand the use of telephonic/audio-only services, including remote patient monitoring for established patients. (A separate fee-schedule, not the PPS rate, will be required for clinics.)
- Allow telehealth and telephonic care for State Plan Drug Medi-Cal services.
- Expand telehealth to cover intense behavioral health care and school-based mental health care.
- Allow clinics to provide telehealth care when the patient is in their home and to establish a new patient via telehealth, but not telephonic only services.

The State is NOT proposing to include all of the flexibilities provided during the state of emergency. The flexibilities not being proposed mostly focus on community clinics, who already receive a unique Medi-Cal reimbursement rate, which is often seen as higher than other provider reimbursements.

(more)

<p>Budget Trailer Bill Language: Telehealth (continued)</p>	<p>Advocates are still assessing these proposed policies and more details should be forthcoming during budget hearings, but all in all, it seems most providers got many of the concessions from the Department – while some community clinics are likely to be somewhat disappointed.</p> <p>Access the full report can be found here, which includes a great table that outlines what the state’s Pre-COVID policy was, what changes they are recommending, and why they made the decision they made. It also clearly spells out next steps, what needs federal approval, and timelines for that work. This document provides a great deal of clarity and transparency – more than usual in a long while from DHCS. Recognition for the latter goes to new Director Will Lightborne and new Medicaid Director Jaycee Cooper.</p>
<p>Hearings: Budget Subcommittees on Health</p>	<p>Next Monday, February 8, at 2:30pm, the Assembly Budget Subcommittee #1 on Health and Human Services will hold a hearing – click here for agenda.</p> <p>The hearing will cover a great deal of COVID-19 state response issues. Also, note other issues of interest:</p> <ul style="list-style-type: none"> ▪ Office of Health Care Affordability (page 13). “The Governor’s proposal to establish an Office of Health Care Affordability (and related BCP” is not included in this agenda because it would require a substantial amount of the Subcommittee’s time and attention in order to properly evaluate and vet the proposal. At this point in time, given the severity of the pandemic, the Subcommittee is choosing to devote its very limited hearing time to proposals and issues that are more directly related to the COVID-19 crisis. Hence, this proposal is being deferred without prejudice and the Subcommittee hopes to be able to turn its attention to it later this spring.” ▪ Vaccine Distribution Discussion (page 26) ▪ Health Care and Essential Workers: PPE – SB 275, Pan, Statutes of 2020 (page 32) <p>Also, today (Friday), the Senate Budget Subcommittee #3 on Health and Human Services is holding its hearing and will also cover COVID responses and various aspects of the Governor’s budget proposals that relate to health care, including the Senate’s review of the Office of Health Care Affordability – click here for agenda.</p>

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