

By: Gonzalez

H.B. No. 3171

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to improved efficiency in the delivery of Medicaid  
3 services to certain recipients, including recipients with chronic  
4 diseases, through the use of telemedicine, telehealth, and home  
5 telemonitoring services and certain disease management  
6 initiatives.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

8 SECTION 1. Section 531.001, Government Code, is amended by  
9 adding Subdivisions (4-a), (7), and (8) to read as follows:

10 (4-a) "Home telemonitoring service" means a health  
11 service that requires scheduled remote monitoring of data related  
12 to a patient's health and transmission of the data to a licensed  
13 home health agency as defined by Section 531.02164(a).

14 (7) "Telehealth service" means a health service, other  
15 than a telemedicine medical service, that is delivered by a  
16 licensed or certified health professional acting within the scope  
17 of the health professional's license or certification who does not  
18 perform a telemedicine medical service and that requires the use of  
19 advanced telecommunications technology, other than telephone or  
20 facsimile technology, including:

21 (A) compressed digital interactive video, audio,  
22 or data transmission;

23 (B) clinical data transmission using computer  
24 imaging by way of still-image capture and store and forward; and

1                   (C) other technology that facilitates access to  
2 health care services or medical specialty expertise.

3                   (8) "Telemedicine medical service" means a health care  
4 service that is initiated by a physician or provided by a health  
5 professional acting under physician delegation and supervision,  
6 that is provided for purposes of patient assessment by a health  
7 professional, diagnosis or consultation by a physician, or  
8 treatment, or for the transfer of medical data, and that requires  
9 the use of advanced telecommunications technology, other than  
10 telephone or facsimile technology, including:

11                   (A) compressed digital interactive video, audio,  
12 or data transmission;

13                   (B) clinical data transmission using computer  
14 imaging by way of still-image capture and store and forward; and

15                   (C) other technology that facilitates access to  
16 health care services or medical specialty expertise.

17           SECTION 2. Section 531.0216, Government Code, is amended to  
18 read as follows:

19           Sec. 531.0216. PARTICIPATION AND REIMBURSEMENT OF  
20 TELEMEDICINE MEDICAL SERVICE PROVIDERS AND TELEHEALTH SERVICE  
21 PROVIDERS UNDER MEDICAID. (a) The commission by rule shall  
22 develop and implement a system to reimburse providers of services  
23 under the state Medicaid program for services performed using  
24 telemedicine medical services or telehealth services.

25           (b) In developing the system, the executive commissioner by  
26 rule shall:

27                   (1) review programs and pilot projects in other states

1 to determine the most effective method for reimbursement;

2 (2) establish billing codes and a fee schedule for  
3 services;

4 (3) provide for an approval process before a provider  
5 can receive reimbursement for services;

6 (4) consult with the Department of State Health  
7 Services and the telemedicine and telehealth advisory committee to  
8 establish procedures to:

9 (A) identify clinical evidence supporting  
10 delivery of health care services using a telecommunications system;

11 (B) establish pilot studies for telemedicine  
12 medical service delivery and telehealth service delivery; and

13 (C) annually review health care services,  
14 considering new clinical findings, to determine whether  
15 reimbursement for particular services should be denied or  
16 authorized;

17 (5) establish pilot programs in designated areas of  
18 this state under which the commission, in administering  
19 government-funded health programs, may reimburse a health  
20 professional participating in the pilot program for telehealth  
21 services authorized under the licensing law applicable to the  
22 health professional;

23 (6) establish a separate provider identifier for  
24 telemedicine medical services providers, telehealth services  
25 providers, and home telemonitoring services providers; and

26 (7) establish a separate modifier for telemedicine  
27 medical services, telehealth services, and home telemonitoring

1 services eligible for reimbursement.

2 (c) The commission shall encourage health care providers  
3 and health care facilities to participate as telemedicine medical  
4 service providers or telehealth service providers in the health  
5 care delivery system. The commission may not require that a  
6 service be provided to a patient through telemedicine medical  
7 services or telehealth services when the service can reasonably be  
8 provided by a physician through a face-to-face consultation with  
9 the patient in the community in which the patient resides or  
10 works. This subsection does not prohibit the authorization of the  
11 provision of any service to a patient through telemedicine medical  
12 services or telehealth services at the patient's request.

13 (d) Subject to Section 153.004, Occupations Code, the  
14 commission may adopt rules as necessary to implement this  
15 section. In the rules adopted under this section, the commission  
16 shall:

17 (1) refer to the site where the patient is physically  
18 located as the patient site; and

19 (2) refer to the site where the physician or health  
20 professional providing the telemedicine medical service or  
21 telehealth service is physically located as the distant site.

22 (e) The commission may not reimburse a health care facility  
23 for telemedicine medical services or telehealth services provided  
24 to a Medicaid recipient unless the facility complies with the  
25 minimum standards adopted under Section 531.02161.

26 (f) Not later than December 1 of each even-numbered year,  
27 the commission shall report to the speaker of the house of

1 representatives and the lieutenant governor on the effects of  
2 telemedicine medical services, telehealth services, and home  
3 telemonitoring services on the Medicaid program in the state,  
4 including the number of physicians, ~~and~~ health professionals, and  
5 licensed health care facilities using telemedicine medical  
6 services, telehealth services, or home telemonitoring services,  
7 the geographic and demographic disposition of the physicians and  
8 health professionals, the number of patients receiving  
9 telemedicine medical services, telehealth services, and home  
10 telemonitoring services, the types of services being provided, and  
11 the cost of utilization of telemedicine medical services,  
12 telehealth services, and home telemonitoring services to the  
13 program.

14 ~~[(g) In this section:~~

15 ~~[(1) "Telehealth service" has the meaning assigned by~~  
16 ~~Section 57.042, Utilities Code.~~

17 ~~[(2) "Telemedicine medical service" has the meaning~~  
18 ~~assigned by Section 57.042, Utilities Code.]~~

19 SECTION 3. The heading to Section 531.02161, Government  
20 Code, is amended to read as follows:

21 Sec. 531.02161. TELEMEDICINE, TELEHEALTH, AND HOME  
22 TELEMONITORING TECHNOLOGY STANDARDS.

23 SECTION 4. Section 531.02161(b), Government Code, is  
24 amended to read as follows:

25 (b) The commission and the Telecommunications  
26 Infrastructure Fund Board by joint rule shall establish and adopt  
27 minimum standards for an operating system used in the provision of

1 telemedicine medical services, telehealth services, or home  
2 telemonitoring services by a health care facility participating in  
3 the state Medicaid program, including standards for electronic  
4 transmission, software, and hardware.

5 SECTION 5. Subchapter B, Chapter 531, Government Code, is  
6 amended by adding Section 531.02164 to read as follows:

7 Sec. 531.02164. MEDICAID SERVICES PROVIDED THROUGH HOME  
8 TELEMONITORING SERVICES. (a) In this section, "home health  
9 agency" means a facility licensed under Chapter 142, Health and  
10 Safety Code, to provide home health services as defined by Section  
11 142.001, Health and Safety Code.

12 (b) The executive commissioner by rule shall establish a  
13 statewide program that permits reimbursement under the state  
14 Medicaid program for home telemonitoring services as provided under  
15 this section.

16 (c) The program required under this section must:

17 (1) provide that home telemonitoring services are  
18 available only to persons who are diagnosed with one or more  
19 conditions described by Section 531.02171(c)(4) and who exhibit two  
20 or more of the following risk factors:

21 (A) two or more hospitalizations in the prior  
22 12-month period;

23 (B) frequent or recurrent emergency room  
24 admissions;

25 (C) a documented history of poor adherence to  
26 ordered medication regimens;

27 (D) a documented history of falls in the prior

1 six-month period;

2 (E) limited or absent informal support systems;

3 (F) living alone or being home alone for extended  
4 periods of time; and

5 (G) a documented history of care access  
6 challenges;

7 (2) ensure that clinical information gathered by a  
8 home health agency while providing home telemonitoring services is  
9 shared with the patient's physician; and

10 (3) ensure that the program does not duplicate disease  
11 management program services provided under Section 32.057, Human  
12 Resources Code.

13 SECTION 6. The heading to Section 531.02171, Government  
14 Code, as added by Chapter 661 (H.B. 2700), Acts of the 77th  
15 Legislature, Regular Session, 2001, is amended to read as follows:

16 Sec. 531.02171. TELEMEDICINE MEDICAL SERVICES AND  
17 TELEHEALTH SERVICES PILOT PROGRAMS.

18 SECTION 7. Section 531.02171(c), Government Code, as added  
19 by Chapter 661 (H.B. 2700), Acts of the 77th Legislature, Regular  
20 Session, 2001, is amended to read as follows:

21 (c) In developing and operating a pilot program under this  
22 section, the commission shall:

23 (1) solicit and obtain support for the program from  
24 local officials and the medical community;

25 (2) focus on enhancing health outcomes in the area  
26 served by the pilot program through increased access to medical or  
27 health care services, including:

- 1 (A) health screenings;
- 2 (B) prenatal care;
- 3 (C) medical or surgical follow-up visits;
- 4 (D) periodic consultation with specialists
- 5 regarding chronic disorders;
- 6 (E) triage and pretransfer arrangements; ~~and~~
- 7 (F) transmission of diagnostic images or data;
- 8 and
- 9 (G) monitoring of chronic conditions;

10 (3) establish quantifiable measures and expected  
11 health outcomes for each authorized telemedicine medical service or  
12 telehealth service;

13 (4) consider condition-specific applications of  
14 telemedicine medical services or telehealth services, including  
15 applications for:

- 16 (A) pregnancy;
- 17 (B) diabetes;
- 18 (C) heart disease; ~~and~~
- 19 (D) cancer;
- 20 (E) chronic obstructive pulmonary disease;
- 21 (F) hypertension; and
- 22 (G) congestive heart failure; and

23 (5) demonstrate that the provision of services  
24 authorized as telemedicine medical services or telehealth services  
25 will not adversely affect the provision of traditional medical  
26 services or other health care services within the area served by the  
27 pilot program.



1 SECTION 8. The heading to Section 531.02172, Government  
2 Code, is amended to read as follows:

3 Sec. 531.02172. TELEMEDICINE AND TELEHEALTH ADVISORY  
4 COMMITTEE.

5 SECTION 9. Section 531.02172(b), Government Code, is  
6 amended to read as follows:

7 (b) The advisory committee must include:

8 (1) representatives of health and human services  
9 agencies and other state agencies concerned with the use of  
10 telemedical and telehealth consultations and home telemonitoring  
11 services in the Medicaid program and the state child health plan  
12 program, including representatives of:

13 (A) the commission;

14 (B) the Department of State Health Services;

15 (C) the Texas Department of Rural Affairs;

16 (D) the Texas Department of Insurance;

17 (E) the Texas Medical Board;

18 (F) the Texas Board of Nursing; and

19 (G) the Texas State Board of Pharmacy;

20 (2) representatives of health science centers in this  
21 state;

22 (3) experts on telemedicine, telemedical  
23 consultation, and telemedicine medical services or telehealth  
24 services; ~~and~~

25 (4) representatives of consumers of health services  
26 provided through telemedical consultations and telemedicine  
27 medical services or telehealth services; and

1           (5) representatives of providers of telemedicine  
2 medical services, telehealth services, and home telemonitoring  
3 services.

4           SECTION 10. Section 531.02173(c), Government Code, is  
5 amended to read as follows:

6           (c) The commission shall perform its duties under this  
7 section with assistance from the telemedicine and telehealth  
8 advisory committee established under Section 531.02172.

9           SECTION 11. Subchapter B, Chapter 32, Human Resources Code,  
10 is amended by adding Section 32.0571 to read as follows:

11           Sec. 32.0571. EFFICIENT PROVISION OF DISEASE MANAGEMENT  
12 SERVICES. The department shall work to increase the efficiency of  
13 the provision of disease management services to recipients of  
14 medical assistance by:

15           (1) providing individualized treatment interventions,  
16 education, and counseling, in person and frequently, to recipients  
17 who have a disease or other chronic health condition;

18           (2) identifying recipient populations that are at risk  
19 of incurring high health care costs in the future and ensuring that  
20 they receive the appropriate preventive services; and

21           (3) identifying methods for reducing the hospital  
22 admissions, particularly the readmissions and emergency room  
23 admissions, of recipients who have a disease or other chronic  
24 health condition.

25           SECTION 12. The following provisions of the Government Code  
26 are repealed:

27           (1) Section 531.02161(a);

1           (2) Sections 531.0217(a)(3) and (4);

2           (3) Sections 531.02171(a)(3) and (4), as added by  
3 Chapter 661 (H.B. 2700), Acts of the 77th Legislature, Regular  
4 Session, 2001; and

5           (4) Section 531.02171, as added by Chapter 959 (S.B.  
6 1536), Acts of the 77th Legislature, Regular Session, 2001.

7           SECTION 13. If before implementing any provision of this  
8 Act a state agency determines that a waiver or authorization from a  
9 federal agency is necessary for implementation of that provision,  
10 the agency affected by the provision shall request the waiver or  
11 authorization and may delay implementing that provision until the  
12 waiver or authorization is granted.

13           SECTION 14. This Act takes effect September 1, 2011.