
PROGRAM MEMORANDUM CARRIERS

Department of Health
and Human Services

Health Care Financing
Administration

Transmittal No. B-00-02

Date JANUARY 2000

This Program Memorandum re-issues Program Memorandum B-99-2, Change Request 545 dated January 1999. The only change is the discard date; all other material remains the same.

CHANGE REQUEST # 545

SUBJECT: Payment for Teleconsultations in Rural Health Professional Shortage Areas

This program memorandum (PM) contains billing instructions for carriers to use in processing claims from physicians and other practitioners who furnish teleconsultations to Medicare beneficiaries who reside in a rural area designated as a health professional shortage area (HPSA). Carriers must begin processing claims for teleconsultations April 1, 1999 for dates of service January 1, 1999 and later.

Background

Section 4206 of the Balanced Budget Act (BBA) of 1997 provides coverage and payment for professional consultations with physicians and certain other practitioners via telecommunication systems. Payment may be made if the physician or other practitioner is furnishing a consultation via a telecommunication system to a beneficiary who resides in a rural area designated as a HPSA. The term practitioner will be used hereafter to include both physicians and non-physician practitioners.

Teleconsultation typically involves a primary care practitioner with a patient at a remote, rural (spoke) site and a medical specialist (consultant) at an urban or referral center (hub) facility, with the primary care practitioner seeking advice from the consultant concerning the patient's condition or course of treatment.

The BBA requires that Medicare Part B (Supplementary Medical Insurance) pay for professional consultation via telecommunication systems by January 1, 1999. Consultations rendered in this manner are titled teleconsultations. Teleconsultations apply to consultations for rural beneficiaries whether or not the consultant and primary care practitioner are located in the same area.

Definition of Professional Consultation Services Via Telecommunications Systems

A teleconsultation must be an interactive patient encounter that meets the criteria in the Physician's Current Procedural Terminology (CPT) descriptor for a given consultation service and includes the following:

- o Clinical assessment via medical examination directed by the consultant (specialist);
- o The use of audiovisual communications equipment that permits real time communication among the beneficiary, the consultant and the presenting practitioner.

NOTE: It is permissible for another practitioner to present the patient in lieu of the referring practitioner. However, if a practitioner other than the actual referring practitioner presents the patient, he or she must be an employee of the referring practitioner.

- o Participation of a referring practitioner as appropriate to the medical needs of the patient, and as needed to provide information to and at the direction of the consultant; and
- o Feedback of the consultation assessment to the referring practitioner.

The above telecommunications requirements do not mandate the use of full motion video. If the telecommunications technology permits two way interactive audio and video communications that allow the consultant practitioner to conduct a medical exam, Medicare may make payment for a teleconsultation. For Medicare payment to be made, the patient must be present and the telecommunications technology must allow the consultant to conduct a medical examination of the patient.

The requirements do not prohibit the use of higher end store and forward technology in which less than full motion video is sufficient to perform an interactive examination at the control of the consultant. When performed in real time, with the patient present, store and forward may allow the consulting practitioner to control the examination by requesting additional, real time pictures of the patient that are transmitted immediately to the on-line consultant.

Payment Limitations

Section 4206 of the BBA provides that the amount of reimbursement for the teleconsultation may not exceed the amount in the current fee schedule applicable to the consulting practitioner's services. The payment may not include reimbursement for telephone line charges or any facility fees. Teleconsultations are subject to the coinsurance and deductible requirements under §1833(a)(1) and (b) of the Social Security Act.

Provider Submission of Claims for Teleconsultations

Claims for teleconsultations for dates of service January 1, 1999 and later must be submitted with the appropriate CPT code and the teleconsultation modifier "GT - Via Interactive Audio and Video Telecommunication Systems." By using the modifier to bill for the consultation, the consulting practitioner has authenticated that an eligible practitioner has served as the referring practitioner (See section "Providers Who May Bill for a Teleconsultation").

Reimbursement for a Teleconsultation

Medicare payment for the services of the consultant and for the services of the referring practitioner are bundled. The consultant must remit 25 percent of the payment received for the teleconsultation to the referring practitioner.

Providers Who May Bill for a Teleconsultation

Only the consulting practitioner may bill for teleconsultation. Carriers may process claims for teleconsultations from the following types of providers:

- Physicians
- Physician assistants (through their employers)
- Nurse practitioners
- Clinical nurse specialists and
- Nurse midwives.

Referring practitioners may be any of the following:

- Physicians
- Physician assistants
- Nurse practitioners
- Clinical nurse specialists
- Nurse midwives
- Clinical psychologists and

- Clinical social workers.

Remittance Advice Messages

Providers who bill for teleconsultations for dates of service January 1, 1999 and later must be directed to share the payment amount received with the referring practitioner. For claims submitted to CWF that are approved for payment, contractors will use claim line level remark code M109 “We have provided you with a bundled payment for a teleconsultation. You must send twenty-five percent of this payment to the referring practitioner.”

Carrier Provider Bulletin

Carriers must issue a provider bulletin announcing our new coverage policy for teleconsultations. In your next regularly scheduled bulletin issue the following bulletin:

“Medicare Payment for Teleconsultation in Rural Health Professional Shortage Areas (HPSAs)

HCFA provides Medicare payment for a teleconsultation in rural health professional shortage areas. Payment for teleconsultations represents a departure from traditional Medicare policy by allowing payment for a service which has historically required a face-to-face, “hands on” encounter. A summary of the provisions is outlined below.

Eligibility for Teleconsultation

Medicare beneficiaries residing in rural HPSAs are eligible to receive teleconsultation services. The site of presentation is a proxy for beneficiary residence. Teleconsultation may be provided in full and partial county HPSAs designated by section 332(a)(1)(A) of the Public Health Service Act.

Scope of Coverage

Covered services include initial, follow-up, or confirming consultations in hospitals, outpatient facilities, or medical offices delivered via interactive audio and video telecommunications systems (CPT codes 99241-99245, 99251-99255, 99261-99263, and 99271-99275).

Practitioners Eligible to be Consulting and Referring Practitioners

Clinical psychologists, clinical social workers, certified registered nurse anesthetists, and anesthesiologist assistants do not provide consultation services payable under Medicare and therefore cannot provide a teleconsultation under this provision. Additionally, certified nurse anesthetists and anesthesiologist assistants are not eligible to be referring practitioners for a teleconsultation. Practitioners who may provide teleconsultations include the following: physicians, physician assistants, nurse practitioners, clinical nurse specialists, and nurse-midwives. Practitioners who may refer patients for teleconsultation include the following: physicians, physician assistants, nurse practitioners, clinical nurse specialists, nurse-midwives, clinical psychologists, and clinical social workers.

Conditions of Payment

The patient must be present at the time of consultation, the medical examination of the patient must be under the control of the consulting practitioner, and the consultation must take place via an interactive audio and video telecommunications system. Interactive telecommunications systems must be multi-media communications that, at a minimum, include audio and video equipment permitting real-time consultation among the patient, consulting practitioner, and referring practitioner (as appropriate). Telephones, facsimile machines, and electronic mail systems do not meet the requirements of interactive telecommunications systems.

The teleconsultation involves the participation of the referring practitioner or a practitioner eligible to be a referring practitioner who is an employee of the actual referring practitioner as appropriate to the medical

needs of the beneficiary and to provide information to and at the direction of the consultant.

If the medical needs of the beneficiary do not necessitate the participation of a referring or presenting practitioner for all or a portion of a teleconsultation, we would not require a referring or presenting practitioner as a condition of payment.

However, we believe that the number of teleconsultations in which a referring or presenting practitioner would not be medically appropriate for at least a portion of the teleconsultation should be few. As noted above, the participation of a referring or presenting practitioner, use of interactive audio and video technology and the patient's real time presence are required as conditions of payment. These requirements are intended to serve as a reasonable substitute for a face-to-face examination which is a requirement for consultation under Medicare. The absence of a referring or presenting practitioner for the entire teleconsultation is subject to review.

Registered nurses and other medical professionals not included within the definition of a practitioner in section 1842(b)(18)(C) of the Act are not permitted to act as presenters during teleconsultations.

Medicare Payment Policy

A single payment will be made to the consulting practitioner. The amount will equal the consultant's current fee schedule payment for a face-to-face consultation. The statute requires that the fee be shared by the referring and consulting practitioners. The consulting practitioner receives 75 percent, and the referring practitioner 25 percent, of the consulting practitioner's Medicare fee. The patient continues to be responsible for the 20-percent Medicare coinsurance.

Billing for Teleconsultation

The consulting practitioner will submit one claim for the consultation service and will provide the referring practitioner with 25 percent of any payment, including any deductible or coinsurance received for the consultation. A modifier will be used to identify the claim as a teleconsultation. Providers must submit the claim with the modifier "GT - via interactive audio and video telecommunication systems." The referring practitioner cannot submit a Medicare claim for the teleconsultation."

Carriers must issue this entire provider bulletin as it is stated in this document. No revisions may be made to delete any of the information contained in this bulletin. However, contractors may add additional information to the article as deemed necessary.

These instructions should be implemented within your current operating budget.

This PM may be discarded July 31, 2001.

All contractors should address questions or issues surrounding implementation of these instructions to their regional office contact. Regional office staff should contact Joan Proctor-Young at (410) 786-0949 to resolve any questions or issues surrounding the processing of these claims.