

SB 697 STAFF MEASURE SUMMARY

Senate Committee On Health Care

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Meeting Dates: 2/10

WHAT THE MEASURE DOES:

Requires commercial health plans to reimburse cost of telemedical health services provided by a contracted health professional via two-way interactive video conferencing if specified conditions are met. Specifies reimbursement must be the same rate for services provided in-person, unless contracted provider voluntarily agrees to different rate. Allows alternate payment methodologies for reimbursement of telemedical health services. Specifies an enrollee's financial obligations apply to telemedical services if similar provisions apply for in-person services. Takes effect on 91st day following adjournment sine die.

REVENUE: May have revenue impact, but no statement yet issued.

FISCAL: May have fiscal impact, but no statement yet issued.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Telemedicine refers broadly to the use of technology to support long-distance health care as well as nonclinical services such as provider training and continuing medical education. The types of health care professionals licensed or authorized to provide telemedicine services vary within each state, as does the ability to practice telemedicine across states. Coverage of, and reimbursement for, types of telemedicine services differs among Medicare, Medicaid, and commercial health plans.

In response to COVID-19, federal and state agencies in 2020 issued guidance to quickly ease regulatory constraints to coverage, reimbursement, and types of technologies appropriate to expand access to physical and behavioral health services during the pandemic, particularly telemedicine. The Oregon Health Authority, in partnership with the Department of Consumer and Business Services (DCBS), implemented temporary changes to telemedicine rules in Medicaid and state-regulated health benefit plans to meet the increased demand for these services in Oregon. In March 2020, the two agencies released joint guidance on telemedicine for insurers and CCOs to promote and facilitate the use of telemedicine. In December 2020, DCBS announced a voluntary agreement with health insurers to continue expanded coverage and reimbursement parity through June 30, 2021. As demonstrated during the COVID-19 pandemic, telemedicine has served as a mechanism to expand access to physical and behavioral health services to Oregonians.

Senate Bill 697 seeks to continue expanded coverage of, and reimbursement for, telemedicine services by regulated commercial insurers.