



Adding Certain Entities as Originating Sites for Payment of Telehealth Services--Section 149 of the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) – JA6215

Related CR Release Date: November 14, 2008

Date Job Aid Revised: December 3, 2008

Effective Date: January 1, 2009

Implementation Date: January 5, 2009

Key Words MM6215, CR6215, R97BP, R1635CP, Telehealth, MIPPA

Contractors Affected

- Fiscal Intermediaries (FIs)
- Part A/B Medicare Administrative Contractors (A/B MACs)

Provider Types Affected

- Hospital-based or Critical Access Hospital (CAH)-based Renal Dialysis Centers (including satellites), Skilled Nursing Facilities (SNFs), and/or Community Mental Health Centers (CMHCs) submitting claims to FIs, and/or A/B MACs for telehealth services provided to Medicare beneficiaries
- Eligible distant site physicians and practitioners may now be paid for qualifying telehealth services provided to beneficiaries who are located at these new sites



- The Centers for Medicare & Medicaid Services (CMS) is adding entities as originating sites for payment of telehealth services for dates of service on or after January 1, 2009. Those added entities are:
 - Hospital-based or CAH-based renal dialysis centers (including satellites);
 - SNFs; and
 - CMHCs.
- MIPPA did not add independent renal dialysis facilities as originating sites for payment of telehealth services.
- Consistent with existing requirements, in order to be eligible to serve as an originating site, entities must be located in either a non-Metropolitan Statistical Area county or rural health professional shortage area.

- MLN Matters article MM6215 provides updated instructions for billing the originating site facility fee. Providers are also subject to existing payment policy and claims processing instructions applicable to Medicare telehealth services that are not included Change Request (CR) 6215, as set forth in the CMS *Medicare Benefit Policy Manual*, Chapter 15, Section 270 and the CMS *Medicare Claims Processing Manual*, Chapter 12, Section 190. These manuals are available at <http://www.cms.hhs.gov/Manuals/IOM/list.asp> on the CMS website.
- The originating site facility fee is a separately billable Part B payment. Medicare contractors pay it outside of other payment methodologies. This fee is subject to post payment verification.
- The originating site facility fee is updated annually by the Medicare Economic Index. The updated fee is included in the Medicare Physician Fee Schedule Final Rule, which is issued by November 1 prior to the start of the calendar year for which it is effective.
- An interactive audio and video telecommunications system must be used permitting real-time communication between the distant site physician or practitioner and the Medicare beneficiary. As a condition of payment, the patient must be present and participating in the telehealth visit.
- The only exception to the interactive telecommunications requirement is in the case of federal telemedicine demonstration programs conducted in Alaska or Hawaii. In this circumstance, Medicare payment is permitted for telehealth services when asynchronous store and forward technology is used.

Provider Needs to Know...

Hospital-based or CAH-based Renal Dialysis Centers

- For dates of service on or after January 1, 2009, hospital-based and CAH-based renal dialysis centers (including satellites) are eligible for Medicare payment when they serve as originating sites for telehealth services.
- When a hospital-based or CAH-based renal dialysis center (or their satellites) serves as the originating site, the originating site facility fee is covered in addition to any composite rate or monthly capitation payment amount.
- With respect to the originating site facility fee, hospital-based and CAH-based renal dialysis centers should bill their regular FI or MAC for the originating site facility fee on **type of bill (TOB) 72x using revenue code 078X and Healthcare Common Procedure Coding System (HCPCS) code Q3014** on a separate revenue line from any other services provided to the beneficiary. **Note:** The originating site facility fees (Q3014) are not End Stage Renal Disease (ESRD) services and do not count towards the number of services used to determine payment for ESRD services.

SNFs

For dates of service on or after January 1, 2009, SNFs as defined in 1819(a) of the Social Security Act (the Act) are eligible for Medicare payment when they serve as originating sites for telehealth services.

- The originating site facility fee is outside the SNF prospective payment system bundle and, as such, is not subject to SNF consolidated billing. The originating site facility fee is

a separately billable Part B payment.

- With respect to the originating site facility fee, SNFs will bill their regular FI or MAC for the originating site facility fee on **TOBs 22x or 23x**. For SNF inpatients in a covered Part A stay, SNFs will bill their regular FI or MAC for the originating site facility fee on **TOB 22X**. All SNFs will bill **using revenue code 078X and HCPCS code Q3014** on a separate revenue line from any other services provided to the beneficiary.

CMHCs

For dates of service on or after January 1, 2009, CMHCs as defined in 1861(ff)(3)(B) of the Act are eligible for Medicare payment when they provide telehealth originating site services.

- When a CMHC serves as an originating site, the originating site facility fee is not a partial hospitalization service. The originating site facility fee does not count towards the number of services used to determine payment for partial hospitalization services. The originating site facility fee is not bundled in the per diem payment for partial hospitalization. The originating site facility fee is a separately billable Part B payment.
- With respect to the originating site facility fee, CMHCs will bill their regular FI or MAC for the originating site facility fee on **TOB 76x using revenue code 078X and HCPCS code Q3014** on a separate revenue line from any other services provided to the beneficiary. **Note:** Q3014 does not count towards the number of services used to determine per diem payments for partial hospitalization services.

Background

- Section 149 of the MIPPA amended §1834(m) of the Act to add certain entities as originating sites for payment of telehealth services.
- Effective for services furnished on or after January 1, 2009, eligible originating sites include a hospital-based or CAH-based renal dialysis center (including satellites); a SNF (as defined in §1819(a) of the Act); and a CMHC (as defined in §1861(ff)(3)(B) of the Act).
- MIPPA also amended §1888(e)(2)(A)(ii) of the Act to exclude telehealth services furnished under §1834(m)(4)(C)(ii)(VII) from the consolidated billing provisions of the SNF prospective payment system.

Operational Impact N/A

The related MLN Matters article can be found at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM6215.pdf> on the CMS website.

**Reference
Materials**

The official instruction (CR6215) issued regarding this change consists of two transmittals. One transmittal revises the *Medicare Claims Processing Manual*, which is can be found at <http://www.cms.hhs.gov/Transmittals/downloads/R1635CP.pdf>, and the other revises the *Medicare Benefit Policy Manual*, which is available at <http://www.cms.hhs.gov/transmittals/downloads/R97BP.pdf> on the CMS website.
