

**HB 2508 A STAFF MEASURE SUMMARY**

Carrier: Rep. Prusak

**House Committee On Health Care****Action Date:** 03/25/21**Action:** Do pass with amendments. (Printed A-Eng.)**Vote:** 9-0-1-0**Yeas:** 9 - Alonso Leon, Campos, Dexter, Drazan, Hayden, Moore-Green, Prusak, Salinas, Schouten**Exc:** 1 - Noble**Fiscal:** Has minimal fiscal impact**Revenue:** No revenue impact**Prepared By:** Oliver Droppers, LPRO Analyst**Meeting Dates:** 2/4, 3/25**WHAT THE MEASURE DOES:**

Requires Oregon Health Authority (OHA) to reimburse health services delivered via telemedicine if specified criteria are met including reimbursing a provider at the same rate for a health service delivered in person or through telemedicine. Directs OHA to adopt rules to ensure coordinated care organizations (CCOs) reimburse for telehealth services. Requires regulated commercial plans and dental-only plans to cover telemedicine during a state of emergency if criteria are met. Establishes additional requirements and prohibitions for health plans and dental-only plans related to reimbursement for telemedicine. Requires applicable health plans to reimburse providers at the same rate for a health service delivered in person or via telemedicine. Specifies Medicaid and health plan reimbursement requirements do not prohibit use of value-based payment methods, global budgets, or capitation arrangements. Specifies OHA, CCOs, and health plans are not required to pay for a health care service if it is not included in national coding standards. Requires regulated health insurers to ensure meaningful access to telemedicine services including auxiliary aids and services, and provide services that are culturally and linguistically appropriate. Requires Department of Consumer and Business Services (DCBS) to report on the impact of reimbursement requirements to health insurance premiums no later than March 1, 2023. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Reimbursement rates for physical health, oral health, and behavioral health
- Payment parity and potential unintended consequences
- Benefits of telehealth
- Evaluation of proposed changes to telehealth reimbursement rates
- Proposed sunset provision
- Report by DCBS on the impacts of the measure on health premiums

**EFFECT OF AMENDMENT:**

Replaces the measure.

**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 private health plans.

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In response to COVID-19, federal and state agencies in 2020 issued guidance to quickly ease regulatory constraints to coverage, reimbursement, and types of permitted technologies 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 coordinated care organizations 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.

House Bill 2508 A expands coverage of, and reimbursement for, telemedicine services in Oregon.