



FLORIDA HOSPITAL ASSOCIATION

POLICY DOCUMENT

# AUDIO-ONLY TELEHEALTH COVERAGE

ISSUE BRIEF

JANUARY 2023

## Executive Summary

Use of telehealth increased significantly during the pandemic, with the loosening of federal and state restrictions on coverage of telehealth services. Patients increasingly rely on virtual consultations with their health care providers for diagnosis and treatment of physical and behavioral health conditions.

Prior to the pandemic, less than 1% of Medicare enrollees used telehealth services. During the first year of the pandemic, [more than 28 million Medicare beneficiaries](#) used telehealth services, including almost half of Medicare Advantage enrollees and 38% of beneficiaries in traditional Medicare.<sup>1</sup>

For the duration of the federally designated public health emergency related to COVID-19, Medicare covers video visits and some audio-only visits and reimburses them at the same rate as in-person visits. In the 2023 physician fee schedule, however, the Centers for Medicare & Medicaid Services eliminates Medicare coverage of audio-only telehealth non-behavioral health services when the public health emergency expires.

Also, for the duration of the PHE, Florida Medicaid allows payment for audio-only telehealth services provided by physicians, advanced practice registered nurses, and physician assistants. Florida law explicitly excludes audio-only telephone calls from the definition of telehealth, which means Medicaid cannot reimburse for audio-only telephone calls outside of the PHE. While Senate Bill 312 filed in September 2021 would have removed the audio-only exclusion, the bill as passed in March 2022 did not include that provision, and the exclusion of audio only telephone calls is maintained.

The PHE is scheduled to expire Jan.11, 2023, but it has been renewed multiple times throughout the pandemic.

FHA supports continuing Medicare and Medicaid coverage of audio-only telehealth services beyond the public health emergency.

## Medicare Coverage of Audio-Only Telehealth

Prior to the public health emergency, Medicare did not cover audio-only or audio-visual telehealth services in the fee-for-service program, with limited exceptions. Rural beneficiaries, for example, could use telehealth but only at an "originating site," such as a clinic or doctor's office, not their own homes.

<sup>1</sup> KFF. FAQs on Medicare Coverage of Telehealth. May 23, 2022.

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These restrictions have been significantly loosened as a result of the pandemic, and during the public health emergency, Medicare covers audio-visual telehealth services and some audio-only telehealth services. Audio-only coverage is limited to some evaluation and management, behavioral health, and patient education services.<sup>2</sup>

With passage of the Consolidated Appropriations act of 2021, coverage for telehealth services for the purpose of diagnosis, evaluation, or treatment of mental health disorders is now permanent, even after the end of the COVID-19 public health emergency. Medicare beneficiaries can use telehealth for mental health services in their homes, and beneficiaries who cannot use real-time two-way audio and video for telehealth mental health services are permitted to use audio-only devices to access these services.<sup>3</sup>

In the final rule updating the Medicare physician fee schedule for 2023, the Centers for Medicare & Medicaid Services reiterated its belief that two-way, audio-video communications technology is the appropriate standard of telehealth care and eliminates coverage of audio-only telephone evaluation and management outside of behavioral health beyond the PHE.

Since 2020, Medicare Advantage plans have had the flexibility to provide telehealth benefits unrelated to the PHE. Currently, nearly all MA plans offer a telehealth benefit.<sup>4</sup>

## Medicaid Coverage of Audio-Only Telehealth

Telehealth is statutorily defined as “the use of synchronous or asynchronous telecommunications technology by a telehealth provider to provide health care services, including, but not limited to, assessment, diagnosis, consultation, treatment, and monitoring of a patient; transfer of medical data; patient and professional health-related education; public health services; and health administration. **The term does not include audio-only telephone calls, e-mail messages, or facsimile transmissions.**”<sup>5</sup>

This exclusion means that ordinarily Medicaid cannot reimburse for audio-only telehealth services.

During the public health emergency, however, Medicaid coverage of audio-only services is permitted:

- Effective April 3, 2020, and throughout the COVID-19 public health emergency, Medicaid covers audio-only telehealth services in the managed care and fee-for-service delivery systems when rendered by licensed physicians (including psychiatrists), advanced practice registered nurses, and physician assistants. During the public health emergency, Medicaid managed care plans are required to cover telemedicine services in “parity” with face-to-face services, meaning they must cover services via telemedicine in a manner no more restrictive would be covered if the service were provided face-to-face.
- Medicaid reimburses audio-only *behavioral health* services for Medicaid reimbursement under the fee-for service and managed care delivery systems when video capability is not available. As a condition for reimbursement, a behavioral health provider must have documented that the enrollee did not have access to audio and video technology necessary for the service to be fully provided via telemedicine.

<sup>2</sup> CMS. COVID-19 Emergency Declaration Blanket Waivers for Health Care Providers. <https://www.cms.gov/files/document/summary-covid-19-emergency-declaration-waivers.pdf>

<sup>3</sup> Consolidated Appropriations Act of 2021.

<sup>4</sup> KFF. FAQs on Medicare Coverage of Telehealth. May 23, 2022.

<sup>5</sup> Section 456.47, F.S.

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## Medicaid Coverage of Audio-Only Telehealth Beyond the PHE

SB 312, sponsored by Senator Manny Diaz, as originally filed, and passed by the Senate removed a provision in the definition of “telehealth” that excludes audio-only telephone calls. The change would allow Medicaid to elect to reimburse for audio-only telephone calls.

The bill also amended a provision that will allow a telehealth provider to issue a renewal prescription for a controlled substance listed in Schedule III, IV, or V of s. 893.03, F.S., through telehealth, within the scope of his or her practice, and in accordance with other state and federal laws.

The House version of the bill (HB 17), however, did not include the audio-only allowance, and the final version of the bill that became law was the narrower House version allowing only telehealth for renewal of a prescription of a controlled substance. The exclusion of audio-only telehealth is maintained in statute.