



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

SB2366

Introduced 2/15/2013, by Sen. Don Harmon

SYNOPSIS AS INTRODUCED:

215 ILCS 5/356z.22 new

Amends the Illinois Insurance Code. Sets forth the General Assembly's findings and declarations concerning telehealth. Sets forth provisions concerning definitions and applicability. Provides that an entity subject to the provision concerning telehealth (1) shall provide coverage under a health insurance policy or contract for health care services appropriately delivered through telehealth, (2) may not exclude from coverage a health care service solely because it is provided through telehealth and is not provided through an in-person consultation or contact between a health care provider and a patient, and (3) shall not require that in-person contact occur between a health care provider and a patient before payment is made for the covered services appropriately provided through telehealth. Sets forth provisions concerning reimbursement, teleophthalmology, the requirements for telehealth and telepsychiatry services, and medical records documenting the telehealth services.

LRB098 07932 RPM 38020 b

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Insurance Code is amended by adding
5 Section 356z.22 as follows:

6 (215 ILCS 5/356z.22 new)

7 Sec. 356z.22. Telehealth.

8 (a) The General Assembly finds and declares the following:

9 (1) Lack of primary care providers, specialty
10 providers, and transportation continue to be significant
11 barriers to access to health services in medically
12 underserved rural and urban areas.

13 (2) Parts of Illinois have difficulty attracting and
14 retaining health professionals, as well as supporting
15 local health facilities to provide a continuum of health
16 care.

17 (3) Individuals in rural areas are much less likely to
18 have access to the specialty health services they need, due
19 to major distance and time barriers, transportation
20 limitations, or mobility limitations, all of which lead to
21 disparities in access to care.

22 (4) Hospital emergency rooms have become the default
23 provider of health care to patients with acute crises and

1 for whom no appropriate alternatives are available, and the
2 majority of emergency rooms do not have reliable, ready
3 consultative access to psychiatrists or other medical
4 specialties.

5 (5) Telehealth has been shown to be an effective medium
6 through which to deliver physical health and mental health
7 care.

8 (6) Key findings from the Illinois Rural Health
9 Association's Mental Health Access Forum Report recommend
10 the increased use of telehealth and technology to improve
11 access to care, increase training opportunities, and
12 evaluate quality of care.

13 (7) The State of Illinois has already recognized, and
14 currently reimburses providers for, telepsychiatry
15 services to patients receiving State public aid.

16 (8) Telehealth is a mode of delivering health care
17 services of a personal, family, and public health nature
18 through utilizing information and communication
19 technologies to enable the examination, diagnosis,
20 consultation, treatment, education, care management, and
21 self-management of patients at a distance from health care
22 providers.

23 (9) The use of information and telecommunication
24 technologies to deliver health services has the potential
25 to reduce costs, improve quality, change the conditions of
26 practice, and improve access to health care, particularly

1 in rural and other medically underserved areas, as well as
2 in emergency rooms in large urban areas where the wait for
3 specialty care can be lengthy.

4 (10) Telehealth will assist in maintaining or
5 improving the physical and economic health of medically
6 underserved communities by keeping the source of medical
7 care in the local area by assisting primary care
8 physicians, strengthening the health infrastructure, and
9 preserving health care-related jobs.

10 (11) Consumers of health care will benefit from
11 telehealth in many ways, including expanded access to
12 providers, faster and more convenient treatment, better
13 continuity of care, reduction of lost work time and travel
14 costs, and the ability to remain with support networks.

15 (12) It is the intent of the General Assembly that the
16 fundamental health care provider-patient relationship not
17 only be preserved, but also be augmented and enhanced,
18 through the use of telehealth as a tool to be integrated
19 into practices.

20 (13) Without the assurance of payment and the
21 resolution of legal and policy barriers, the full potential
22 of telehealth will not be realized.

23 The purpose of this Section is to require certain insurers,
24 nonprofit health service plans, managed care organizations,
25 and health maintenance organizations to provide coverage for
26 health care services delivered through telehealth in a certain

1 manner; prohibit certain insurers, nonprofit health service
2 plans, health maintenance organizations and managed care
3 organizations from excluding a health care service from
4 coverage solely because it is delivered by telehealth and not
5 in another manner; require certain insurers, nonprofit health
6 service plans, and health maintenance organizations to
7 reimburse health care providers for certain services under
8 certain circumstances; authorize the imposition of a
9 deductible, copayment, coinsurance amount, or annual dollar
10 maximum for certain services; prohibit the imposition of a
11 lifetime dollar maximum for certain services; prohibit a health
12 insurance policy or contract from distinguishing between
13 patients in rural or urban locations in providing certain
14 coverage; and provide for the application of this Code.

15 (b) For the purposes of this Section:

16 "Asynchronous store and forward" means the transmission of
17 a patient's medical information from an originating site to the
18 health care provider at a distant site without the presence of
19 the patient.

20 "Distant site" means the location at which the provider
21 rendering the service is located.

22 "Facility fee" means the reimbursement made to the
23 following originating sites for the telehealth service:
24 physician's office, local health departments, community mental
25 health centers, outpatient hospitals, and substance abuse
26 treatment centers licensed by the Division of Alcoholism and

1 Substance Abuse of the Department of Human Services.

2 "Interactive telecommunications system" means multimedia
3 communications equipment that includes, at a minimum, audio and
4 video equipment permitting 2-way, real-time interactive
5 communication between the patient and the distant site
6 provider. Telephones, facsimile machines, and electronic mail
7 systems do not meet the definition of "interactive
8 telecommunications system".

9 "Originating site" means the location at which the
10 participant receiving the service is located.

11 "Synchronous interaction" means a real-time interaction
12 between a patient and a health care provider located at a
13 distant site.

14 "Telecommunication system" means an asynchronous store and
15 forward technology or an interactive telecommunications
16 system, or both, that is used to transmit data between the
17 originating and distant sites.

18 "Telehealth" means (1) the provision of services and the
19 mode of delivering health care services and public health via
20 information and communication technologies to facilitate the
21 examination, diagnosis, consultation, treatment, education,
22 care management, and self-management of a patient's health care
23 while the patient is at the originating site and the health
24 care provider is at a distant site; telehealth facilitates
25 patient self-management and caregiver support for patients and
26 includes synchronous interactions and asynchronous store and

1 forward transfers and (2) as it relates to the delivery of
2 health care, mental health care, and public health services,
3 the use of interactive audio, video, or other
4 telecommunications or electronic technology by a licensed
5 health care provider to deliver a health care service within
6 the scope of practice of the health care provider from the
7 distant site to the originating site at which the patient is
8 located; telehealth is the provision of services via
9 information and communication technologies to facilitate the
10 diagnosis, consultation, treatment, education, care
11 management, and self-management of a patient's health care
12 while the patient is at the originating site and the health
13 care provider is at a distant site; telehealth facilitates
14 patient self-management and caregiver support for patients and
15 includes synchronous interactions and asynchronous store and
16 forward transfers. "Telehealth" does not include:

17 (A) an audio-only telephone conversation between a
18 health care provider and a patient;

19 (B) an electronic mail message between a health care
20 provider and a patient; or

21 (C) a facsimile transmission between a health care
22 provider and a patient.

23 "Teleophthalmology and teledermatology by store and
24 forward" means an asynchronous transmission of medical
25 information to be reviewed at a later time by a physician at a
26 distant site who is trained in ophthalmology or dermatology or,

1 for teleophthalmology, by an optometrist who is licensed
2 pursuant to the Illinois Optometric Practice Act of 1987 where
3 the physician or optometrist at the distant site reviews the
4 medical information without the patient being present in real
5 time.

6 (c) This Section applies to:

7 (1) insurers and nonprofit health service plans that
8 provide hospital, medical, mental health, or surgical
9 benefits to individuals or groups on an expense-incurred
10 basis under health insurance policies or contracts that are
11 issued or delivered in this State; and

12 (2) health maintenance organizations that provide
13 hospital, medical, mental health, or surgical benefits to
14 individuals or groups under contracts that are issued or
15 delivered in this State.

16 This Section shall not be construed to alter the scope of
17 practice of any health care provider or authorize the delivery
18 of health care services in a setting or in a manner not
19 otherwise authorized by law. All laws regarding the
20 confidentiality of health care information and a patient's
21 rights to his or her medical information shall apply to
22 telehealth interactions. This Section applies to a group or
23 individual policy of accident and health insurance or managed
24 care plan amended, delivered, issued, or renewed after the
25 effective date of this amendatory Act of the 98th General
26 Assembly.

1 (d) An entity subject to this Section:

2 (1) shall provide coverage under a health insurance
3 policy or contract for health care services appropriately
4 delivered through telehealth;

5 (2) may not exclude from coverage a health care service
6 solely because it is provided through telehealth and is not
7 provided through an in-person consultation or contact
8 between a health care provider and a patient; and

9 (3) shall not require that in-person contact occur
10 between a health care provider and a patient before payment
11 is made for the covered services appropriately provided
12 through telehealth.

13 No health care service plan shall require the health care
14 provider to document a barrier to an in-person visit for
15 coverage of services to be provided via telehealth. No health
16 care service plan shall limit the type of setting where
17 services are provided for the patient or by the health care
18 provider before payment is made for the covered services
19 appropriately provided through telehealth, subject to the
20 terms and conditions of the contract entered into between the
21 enrollee or subscriber and the health care service plan and its
22 participating providers or provider groups.

23 Notwithstanding any other provision, this Section shall
24 not be interpreted to authorize a health care service plan to
25 require the use of telehealth when the health care provider has
26 determined that it is not appropriate.

1 (e) With regard to reimbursement, an entity subject to this
2 Section:

3 (1) shall reimburse a health care provider for the
4 examination, diagnosis, consultation, and treatment of an
5 insured patient for a health care service covered under a
6 health insurance policy or contract that can appropriately
7 be provided through telehealth;

8 (2) is not required to:

9 (A) reimburse a health care provider for a health
10 care service delivered in person or through telehealth
11 that is not a covered benefit under the health
12 insurance policy or contract; or

13 (B) reimburse a health care provider who is not a
14 covered provider under the health insurance policy or
15 contract;

16 (3) may impose the same deductible, copayment, or
17 coinsurance amount on benefits for health care services
18 that are delivered through an in-person consultation or
19 through telehealth; and

20 (4) may not impose a lifetime dollar maximum.

21 A facility fee shall be paid to providers. Participating
22 providers shall be reimbursed for the appropriate current
23 procedural terminology (CPT) code for the telehealth service
24 rendered.

25 (f) A patient receiving teleophthalmology and
26 teledermatology by store and forward shall be notified of the

1 right to receive interactive communication with the distant
2 specialist physician or optometrist, and shall receive an
3 interactive communication with the distant specialist
4 physician or optometrist upon request. If requested,
5 communication with the distant specialist physician or
6 optometrist may occur either at the time of the consultation or
7 within 30 days after the patient's notification of the results
8 of the consultation. If the reviewing optometrist identifies a
9 disease or condition requiring consultation or referral, then
10 that consultation or referral shall be with an ophthalmologist
11 or other appropriate physician and surgeon as required.

12 (g) The requirements for telehealth services are as
13 follows:

14 (1) A physician or other licensed health care
15 professional must be present at all times with the patient
16 at the originating site.

17 (2) The distant site provider must be a physician or
18 advanced practice nurse who is licensed by the State of
19 Illinois or by the state where the patient is located.

20 (3) Medical data may be exchanged through a
21 telecommunication system.

22 (4) The interactive telecommunications system must, at
23 a minimum, have the capability of allowing the consulting
24 physician to examine the patient sufficiently to allow
25 proper diagnosis of the involved body system. The system
26 must also be capable of transmitting clearly audible heart

1 tones and lung sounds as well as clear video images of the
2 patient and any diagnostic tools such as radiographs.

3 (h) The requirements for telepsychiatry services are as
4 follows:

5 (1) A physician or other licensed clinician as defined
6 in Section 132.25 of Title 59 of the Illinois
7 Administrative Code must be present at all times with the
8 patient at the originating site.

9 (2) The distant site provider must be a physician
10 licensed by the State of Illinois or by the state where the
11 patient is located and must have completed or be registered
12 in and supervised by a physician who has completed an
13 approved general psychiatry residency program. When
14 treating patients age 16 and younger, the physician must
15 have also completed an approved child and adolescent
16 residency program or be registered in an approved general
17 psychiatry residency program or a child and adolescent
18 psychiatry fellowship program and supervised by a
19 physician who has completed an approved child and
20 adolescent psychiatry fellowship program. The distant site
21 provider must personally render the telepsychiatry
22 service. Telepsychiatry services must be rendered using an
23 interactive telecommunications system.

24 Group psychotherapy is a covered telepsychiatry service.

25 (i) Medical records documenting the telehealth services
26 provided must be maintained by the originating and distant

1 sites and shall include, but not be limited to, the following:

2 (1) the record requirements as provided in Section
3 140.28 of Title 89 of the Illinois Administrative Code;

4 (2) the name and license number of the physician or
5 other health care professional present with the patient at
6 the originating site;

7 (3) the name and license number of the provider at the
8 distant site and, if the service involves telepsychiatry,
9 documentation that the physician has completed an approved
10 general psychiatry residency program;

11 (4) the location of the originating and distant sites;

12 (5) the date and the beginning and ending times of the
13 telehealth service;

14 (6) the medical necessity for the telehealth service;
15 and

16 (7) the model or type of interactive
17 telecommunications system utilized at the originating and
18 distant sites.

19 When the originating site is a federally qualified health
20 center, rural health center, or encounter clinic, records from
21 the distant site must also be maintained. Appropriate steps
22 must be taken by the originating and distant site staff to
23 ensure patient confidentiality, based on technical advances.