TO: The Honorable Peter A. Hammen, Chair
   Members, House Health and Government Operations Committee
   The Honorable Chris West

FROM: Pamela Metz Kasemeyer
       J. Steven Wise
       Danna L. Kauffman

DATE: March 3, 2016

RE: SUPPORT WITH AMENDMENT – House Bill 886 – Maryland Medical Assistance Program – Telemedicine – Modifications

On behalf of the Mid-Atlantic Association of Community Health Centers (MACHC), the Maryland Chapter of the American Academy of Pediatrics (MDAAP), and the Maryland State Medical Society (MedChi), we support House Bill 886 with the amendments offered by the sponsor.

The General Assembly has recognized that the use of telemedicine services holds great promise for addressing access to care challenges. While the initial focus of its use was on access to specialty care, primary care service access challenges can also be addressed through the use of telemedicine services. As amended, the bill provides that if the Department of Health and Mental Hygiene (DHMH) specifies in regulation the type of health care providers that may be reimbursed for telemedicine that it shall include primary care providers.

The bill originally also sought to address the administratively complex and burdensome provider addendum process for authorization to provide services that DHMH adopted. The addendum process essentially rendered telemedicine inaccessible as an option for primary care and had significantly curtailed its use in the provision of specialty services as well. Fortunately, coinciding with the introduction of this legislation, DHMH had voluntarily eliminated the complex enrollment form and replaced it with a form that provides only the information necessary to process claims. The amendments to the bill are consistent with those changes.

There continues to be concern that the expansion of the use of telemedicine services will increase costs to the program. However, the experience in other states where Medicaid has long reimbursed for telemedicine, and with commercial carriers, has demonstrated that the fiscal impact is minimal and does not account for the savings that could result from increased access to high quality services that are currently unavailable. The amendments include a provision that DHMH conduct a study of telehealth policies in other states with a report due by October 1, 2016. The report is also required to detail planned enhancements to the Medicaid telehealth program. Passage of House Bill 886, with the amendments offered by the sponsor, will continue to advance the use of telemedicine services in the Medicaid program. A favorable report is requested.

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