SHM FAQs on Medicare Telehealth Waivers and Policy Changes during COVID-19 Pandemic

Updated April 15, 2020

SHM has compiled the most relevant information for hospitalists about the Centers for Medicare and Medicaid Services’ (CMS’) regulatory actions to expand what is reimbursable through Medicare for telehealth. We recommend referencing CMS source materials (linked below) for more information and additional details about policy changes. These waivers are dated with a retroactive start date of March 1, 2020 and will extend throughout the duration of the Public Health Emergency (PHE).

Note these waivers and changes apply mainly to Medicare patients only; SHM recommends checking with private insurers and state Medicaid policies for all other patients.

What patients are eligible to receive telehealth services?
CMS waived the geographic limitations on which Medicare patients are eligible for telehealth services, meaning all Medicare beneficiaries are eligible to receive telehealth services, not just those in designated rural areas. CMS also removed requirements that telehealth visits take place at certain sites of service (“telehealth originating sites”), and patients can now receive telehealth services at any site, including at home (see Question 2 in Medicare Telehealth Frequently Asked Questions, issued March 17, 2020).

What devices are available to be used for telehealth?
In addition to existing, approved telehealth technologies, CMS is allowing the use of “telecommunications technology that have audio and video capabilities that are used for two-way, real-time interactive communication.” This would include smart phones and iPads. When coupled with the HIPAA enforcement discretion (see HIPAA question), providers may use software such as FaceTime and Skype to perform telehealth services during the duration of the official Public Health Emergency (PHE) (see Questions 3 and 4 on page 21 of CMS’ FAQs on Medicare FFS billing, updated April 11, 2020).

What about HIPAA?
Effective March 17, 2020, the Department of Health and Human Services (HHS) Office for Civil Rights (OCR), which oversees enforcement and penalties for HIPAA, will be exercising enforcement discretion and waive penalties for providers that serve patients in good faith through everyday technologies, such as FaceTime and Skype.

For more details about HIPAA enforcement and telehealth during the COVID-19 Pandemic, see:
- OCR Guidance on Telehealth Remote Communications (March 20, 2020)
- OCR Announcement on Enforcement Discretion for Telehealth (March 17, 2020)

What services can be provided through telehealth?
In addition to the existing Medicare Physician Fee Schedule services that were approved for telehealth services, CMS has expanded the CPT codes eligible for telehealth to include all of the CPT codes commonly billed by hospitalists for the duration of the Public Health Emergency (PHE), including:
- Initial Observation Care (99218, 99219)
- Observation Discharge (99217)
- Initial Hospital Care (99221-99223)
- Subsequent Observation (99224-99226) and Hospital Care (99231-99233) (existing approved telehealth codes)
- Observation/hospitalization same date (99234-99236)
- Hospital Discharge (99238, 99239)
- Critical Care (99291, 99292)

For a full list of the CPT codes available to be billed as telehealth, see CMS’ list of telehealth services (effective March 1, 2020, updated March 30, 2020).

If I’m doing a virtual visit with the patient in the hospital where I am working, does this qualify as telehealth?
No. Medicare telehealth services can only be billed if the provider is furnishing the service from a place other than where the beneficiary is located (“distant site”). CMS indicates that if the provider and the patient are in the same institutional setting but using technology to conduct the visit and to avoid exposure risks, the visit should be reported as whatever code describes the in-person service furnished (see Question 9 on page 22 of CMS’ FAQs on Medicare FFS billing, updated April 11, 2020).

Can telehealth be provided from home?
Yes. There are no site restrictions on where you provide telehealth services. As indicated in the billing guidance, telehealth services should be billed using the place of service (POS) code that would have been used if the service was performed in-person (see Question 14 on page 25 of CMS’ FAQs on Medicare FFS billing, updated April 11, 2020).

How should Medicare telehealth visits be billed during the Public Health Emergency (PHE)?
Providers should bill Medicare telehealth visits by reporting the place of service (POS) code that would have been reported if the service was reported in person (e.g., if billing telehealth for a patient in the inpatient hospital setting, use POS 21). This ensures that the service will be paid at the correct rate as an in-person visit. During the Public Health Emergency (PHE), the CPT telehealth modifier should also be reported on the claim (modifier 95) (see Question 5 on page 21 of CMS’ FAQs on Medicare FFS billing, updated April 11, 2020).

How much does Medicare pay for telehealth services?
Medicare pays the same amount for telehealth services as if the service was provided in-person (see Question 6 on pages 21-22 of CMS’ FAQs on Medicare FFS billing, updated April 11, 2020).

Can residents furnish telehealth services?
For the duration of the Public Health Emergency (PHE), Medicare payments are allowed when residents furnish telehealth services to beneficiaries under direct supervision of the teaching physician by interactive telecommunications technology (see Question 5 on page 29 of CMS’ FAQs on Medicare FFS billing, updated April 11, 2020).
Resources from CMS: