



Telemedicine poised for exponential growth: Is your healthcare organization's risk management program keeping up with your changing exposure?

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Telehealth is an emerging part of the healthcare delivery system that is growing fast and will undoubtedly be a large part of how healthcare is provided in the future. From primary care visits to specialist referral services to remote patient monitoring, the future of telemedicine is here. There are many ways telemedicine is delivered, but with the growing popularity of mHealth (abbreviation for mobile health), this type of healthcare at your fingertips will soon be available to all.

The American Telemedicine Association (ATA) defines telemedicine as the "use of medical information exchanged from one site to another via electronic communications to improve a patient's clinical health status. Telemedicine includes a growing variety of applications and services using two-way video, email, smart phones, wireless tools and other forms of telecommunications technology."

WHAT ARE THE BENEFITS OF TELEMEDICINE?

- **Improved access:** Telemedicine has been improving access to healthcare services to remotely located patients for more than 40 years. It enables doctors and health facilities to extend the reach of their service area and improves patient access to quality healthcare. Considering both rural and urban areas face provider shortages throughout the world, telemedicine can help close that gap for millions of patients.
- **Cost efficiencies:** One of the primary goals of adopting and funding telehealth technology is to reduce or contain the ever-increasing cost of healthcare. Telemedicine helps better manage chronic diseases, allows for sharing of health professional staff resources, reduces travel times, and shortens or eliminates hospital stays, therefore increasing healthcare efficiency and reducing associated costs.
- **Improved Quality:** Numerous studies have consistently supported telemedicine's ability to deliver the same quality of service as conventional, face-to-face appointments. In fact, services such as mental health and ICU care have better outcomes and increased patient satisfaction when delivered via telemedicine.
- **Patient Demand:** Considering the biggest impact of telemedicine is on the patient, their family, and the community, consumer demand is extremely high. Patients enjoy reduced travel time and related stresses with telemedicine. For 15 years, studies have documented patient support for increased access to telemedical services. They can gain access to providers that may not be otherwise available and without traveling long distances.

The enactment of the Telehealth Parity Law in April 2015 reconciled how providers are compensated with what works for our healthcare delivery systems and patients in Washington.

Washington, along with 30 other states, has passed such laws that are clearly becoming the national trend. The Telehealth Parity Law requires health plans to cover service delivered through "telemedicine" or "store and forward technology". If the plan covers the service when delivered in person, then the service is medically necessary, and the service is "recognized as an essential health benefit" under the Affordable Care Act.

Many Puget Sound region healthcare providers are on the cutting edge of telehealth, with more closely following. What should healthcare providers consider with the implementation of new technology while maintaining the delicate balance of compliance? The answer is several things, such as reimbursement, prescribing, patient privacy & data security, medical malpractice, credentialing & privileging, physical exam/physician-patient relationship requirements, licensure, and mobile devices.

In addition, the regulatory landscape is complicated with numerous players involved (CMS, FDA, FCC, HIPAA/HITECH, state notification laws, state health codes, medical boards, and PCI compliance) that require a knowledge and integration of statutes and regulations into a telehealth program.

Implementing a telemedicine program requires consideration of various risks and thoughtful planning. These risks include continuity of care, documentation, credentialing and licensing issues, abandonment of patient if technology fails, informed consent, failure to diagnose, data breach, prescribing, and billing.

There are a number of risk management and insurance considerations when undertaking a telehealth program for any healthcare delivery organization.

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Many of the pain points can be alleviated by having comprehensive organizational telehealth policies and procedures in place supported by ongoing training, education, and periodic risk assessments.

Also, it is important to thoroughly review your insurance program to ensure you have the necessary coverages that will respond as expected should an issue arise. For example:

- Does your policy cover contracted services provided in any state?
- Does your group policy have flexibility for preapproval of new physicians and flexibility around tail issues for departing physicians?
- Are your limits sufficient for new jurisdictions into which your practice may take you?

The good news is that several reputable healthcare delivery organizations in the Puget Sound have embraced telehealth, and faced and solved many of these critical issues. As a result of this adoption of technology, we as healthcare consumers will see significant benefits of time saved, and the convenience technology has provided in other areas of our lives integrated into health maintenance. The risks for early adopters are manageable, while the cost of not embracing telehealth is too high.

Parker, Smith & Feek is a full service brokerage firm providing commercial insurance, risk management, surety, benefits, and personal insurance solutions. Ryan Roberts is Vice President and Account Executive at Parker, Smith & Feek and is active the firm's Healthcare Practice Group. You can reach him at (425)-709-3786, or rroberts@psfinc.com



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