

Special Audio Report Transcript

Headline: New California Law Expands Telehealth Services for Medicaid Beneficiaries

Reporter/Produced by: Deirdre Kennedy
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California expands and simplifies its system for getting telehealth to underserved communities. This is a special report for *California Healthline*, a daily news service of the California HealthCare Foundation. I'm Deirdre Kennedy.

At her UC-Davis clinic, dermatologist April Armstrong scrutinizes a hardened skin condition that looks like tree bark.

(Armstrong): "Let me take a look at your rash today..."

(Lopez): "Ok."

Her patient -- a fourth grader named Jonathan Lopez -- is on the other side of a video camera about two hours away near Lake Tahoe.

(Armstrong): "So Jonathan, when are you the most itchy, is it in the night or during the day?"

(Lopez): "Like in the night..."

(Armstrong): "In the night."

Jonathan has had this condition all over his body for more than four years. Nurse Practitioner Jen Lang-Ree tells Armstrong that the boy has improved significantly since she started treating him for dermatitis a month ago, but she didn't want to take any chances.

(Lang-Ree): "We put him on some Zyrtec for itching ... and Triamcinolone and some Bactroban for a super infection on his elbow. But this is such a chronic condition -- and when it's very active, it's crusty and bleeding. We wanted your expert opinion on how to best to treat it. If there's some better options."

Using a high-resolution dermatology camera, a technician at the remote clinic focuses in on Jonathan's arm to give Armstrong a closer look.

(Armstrong): "All right, let me take a look at your rash today."

(Clinician): "Ok, the first one we'll see is the left elbow."

(Armstrong): "If you could zoom out, that would be great."

Jonathan's prognosis is good -- but his condition could have developed into a debilitating form of psoriasis, been misdiagnosed, or gone untreated altogether.

(Armstrong): "So based on the exam today because the lesions are, a lot of it is in the healing stages. I would say his presentation is more consistent with like atopic dermatitis. A lot of kids can outgrow it. And we'll see how he does."

Before this year, California relied on a 15-year old law that limited the circumstances under which Medi-Cal beneficiaries could access telemedicine services. That changed in January when AB 415 became law and relaxed a lot of those rules.

First of all, the terminology changed from telemedicine to telehealth, enabling other types of practitioners including dentists and psychiatrists to provide telehealth services. It also opens the door for patients to receive services in their homes or schools, instead of a designated medical office. And most importantly it allows physicians to be reimbursed for viewing stored and forwarded images like videos.

(Nesbitt): "What I'm finding is a lot more interest, a lot more emails from doctors and community clinics and other people saying 'I saw this 415 thing, where's the best way for me to learn about how to start using telemedicine in my practice?'"

Tom Nesbitt directs the Center for Health and Technology at the UC-Davis health system.

He says the most significant part of the new law is that it allows doctors to be "privileged by proxy." Once they are credentialed at their own home hospital, they can automatically provide telehealth services to patients at the remote facility without having to go through a whole new screening process.

(Nesbitt): "If you just left it the way it was, doctors are going to say, that little hospital is only going to give me two or three consults a year, I'm not going to waste my time and money. And that may be the hospital that really needs them the most. They're going to go where the volume is."

The provision also saves time and money for the smaller facilities that would have had to credential each and every health care provider they worked with. But Mario Gutierrez, interim executive director for the Center for Connected Health Policy in Sacramento, says that's still not enough incentive for large numbers of specialists to take on more Medi-Cal cases.

(Gutierrez): "The state of California is one of the lowest payers of Medicaid or Medi-Cal as we call it. So that becomes one of the biggest detriments for specialists to provide services -- if they don't cover their costs -- whether it's telemedicine or not."

Gutierrez says as states are required to set up health insurance exchanges and provide services to millions more Medicaid recipients, they will have to consider how to reimburse many new types of health services, including telehealth.

This has been a special report for *California Healthline*, a daily news service from the California HealthCare Foundation. If you have feedback or other issues you'd like to have addressed, please email us at CHL@CHCF.org. I'm Deirdre Kennedy. Thanks for listening