Office-Based Physicians
Adoption of Telehealth

April 2018
Overview

The health care industry continues to move towards delivery models that reward quality over quantity of services provided. Health care transformation and reimbursement policies at the State and national level influence telehealth adoption. The Medicare Access and CHIP Reauthorization Act (MACRA) of 2015 encourages the use of telehealth. In general, the decision to implement telehealth within a practice is informed by its impact on practice revenue, patient engagement, and improving patient access to care, among other things. Financing the technology, practice structure, and reimbursement policies present challenges for implementing and sustaining telehealth for office-based physicians (physicians). According to the American Telemedicine Association, Maryland has more favorable telehealth policies pertaining to physician practice standards and licensure than coverage and reimbursement. This information brief provides a snapshot of telehealth diffusion among office-based physicians and identifies leading barriers to widespread adoption.

Approach and Limitations

In September 2017, the Maryland Health Care Commission (MHCC) conducted an environmental scan of 64 office-based physicians. Responses were not audited by MHCC for accuracy and may have been influenced by respondents’ interpretation of the questions. Analysis of information obtained from the environmental scan was augmented with licensure data from the Maryland Board of Physicians.

Findings

Telehealth adoption among physicians is increasing.

![Figure 1. Telehealth Adoption](chart.png)

Data source: 2013-2016 Maryland Board of Physician Licensure data files
Note: Data for 2017 and 2018 were not yet available at the time of this report; estimated adoption determined by linear approximation.

Physicians report planning to implement telehealth (20 percent) and current trends suggest additional future growth (Figure 1). In a national survey, 51 percent of physicians described telehealth as a high priority in their practice. Widespread adoption requires greater physicians awareness of the potential efficiencies and cost savings. The majority of non-adopters (69 percent) reported needing additional information on telehealth opportunities and potential benefits to patients and practices. Nationally, improving patient satisfaction and patient retention were ranked as the two leading contributors to perceived return on investment for telehealth.
Specialists are more likely to use telehealth than primary care physicians.

Telehealth in emergency care\(^{18}\) is increasing at a faster rate than any other specialty group; it is currently about five times more common than in primary care (Figure 2). Telehealth in emergency settings can expedite care and reduce wait times.\(^{19}\) Behavioral health care has become a leading area for using telehealth nationally. On the whole, behavior health does not require the same hands-on interaction between a physician and a patient as somatic care.\(^{20,21,22}\) Similarly, teleradiology is frequently used by radiologists to obtain consultative support and for afterhours medical imaging assessments.\(^{23,24}\)

Adoption is highest in more urban regions.
Telehealth adoption in the National Capital region\textsuperscript{25} of Maryland is highest (Figure 3). Use of telehealth is predominant in more urban counties around Baltimore City and the District of Columbia; however, the rate of growth is faster in the western and southern parts of the State. Nationally, telehealth adoption in rural areas is more common\textsuperscript{26} because it is typically used to address some of the challenges to accessing health care, such as provider shortages and long travel distances.\textsuperscript{27} Some rural areas of Maryland like the Eastern Shore are less likely to have adequate Internet access to support telehealth.\textsuperscript{28}

**Workflow integration is reported as the top challenge.**

![Figure 4. Top Five Barriers to Telehealth Adoption](image)

Integrating telehealth into workflows was reported to be the biggest challenge in implementing telehealth (Figure 4). In general, practice workflows are structured to support in-person visits. Reengineering workflows to accommodate remote care delivery can require a sizable investment in time and technology.\textsuperscript{29} The majority of non-adopters seek technical support, which includes guidance about how to successfully integrate telehealth technology into workflows.\textsuperscript{30}

Nationally, reimbursement is seen as one of the major barriers to telehealth adoption.\textsuperscript{31} More than half of non-adopters noted lack of reimbursement as a concern although it ranks fourth among barriers reported, surpassed by cost of technology, and staff engagement. Factors related to technical infrastructure, such as limited Internet access, managing peripheral devices\textsuperscript{32}, and availability of technical expertise can negatively impact telehealth adoption.\textsuperscript{33} Physicians also reported ensuring quality of care, professional liability insurance\textsuperscript{34}, licensing and credentialing requirements, and sustainability as adoption challenges.
Most telehealth services are paid for by non-government payors.

![Figure 5. Telehealth Billing](image)

No billing information was available for 26 percent of telehealth transactions (n=6)

Private payors are three times more likely to be billed for a telehealth encounter than Medicare or Medicaid (Figure 5). Since 2012, Maryland law requires private payors to reimburse for telehealth consults similar to an in-person office visit. While Medicare reimburses for some telehealth services, it is limited to certain providers and locations. In order to bill Medicaid, physicians are required to register with the State and meet certain technology requirements. These requirements, along with billing challenges contribute to a number of non-reimbursed or billed telehealth services.

Conclusion

Telehealth adoption will continue at a slow pace absent greater State and federal policy intervention aimed at expanding its use. Implementing the technology and changing workflows to support its use are viewed as disruptive by many physicians; concerns often outweigh the benefits of adoption. Alternative payment models encourage physicians to consider innovative ways to deliver care. In general, physicians are beginning to look beyond the policy issues surrounding telehealth and focus on its value in care delivery. Reduced hospitalization, emergency department utilization, and enhanced care coordination are attractive reasons for physicians to consider investing in telehealth.
References

3. Burch S., et al. (2017). The power and potential of telehealth what health systems should know: proposed legislation in Congress offers the promise that the nation’s healthcare policy will support the expansion of telehealth, allowing hospitals and health systems to fully realize the benefits of this important emerging approach to care. *Healthcare Financial Management*. Available at: http://www.sprucehealth.com/macra-means-telehealth-reimbursement/.
8. Office-based physicians provide care in outpatient settings and freestanding offices instead of in hospitals or other large organizations like Health Maintenance Organizations or university health systems.
11. A total of 72 survey responses were received. Eight responses were excluded from the analysis because they were received from hospital-based physicians and the analysis focuses on office-based physicians. Several responses were incomplete and as a result, the number of responses is reported with each finding.
12. Telehealth is defined as the use of electronic information and telecommunications technologies such as video-conferencing to support clinical health care, patient and professional health-related education, public health, and health administration. Phone calls, fax, and e-mail are excluded from this definition in line with Maryland law (Health General Code 15-105.2).
13. Physician licensing data provided by the Maryland Board of Physicians includes information about health information technology use and is collected from all licensed physicians in the State.
17. Examples of telehealth use in Maryland emergency departments include connecting patients with off-site physicians to expedite triage and to consult with behavioral health care specialists.
22. Teleradiology is the practice of electronically transmitting radiological images to support diagnosis or treatment.


More than half (59 percent) of non-adopters reported that technical support is needed to facilitate adoption.


Peripheral devices include electronic stethoscopes, blood pressure cuffs, glucometers, weight scales, and other tools that are used to facilitate telehealth.


For more information on physician telehealth licensure, see Appendix B.


Maryland Department of Health, Remote Patient Monitoring. Available at: https://mmcp.health.maryland.gov/Pages/RPM.aspx.


Appendix A: Survey Tool

Telehealth Adoption Survey

1. Demographic Information
   a. Name
   b. Title:
   c. Organization:
   d. Email:
   e. NPI [Optional]:

2. Office Setting
   a. Office-Based (e.g., freestanding physician office, etc.)
   b. Other (e.g., hospital, post-acute care facility, etc.) [end of survey]

3. County:

4. Type of practice:
   a. Primary Care
   b. Specialty, type(s) of specialty:

5. Ownership type
   a. Independent
   b. Hospital Owned

6. How many physicians are at your practice?

The following questions will assess the practice’s adoption of telehealth and telehealth services provided, if any.

Telehealth is the use of electronic information and telecommunications technologies such as video-conferencing to support clinical health care, patient and professional health-related education, public health, and health administration.

For purposes of this survey, telehealth does not include use of phone calls, fax, or e-mail independently.

7. Does your practice provide telehealth services?
   a. Yes
   b. No [skip to question 14]

8. How long has your practice provided telehealth services?
   a. Less than 1 year
   b. 1-2 years
Telehealth Adoption Survey

9. What types of telehealth services does your practice offer and who is billed? (Select all that apply.)

<table>
<thead>
<tr>
<th>Services</th>
<th>Provided</th>
<th>Patient (out of pocket)</th>
<th>Medicare</th>
<th>Medicaid</th>
<th>Private Insurance</th>
<th>Not billed</th>
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</thead>
<tbody>
<tr>
<td>Diagnosis/Treatment</td>
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<td>Follow up</td>
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<td>Specialist consultation</td>
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<td>Pharmacy consultation</td>
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<td>Emergency care consultation</td>
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<td>Lab consultation</td>
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<td>Chronic disease management</td>
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<tr>
<td>Mental/behavioral health</td>
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<td>Other, please describe:</td>
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</tbody>
</table>

10. Does the practice serve as the originating or distant site?
   a. Origination site - where the participant/patient is located
   b. Distant site - the location of the provider who will perform the services

11. How was the technology or equipment to provide telehealth services obtained? (Select all that apply.)
   a. Purchased with general operating funds
   b. Provided by hospital or other health care facility
   c. Used existing equipment
   d. Leased equipment
   e. Purchased with grant funding
   f. Donated by charitable organization
   g. Other, please specify:
   h. Unknown

12. On average, about how many telehealth encounters are provided in a month?
   a. less than 10
   b. Between 10 and 20
Telehealth Adoption Survey

13. What would assist your practice with sustaining or expanding telehealth services other than financial assistance?
   a. Guidance on licensing/credentialing procedures
   b. Training assistance
   c. Technical support
   d. More information about the potential uses and benefits of telehealth
   e. Other, please specify.

[End of survey]

14. What are the top 5 barriers preventing your practice from implementing telehealth?

| Rank | Lack of reimbursement for telehealth services | Cost to acquire, implement, and maintain telehealth technology | Restrictions or exclusions under professional liability insurance policy | Increase in premium for professional liability insurance | Credentialing challenges | Multi-state licensing requirements | Administrative and physician engagement/buy-in | Integration into existing clinical workflows | Barriers in technical infrastructure | Security/HIPAA-compliance | Ensuring quality of care | Sustainability | No challenges to report | Other, please specify |
|------|---------------------------------------------|---------------------------------------------------------------|------------------------------------------------------------------------|-------------------------------------------------------------|-------------------------|-------------------------------------|---------------------------------------------|---------------------------------------------|---------------------------------------------|------------------------------------------|-----------------------|----------------------|---------------------|
| 1    | X                                           |                                                              | X                                                                      | X                                                           | X                       | X                                   | X                                           | X                                          | X                                          | X                                        | X                                    | X                    | X                   | X                   |
| 2    | X                                           |                                                              | X                                                                      | X                                                           | X                       | X                                   | X                                           | X                                          | X                                          | X                                        | X                                    | X                    | X                   | X                   |
| 3    | X                                           |                                                              | X                                                                      | X                                                           | X                       | X                                   | X                                           | X                                          | X                                          | X                                        | X                                    | X                    | X                   | X                   |
| 4    | X                                           |                                                              | X                                                                      | X                                                           | X                       | X                                   | X                                           | X                                          | X                                          | X                                        | X                                    | X                    | X                   | X                   |
| 5    | X                                           |                                                              | X                                                                      | X                                                           | X                       | X                                   | X                                           | X                                          | X                                          | X                                        | X                                    | X                    | X                   | X                   |

15. What would assist your practice with adopting telehealth services other than financial assistance?
   a. Guidance on licensing/credentialing procedures
   b. Training assistance
   c. Technical support
   d. More information about the potential uses and benefits of telehealth
   e. Other, please specify.

16. Please select the response that most accurately describes your practice’s plans to implement telehealth:
   a. Having discussions regarding telehealth adoption [Continue to question 17]
   b. Adoption of telehealth has been considered and we do not plan to adopt telehealth at this time [end of survey]
   c. Undecided about a telehealth implementation strategy at this time [end of survey]

17. What telehealth service(s) does your practice plan to offer? (Select all that apply.)
Telehealth Adoption Survey

1. Diagnosis/Treatment
2. Follow up
3. Specialist consultation
4. Pharmacy consultation
5. Emergency care consultation
6. Lab consultation
7. Chronic disease management
8. Mental/behavioral health
9. Other, please describe:

18. How does your practice plan to obtain the technology or equipment to provide telehealth?
   a. Purchase with general operating funds
   b. Shared/group purchase
   c. Provided by hospital or other health care facility
   d. Able to use existing equipment
   e. Lease equipment
   f. Purchase with grant funding
   g. Donation by charitable organization
   h. Unknown
   i. Other, please specify:

If you would like more information about MHCC’s work regarding telehealth use in various care settings, visit

Thank you for your time.
Appendix B:

Telehealth Liability Flyer
Telehealth Professional Liability Insurance

Overview
As the use of telehealth becomes more common, health care providers are examining their professional liability insurance to determine coverage of services delivered via telehealth. Industry standards for how insurance carriers will provide coverage for telehealth malpractice and liability are not well developed, and many carriers remain silent in their policies regarding coverage for telehealth. Providers may need to consider several factors to determine the extent to which their liability carrier provides coverage when seeking to deliver care via telehealth.

Liability Insurance Coverage
Carrier policies on liability insurance coverage for the practice of telehealth can vary. These variations can include:

- The circumstances in which telehealth will be covered under the policy;
- Case by case determinations for providing coverage;
- Not providing coverage for telehealth.

Lack of specific language in the policy does not necessarily preclude coverage for telehealth. Carriers may assess specific telehealth practices to determine coverage, including the technology to be used, the target population, the type of treatment (i.e. remote patient monitoring, consultation, education and counselling, etc.), practicing across state lines, and the patient-provider treatment relationship, among others. Telehealth providers should contact their carrier and inquire about the following:

- Whether the carrier provides coverage for telehealth services under the provider’s policy;
- Any specific telehealth services that are covered under the policy;
- Any specific activities, such as practicing over State lines, that would preclude coverage;
- Any conditions that must be met to maintain coverage, such as establishing a treatment relationship in-person prior to providing telehealth services; and
- If telehealth is not covered, would revising or changing the policy to include coverage result in an increase in premiums.

Providing Telehealth Services across State Lines
Providers who practice telehealth across State lines may experience barriers with liability coverage. Carriers who are licensed to provide liability coverage in a limited number of states are not able to cover telehealth services rendered in a state in which they are not licensed. For example, if a carrier is only licensed in Maryland, DC, and Virginia, and a provider is seeking to deliver care to a patient located in Delaware, the carrier would not be able to cover the provider for malpractice claims. Carriers that provide liability coverage for providers nationally are able to cover providers delivering telehealth to patients located outside of Maryland. National carriers are licensed related to different laws in each state with regard to practicing telehealth, the impact of those laws on liability coverage, and legal experience to assist a provider in the case of any legal proceedings as a result of care delivered via telehealth. Physicians must ensure that they are following laws and regulations pertaining to the delivery of care via telehealth for both the state in which the provider is located and the state where the patient is located.

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1 For example, as of February 2018, CNA Financial explicitly details coverage for telehealth in their policies. More information on CNA Financial is available at: [https://www.cna.com/](https://www.cna.com/).
2 Providers should be prepared to answer questions from carriers on engagement in specific telehealth activities, including, physical location of the provider, location of the intended patients, equipment being used, and types of treatments that will be administered via telehealth.
3 In Maryland, Medical Mutual, the top liability insurance provider, is only licensed to cover physicians practicing in Maryland, the District of Columbia, or Virginia, and can only cover telehealth if the patient and the provider are located in one of those three locations.
4 As of February 2018, the following are the top National Liability Insurance Carriers who cover telehealth across State lines for Maryland Providers: 1) Doctor’s Company; 2) ProAssurance; and 3) Berkshire Hathaway.