

Navigating telemedicine reimbursement guidelines

Telemedicine reimbursement guidelines vary greatly based on the payer, and with the industry and legislation constantly evolving, navigating the unchartered waters of reimbursement can be tricky!

Since 2014, telemedicine services have displayed an annual growth rate of nearly 20 per cent. During that time, The Centers for Medicare & Medicaid Services (CMS) have also expanded reimbursement codes for telehealth and remote patient monitoring services, and thanks to the Opioid Crisis Response Act of 2018, payers are now more closely scrutinizing the administration of medications. Private payers are following CMS' lead for reimbursement guidelines and are making allegations of billing fraud and abuse at a similar rate. As a result, allegations of billing fraud and abuse are only set to increase.



Telehealth reimbursements errors

Incorrect billings to CMS in 2014-15 by type¹

incorrect out-patient telehealth services

8%
in person consults being conducted

5%
telephone consults not considered telehealth

3%
psychotherapy services not reimbursable

3%
physician located outside of the United States

Incorrect claims cost CMS roughly states

\$3,7 mg

30% in error!

30% of Medicare reimbursement for telehealth in 2014-15 were made in error²



The consequences

RAC audit appeals often last⁴

24 months+

Costs can exceed ⁵

\$100,000+

Sources: 1, 2 & 3 Office of Inspector General (OIG) 4. Milliman white paper - recovery audit contractor basics 5. Figure based on prior work conducted by defence attorneys



At CFC, we offer a solution which provides a safety net for telemedicine providers. Our medical billings product provides defence of actual or alleged billing errors and shadow audit expenses which can be used to appeal against violations.