

New York Passes Telemedicine Reimbursement Legislation

Thursday, January 15, 2015

New York became the 22nd state to sign into law [legislation](#) that will require commercial and **Medicaid** plans to provide coverage of **telehealth and telemedicine services**. The law, originally intended to take effect on January 1, 2015, will become effective on January 1, 2016.

In addition to providing definitions for telemedicine (two-way audio video communications, including video conferencing) and telehealth (telephone and remote patient monitoring), the new law defines the scope of eligible distant site providers to include not just physicians, physician assistants, and hospitals, but also dentists, home care and hospice agencies, nurses, midwives, podiatrists, optometrists, ophthalmic dispensers, psychologists, social workers, and speech language pathologists and audiologists.

Although the law does not place any restrictions on the site at which a patient is located at the time telemedicine or telehealth services are provided, it permits insurers to delineate appropriate settings for such services.

In order for telemedicine services to be covered the services must meet the requirements of federal law, rules and regulations for **Medicare**, except with respect to originating site restriction requirements. Telehealth services will be covered if they are consistent with the conditions set forth in **Section 3614(3-c) of the Public Health Law**, which governs home telehealth services.

Finally, the law adds telemedicine and telehealth as a covered Medicaid benefit, and expressly precludes the **Commissioner of Health** from eliminating Medicaid payment for such services, subject to the approval of the **Budget Director**.

Although the new law casts a wide net with respect to the definition of eligible providers, it will be interesting to see how insurers reconcile this with Medicare's more restrictive scope, since many of the telemedicine services covered under the New York law, including dental, podiatric, optometry and home health services, are not covered under Medicare. In the meantime, the governor has already agreed to [chapter amendments](#) which will be introduced to address, among other things, the scope of telehealth services and certain limitations on telehealth coverage.

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