

## Lights, Camera, Telehealth! Episode 5 Private Payor Payment

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With more than 200 million<sup>1</sup> mobile devices at their fingertips at all times, patients increasingly expect some level of virtual care, which can be more convenient and affordable than an in-office visit. The proliferation of mobile technology and hunger for convenient access to services have fueled a push for increased telehealth offerings, cloud-based platforms, and services accessible by mobile and handheld devices. Ninety-six percent of employers would offer telehealth services to their employees if their states allowed.<sup>2</sup>

Most private insurers are embracing the cost savings of telemedicine and have chosen to cover services under their plans. Some insurers have gone as far as integrating virtual visits with providers into their mobile apps. Private health insurer Aetna, for example, offers its members access to specialty services such as dermatology, behavioral health, and caregiver services through the telehealth company Teladoc.<sup>3</sup> The Teladoc Dermatology program uses store and forward, and the Teladoc Caregiver program allows Aetna members to extend Teladoc to their family members.<sup>3</sup>

Under federal law, the major private/commercial payors like Blue Cross Blue Shield, Aetna, and Cigna are not required to provide coverage for any telehealth services. However, 39 states and D.C. have passed parity laws that require private insurance companies to reimburse for telehealth in some form.<sup>4</sup> Utah and Iowa have both passed telehealth private payor reimbursement legislation, but these laws do not go into effect until January 1, 2019.<sup>4</sup>

Just as in Medicare and Medicaid regulations, private payor telehealth coverage is limited by type of telemedicine, location, facility type, condition, and eligible providers. The telehealth coverage parity law requires insurers to cover the same services delivered through telehealth as would be covered in person. All of the 39 states with parity laws require private payor reimbursement for real-time telehealth, while fewer reimburse for store and forward.<sup>4</sup>

Our next blog provides an overview of current trends and some considerations for telemedicine.

<sup>1</sup> "Share of cell phone users in the United States in 2018, by age." *Statista Global Consumer Survey*. <https://www.statista.com/statistics/231612/number-of-cell-phone-users-usa/>. Accessed July 2018.

<sup>2</sup> Siwicki, Bill. "Almost all large employers plan to offer telehealth in 2018, but will employees use it?." Published September 2017. <http://www.healthcareitnews.com/news/almost-all-large-employers-plan-offer-telehealth-2018-will-employees-use-it>. Accessed July 2018.

<sup>3</sup> "Aetna offers members expanded services through Teladoc" *Aetna Inc.* <https://news.aetna.com/2017/09/aetna-offers-members-expanded-services-teladoc/>. Accessed July 26 2018.

<sup>4</sup> "State telehealth Laws and Reimbursement Policies." *Center for Connected Health Policy*, Public Health Institute Center for Connected Health Policy, 2018. [https://www.cchpca.org/sites/default/files/2018-10/CCHP\\_50\\_State\\_Report\\_Fall\\_2018.pdf](https://www.cchpca.org/sites/default/files/2018-10/CCHP_50_State_Report_Fall_2018.pdf) Accessed July 2018.

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