

Medicaid Telehealth Equipment Funding Process and Criteria

The 2014 Utah Legislature approved \$1 million in one-time funding for telehealth equipment for Medicaid. There is potential for up to \$1 million in a federal match. The Utah Department of Health has/will contract with the Utah Telehealth Network, University of Utah, to procure, deploy, manage and support equipment purchased using these funds.

I. Purpose

To deploy infrastructure and equipment accessible to target Medicaid populations to facilitate the use of telehealth and telemedicine in the delivery of healthcare.

Telemedicine is viewed as a cost-effective alternative to the more traditional face-to-face way of providing medical care (e.g., face-to-face consultations or examinations between provider and patient) that states can choose to cover under Medicaid. The Federal Medicaid statute does not recognize telemedicine as a distinct service.

II. Definitions

Telemedicine: For purposes of Medicaid, telemedicine means a two-way, real-time interactive communication between the patient and the physician or practitioner at the distant site. This electronic communication uses interactive telecommunications equipment that includes, at a minimum, audio and video equipment.

Telehealth (or Telemonitoring) means the use of telecommunications and information technology to provide access to health assessment, diagnosis, intervention, consultation, supervision and information across distance. Telehealth includes such technologies as telephones, facsimile machines, electronic mail systems, and remote patient monitoring devices, which are used to collect and transmit patient data for monitoring and interpretation.

Target population: Medicaid enrollees living outside the four Wasatch Front counties (Salt Lake, Davis, Weber and Utah).

Telehealth equipment, for the purposes of this contract, means infrastructure and devices to facilitate the delivery of health care via telehealth. Equipment includes hardware, software, installation, vendor maintenance and vendor training.

III. Equipment Criteria

Requirements

Equipment and infrastructure to be purchased with these funds:

- Must benefit and be available to, but not necessarily limited to, the target Medicaid population.

- Must be primarily used in support of patient care and/or healthcare-related education and training.
- Will require a financial commitment by participating sites.

Priorities

- Telehealth infrastructure – *approved by UTN Advisory Council and Utah Medicaid*
 - Web-based desktop videoconferencing system (i.e. such as Vidyo)
 - Videoconferencing bridge
- Telehealth equipment for planned and ongoing telemedicine applications, not pilots.
- One time network installation costs to connect health care facilities into the Utah Telehealth Network, leveraging Healthcare Connect Funds¹ and health care facility contributions
- Health care organizations/providers requesting equipment and/or network installation costs to benefit Medicaid members in rural areas or to impact a specific population. These may include the following:
 - Independent rural hospitals and affiliated clinics
 - Federally Qualified Health Centers
 - Rural Behavioral Health Centers
 - Skilled Nursing Facilities
 - Home health agencies
 - Individual providers
 - Other

Other Considerations

Clinical areas of focus may include, but are not limited to, mental health, children with special health care needs and prevention of pre-term births. Standards-based and interoperability with other equipment and systems are preferred and bulk purchases are encouraged when possible. Providers owned by a for-profit corporation will not be considered.

IV. Process

Proposals

1. UTN staff will define a standard list of equipment such as:
 - a. Medical grade portable videoconferencing cart system, for use in ERs and medical clinics
 - b. Portable videoconferencing cart system, for limited patient care, meetings and education
 - c. Small conference room codec/camera
 - d. Medical peripherals
 - UTN staff will manage the application process for interested eligible sites for network connectivity in to the Utah Telehealth Network via the Healthcare Connect Fund.
 - UTN staff will draft a general cost model for all of the above, including a participant match

¹ The Healthcare Connect Fund is a program authorized by the Federal Communications Commission (FCC) and administered by the Universal Service Administrative Company (USAC) that provides 65% discounts on approved broadband services for eligible health care providers. <http://www.universalservice.org/rhc/>

2. UTN Finance Subcommittee will review the cost model for recommendation to the Advisory Council
3. UTN Advisory Council will review and approve the standard list and cost model
4. Interested health care facilities will submit proposals outlining:
 - a. Patient population, including an estimated percentage of Medicaid patients, served by facility
 - b. Telemedicine or other services to be delivered
 - c. Telehealth equipment, selecting from above list or describing equipment needed if different from the standard list
 - d. Network connectivity required, if interested in joining UTN
 - e. Statement of understanding that funding is limited to equipment (and, in some cases, one-time network installation costs) and there will be a commitment to participate.
 - f. Statement of willingness to participate in reporting requirements. Reporting must be reasonable, and defined and communicated in advance.
5. UTN staff will compile a list of proposed equipment and network connectivity requests; estimate costs for equipment not on the standard list; assess proposals for feasibility and technical viability, and submit the list to Utah Medicaid.
6. Utah Medicaid will review and approve proposals.
7. UTN staff will draft participation agreements to be signed by participating sites and UETN leadership.
8. Equipment procurement process will be implemented

Timeline

7/10/2014	Telehealth infrastructure approved by UTN Advisory Council and Utah Medicaid
12/31/2014	UTN will propose a standard list of equipment with a draft cost model
Jan/2015	Cost model review by UTN Finance Subcommittee
2/5/2015	Standard list & cost model reviewed for approval by UTN Advisory Council
4/15/2015	Announcement is made public and posts on UTN website
5/16/2015	Window for submitting proposals opens
6/22/2015	Proposals by health care facilities due
6/22/2015 – 7/30/2015	Utah Medicaid and UTN concurrently review proposals
No later than 7/31/2015	Awards are announced
August/2015	UTN MOUs signed with sites
September/2015	Procurement process begins
	<i>Repeat proposal process if funds remain</i>