OHIO LEGISLATIVE SERVICE COMMISSION

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Office of Research and Drafting

Legislative Budget Office

H.B. 679
133rd General Assembly

Fiscal Note & Local Impact Statement

Click here for H.B. 679's Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. Fraizer and Holmes

Local Impact Statement Procedure Required: Yes

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Highlights

- The bill's prohibition against imposing cost-sharing requirements related to telehealth services provided via telephone or electronic mail has the potential to increase costs for the state and local governments to provide health benefits to employees and their dependents.
- Any increase in costs to the state health benefit plan would be paid from the Health Benefit Fund (Fund 8080). Fund 8080 receives funding through state employee payroll deductions and state agency contributions toward their employees' health benefits, which come out of the GRF and various other state funds.
- The prohibition is also likely to increase costs to local governments' health benefit plans, though LBO staff are uncertain about the extent of such increase.
- The bill may increase the Department of Insurance's administrative cost to adopt any necessary rules to carry out the bill's provisions. Any increase in such cost would be paid from the Department of Insurance Operating Fund (Fund 5540).[1]
- The bill permits specified health care professionals to provide telehealth services according to specified conditions and standards. Relevant licensing boards could realize an increase in costs to adopt rules, educate licensees, and ensure compliance.

[1] Revenue to Fund 5540 comes from various fees imposed on insurance companies, primarily insurance agent license fees and agent appointment fees.

- The bill codifies the types of medical practitioners and types of medical services which are eligible for Medicaid coverage via telehealth. As these providers and services are eligible for telehealth under current emergency policies that are in place to respond to COVID-19, these provisions should initially not have a fiscal impact. However, the fiscal impact is unclear when the emergency rules are no longer effective.
- The bill specifies eligible provider types of mental health and addiction care and eligible mental health and addiction services which may be provided via telehealth. These components are also currently incorporated into emergency orders to respond to COVID-19. Thus, this provision should initially not have a fiscal impact. However, the fiscal impact is unclear when the emergency rules are no longer effective.
- The bill requires long-term care facilities to provide video-conference visitation for their residents when in-person visitation is prohibited for public health reasons. This may potentially result in an increase in costs if any associated costs are passed to the Medicaid Program.

Detailed Analysis

Health insurers

Current law requires a health benefit plan to provide coverage for telehealth services on the same basis and to the same extent that the plan provides coverage for in-person health care services.[2] It allows a plan to impose cost-sharing requirements with regard to such telehealth services, as long as the requirements do not exceed those for equivalent in-person medical care. The bill prohibits a health benefit plan from imposing cost-sharing[3] requirements in regard to telehealth services provided via telephone or electronic mail. The bill requires all telehealth services provided by electronic mail or telephone to be tallied using the minutes spent per patient on a running total. Health plan issuers are required to reimburse providers for a block of time spent on such services that is equivalent to the standard amount of time spent on a telehealth service.

The bill allows the Superintendent of Insurance to adopt any necessary rules to carry out its provisions. The bill applies to "health benefit plans" as defined under existing law in section 3922.01 of the Revised Code, which includes public employees' health benefit plans.

Telehealth services are currently covered in the state's health benefit plan. However, the bill's prohibition against cost sharing for telehealth services provided by telephone and electronic mail may increase costs to the state and local governments to provide health benefits to employees and their dependents. Any increase in costs to the state health benefit plan would be paid from the Health Benefit Fund (Fund 8080). Fund 8080 receives funding through state employee payroll deductions and state agency contributions toward their

[2] Enacted in H.B. 166 of the 133rd General Assembly, the requirement applies to health benefit plans issued, offered, or renewed on or after January 1, 2021.

[3] "Cost-sharing" means the cost to a covered individual under a health benefit plan according to any coverage limit, copayment, coinsurance, deductible, or other out-of-pocket expense requirements imposed by the plan.

employees' health benefits, which come out of the GRF and various other state funds. LBO staff could not determine the magnitude of the bill's fiscal impact on counties, municipalities, townships, and school districts statewide due to lack of information on the number of plans that do not currently comply with the bill's cost-sharing requirements. To the extent that a particular local government's health benefit plan complies with the bill's cost-sharing requirements, there would be no impact on its costs of providing health benefits to employees and their dependents.

The bill may increase the Department of Insurance's administrative costs for regulating health insurers. Any increase in the Department's administrative costs would be paid from the Department of Insurance Operating Fund (Fund 5540).

Health care professionals and telehealth services

The bill permits specified health care professionals to provide telehealth services and requires those services be provided according to specified conditions and standards. In addition, the bill permits certain health care licensing boards to adopt rules as necessary to carry out the bill's provisions regarding the provision of telehealth services. As a result, it is possible that certain boards may realize costs to adopt rules and any other necessary administrative measures to comply with the bill, including costs to educate licensees or ensure compliance.

The bill also provides that a health care professional is not liable in damages under a claim that telehealth services provided do not meet the standard of care that would apply if services were provided in person. This might decrease any associated civil court case costs.

Medicaid

The bill specifies the categories of medical practitioners which are eligible to provide telehealth services, and states the types of medical services for which Medicaid will pay for them to be delivered via telehealth. During the COVID-19 emergency, the Ohio Department of Medicaid (ODM) has issued emergency rules and policies which permit many telehealth services to be performed by Medicaid providers and be paid for by Medicaid.[4] These emergency rules are in effect during any time period in which the Governor declares a state of emergency and when authorized by the Medicaid Director. As a result, this provision should initially not result in any fiscal impact to the state. However, at the time of publication, the fiscal impact is unclear when the emergency rules are no longer effective.

Mental health and addiction services telehealth provision

The bill specifies categories of mental health and addiction services professionals certified by the Ohio Department of Mental Health and Addiction Services (OhioMHAS) who are eligible to provide their services to patients via telehealth, and specifies the services these providers may offer via telehealth. Again, OhioMHAS has previously issued emergency rules to respond to COVID-19, which permit these same providers to provide the same services via

[4] ODM Emergency Rule 5160-1-21 Telehealth during a state of emergency and associated appendix.

telehealth.[5] Thus, this provision should not initially result in any fiscal impact to the state. However, if the emergency rules are no longer being utilized, the fiscal impact is unclear.

Long-term care facility visitation

The bill specifies that during a declared disaster, epidemic, pandemic, etc. every long-term care facility must provide each resident and their family with a video-conference visitation option, if specified individuals or entities determine that allowing in-person visits would create a health risk. Long-term care facilities are defined to include (1) a nursing home, residential care facility, home for the aging, nursing facility, or skilled nursing facility, (2) a residential facility licensed by OhioMHAS, (3) a residential facility licensed by the Ohio Department of Developmental Disabilities (ODODD), and/or (4) a facility operated by a hospice care program. This requirement could result in cost increases if facilities pass along any potential costs to the state Medicaid Program. The costs will depend on the length of restrictions on in-person visitation, the level of utilization of these services by residents, as well as if any additional information technology equipment is necessary or if staff assist with these conferences.

Assistance for individuals with developmental disabilities

The bill also provides for an individual who has been diagnosed with a developmental or other permanent disability to have a parent or guardian present with them during a health care appointment or procedure. This provision specifically addresses that an individual with a developmental or permanent disability is entitled to have a parent or guardian present during a public health emergency or pandemic. The bill specifies that Disability Rights Ohio, which is the nonprofit corporation serving as Ohio's protection and advocacy system, as the entity that may enforce this provision.

Emergency measure

The bill is an emergency measure and thus any fiscal impacts could be felt immediately.

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[5] OhioMHAS Emergency Rule 5122-29-31 Interactive videoconferencing.