



CAPITOL & 5TH PUBLIC STRATEGIES

Update on Telehealth Reimbursement in Tennessee

May 4, 2020

Capitol & 5th continues to remain engaged with [SB1892/HB1699](#) which requires health insurance entities to cover telehealth services for any provider recognized under Tennessee Code Annotated Title 63. The legislation was among several “critical to function” bills taken up by the Senate and House in March before the body passed their emergency budget and recessed until June 1.

Our team has been working closely with House sponsor Rep. Robin Smith, R-Hixson, to pass the provider friendly version of the bill which mandates payment parity regardless of the originating site. Through Governor Bill Lee’s Executive Order No. 15 (herein EO15), these coverage provisions are included; however, the Senate version of the telehealth bill stripped this mandate and allows payers to negotiate rates with providers. Obviously, we want to ensure that the version of the bill we support moves forward, and moreover, ensure Lee’s administration continues to urge telehealth reimbursement in the interim.

Because of the differences in the two bills, SB1892/HB1699 is currently in posture to head to a conference committee, an ad hoc panel comprised of three members from each body appointed by the speakers of each chamber. We do not know the what the composition of the committee will look like but can assume that both sponsors of the bill will be on the panel and will want to take different approaches on its passage. We know this bill will be a key issue for House leadership when they return, and we will continue to remain engaged with them to ensure we get the outcome we want.

In the meantime, we have been taking measures to extend telehealth provisions under EO15 and secure reimbursement until legislation can be passed in June. In coordination with another client, Tennessee’s Public and Teaching Hospitals (TnPATH), we submitted a letter to Gov. Lee last week explaining the importance of extending telehealth while still in a public health crisis. It’s important to note that EO15 merely “urges” private insurers to cover telehealth services, not requires. Our letter simply makes the case for Lee to continue urging this coverage. We received a response back from the Governor’s Office stating they would take our letter into consideration. EO15 is set to expire May 18. We will continue to monitor any amendments to this executive order.

We continue to work through many unknowns about the legislature reconvening: what bills they will take up and what is feasible based on budget projections. We do know that EO15 opened the proverbial Pandora’s Box for providers and the House will want to capitalize on that. Our best guess is that SB1892/HB1699 will pass in some form this year, whether this will include the provision on provider parity is unknown. If not, we are prepared to come back to the legislature next year with another bill to amend it. We will consider this strategy once we see how the bill plays out in June.