



Developments in Telemedicine Amongst the States 2021

IWP

The Patient Advocate Pharmacy®

Overview

Telemedicine, also known as telehealth and vice versa is gaining a significant presence in the workers' compensation industry. Due to the pandemic, numerous healthcare clinicians turned to the virtual world to accommodate their patients' wide range of medical needs to compensate for less physical access to providers. Originally, telemedicine became most prominent for mental health services. With the recent rise of remote work and society's swift adaptability to technology, regular utilization of the practice is becoming a new normal in nearly every healthcare sector. According to the American Hospital Association, [76 percent](#) of U.S. hospitals say they are already equipped for routine telemedicine usage.ⁱ

Even as the pandemic winds down and vaccinations continue to make their way, telemedicine is likely here to stay. Americans already have experience with virtual healthcare visits, particularly military veterans. The US Department of Veteran's Affairs offered telemedicine services as early as 2003. Today with more Americans returning to work and resuming typical day-to-day activities, schedules are becoming congested once again.



Telemedicine holds the capability to redefine healthcare with benefits such as accommodating busy schedules for both providers and patients, increasing safety from illness exposure, and significant cost reductions in travel and meeting time. Though, at the same time, some say telemedicine remains a developing service. Skeptics claim that in-person services are still necessary to best guarantee quality of care and ensure a thorough examination from healthcare providers. Numerous doctors and nurses say that telemedicine does not account for seeing someone's movements or skin characteristics up close, potentially leading to a missed diagnosis. Some are also concerned about internet privacy regarding medical information being discussed. Healthcare

professionals remain mixed on telemedicine, specifically audio-only services. Many in the healthcare industry say that those without video telemedicine or in-person appointments are less likely to come back for follow-up visits.ⁱⁱ Due to these findings, a significant number of healthcare professionals opt for a hybrid approach to allow for flexibility and safeguard the quality of service simultaneously.

Although telemedicine may not be able to treat severe injuries, the technology does have the capability to treat the most common workplace injuries, from strains and sprains to cuts and scrapes. Some major companies suggest that technology be on hand at large work sites to allow injured workers to receive care and guidance immediately as

injuries arise. Industry leaders believe health hubs onsite at work via electronic platforms could more efficiently determine injury severity and dictate the course of action if necessary for treatment.

While there are benefits and drawbacks to telemedicine, its popularity cannot be denied. From March to April of 2020, telemedicine appointments [increased 91 percent](#) in workers' compensation claims.ⁱⁱⁱ In response to demand for virtual visits, workers' compensation providers invested heavily in new technology systems, with [35 percent citing](#)^{iv} that telemedicine will have an immense impact on the industry in the next 5-10 years. [89 percent](#) of healthcare industry leaders say they are now investing substantially in telemedicine capabilities.^v

Investment in the technology seems to make sense for the workers' compensation industry as cost reductions for providers and employers can be quite significant, with many seeing decreases of around [50%](#) in certain services. There is also the benefit of younger generations wanting more flexibility with accessing medical services. Over [half](#) of Millennials and Gen-Zers prefer to replace their primary physicians with a network of telemedicine providers.^{vi}

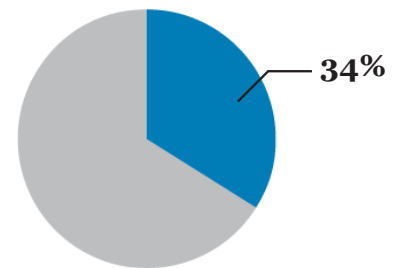
Telemedicine's Underserved Populations

While telemedicine is an obvious option for those with the internet, the service may not be fully accessible to all the population due to lagging broadband networks in rural or underserved areas of the country. The Federal Communications Commission reports [that 19 million Americans](#) cannot access the internet as of 2021.^{vii} Even worse, the FCC estimates that [44 million households](#) do not have a standard broadband connection either because they cannot gain access or it's simply not affordable.^{viii}

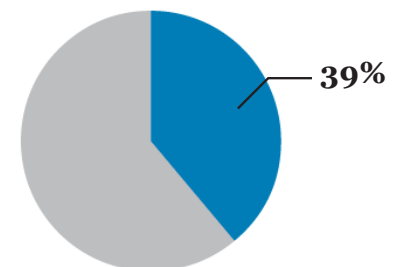
Digital gaps tend to affect minority populations as 34 percent of Black households, 39 percent of Latina households and 33 percent of Native American households have no broadband subscriptions. Rural Americans suffer from lagging connectivity as well, with [58 percent](#) reporting that limited access to high-speed internet is a problem in their community.^{ix}

There is also a divide in age on telemedicine practices. Over [one-third](#) of those above the age of 65 report significant concerns with their ability to use telemedicine technology.^x Altogether 41 percent of Medicare beneficiaries lacked access to a computer with high-speed internet access, and many also reported not having a smartphone with a wireless data [plan](#).^{xi}

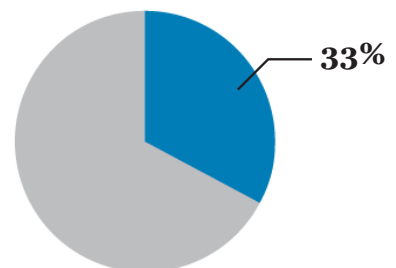
Older adults tend to need more medical attention than other populations, with the 55+ age demographic accounting [for over half](#) of total health spending in the country. A rapid switch to telemedicine may hurt more than help older Americans and minority communities unless broadband is extended to these underserved populations.^{xii}



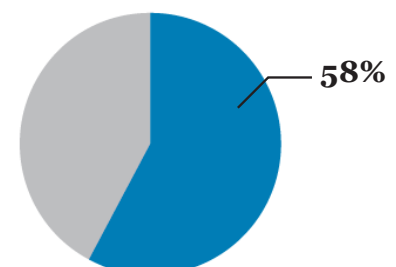
Black Households



Latina Households



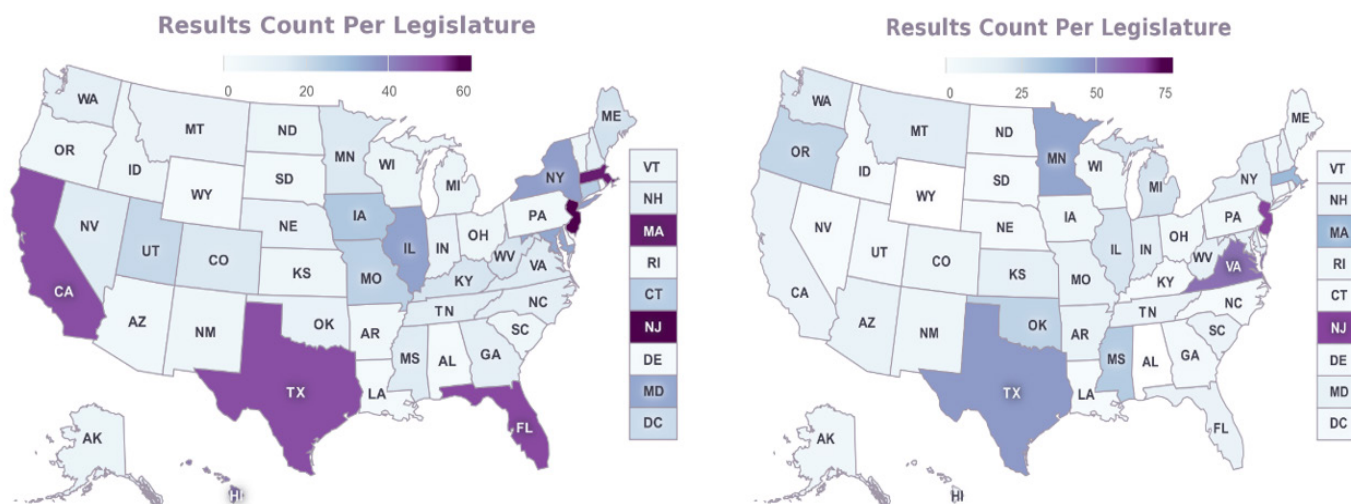
Native American Households



Rural Households

State Access

To make way for telemedicine, nearly all states proposed legislation related to the practice this year. Well over 1,000 bills related to telehealth and telemedicine were filed in 2021 alone. Telemedicine-related bills were not exclusively identical as state legislators grappled with a long list of issues unique to their state, such as licensing procedures, technological hiccups, clarification of definitions, and scope of insurance coverage. States like **Arizona**, **Delaware**, **Kentucky** & **Montana** fully passed omnibus bills related to telemedicine covering a range of issues within each state's health system. Meanwhile, states like **Georgia**, **Indiana**, **Louisiana**, **Maryland**, **Minnesota**, **Oregon**, **Virginia** made legislative clarifications or expanded on their definition of telemedicine in attempts to simplify existing statutes.



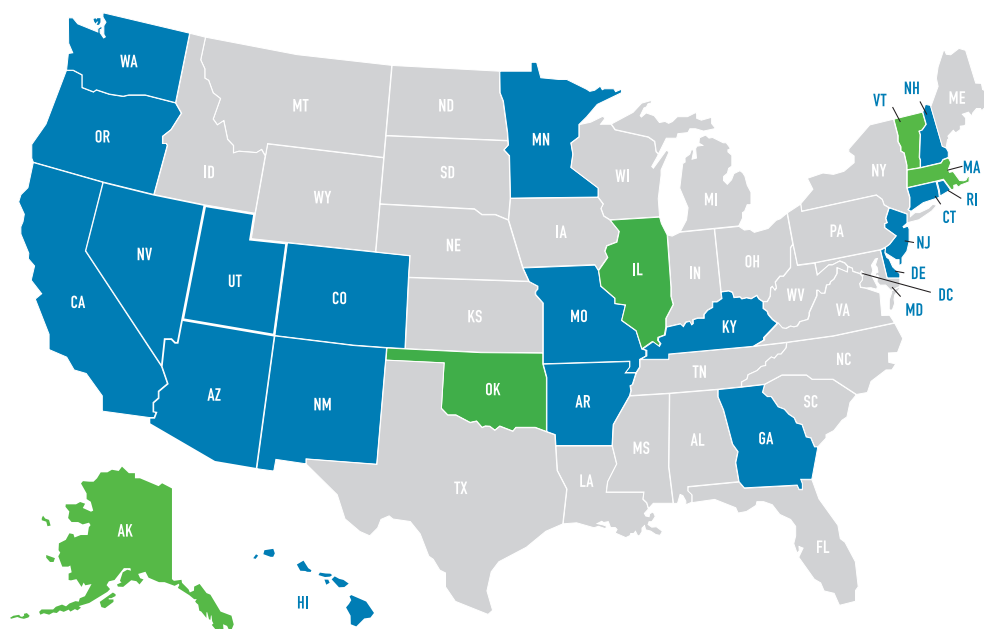
Telehealth related bills (left) and Telemedicine related bills (right) filed in 2021 provided by Fiscal Note

Colorado, **Oklahoma** & **South Dakota** fully passed tech-neutral definition legislation in the 2021 session. Technological neutrality involves not being reliant on specific software or technological outlets to operate. A tech-neutral telemedicine partner permits streamlined integration with existing healthcare systems' processes and technical preferences allowing for greater flexibility. For example, **South Dakota's** bill ([SB96](#)) eliminated the state's prohibition on audio-only, email, and text communication for telemedicine.

With the switch to virtual visits, many providers called on their state legislatures to ensure pay parity for telemedicine appointments, guaranteeing online appointments are reimbursed the same as in-person visits. While most states do not enforce pay parity for telemedicine, 24 states do. However, pay parity can depend on the type of services being delivered. As an example, **Alaska**, **Illinois**, and **Massachusetts** only require pay parity for mental health services.

In workers' compensation, all states except for **Arkansas** allow telemedicine to be used in some capacity. Before 2020 less than half of states allowed for telemedicine in workers' compensation. Since the pandemic, over half of US states either added a telemedicine option or expanded their usage for worker's injuries.^{xiii} More than 30 states included updated procedural codes for telehealth services in their workers' compensation fee schedules.^{xiv}

In 2021, 26 states (**Arizona, Arkansas, California, Connecticut, Colorado, Delaware, Georgia, Indiana, Kentucky, Louisiana, Maine, Maryland, Minnesota, Montana, New York, North Dakota, Nevada, Oklahoma, Oregon, Rhode Island, South Dakota, Tennessee, Texas, Virginia, Washington, West Virginia**) officially enacted significant legislation expanding telehealth services and or clarifying definitions.



Source: Mannett Health (*Implemented Pay Parity*, *Implemented with Caveats*)

Conclusion

Overall, telemedicine dominated legislative circles in the 2021 session and should continue to do so into 2022 and beyond. Virtual care is likely to develop into the norm and to more healthcare sectors. With the expansion of telemedicine, state authorities and regulators may need to be up to date on their statutes to ensure coverage and accessibility in their areas as issues emerge. The technology could become mainstream in workers' compensation and solve longtime problems ranging from time lost to recovery efficiency. However, it could also experience its own set of issues without proper implementation.

Legislators and regulatory authorities used various tools to ensure their state's residents could access health services limited by the pandemic. From passing legislation to issuing emergency orders, the expansion of telehealth is seen as a developing success of the U.S. healthcare system. Telemedicine's potential is yet to see its limits. However, private-public sector partnership and cooperation are necessary to deliver critical services to unlock its full potential. Investments in broadband and the loosening administrative red tape from the states may be needed for telemedicine to be comprehensively delivered on a nationwide basis.

INJURED WORKERS PHARMACY (IWP)

As *THE* Patient Advocacy Pharmacy, IWP is committed to shining a spotlight on the issues that impact injured workers across the country. As the prevalence of mental health workers' compensation claims grow, IWP is committed to treating injured workers comprehensively, ensuring they have access to the services and treatments they need to get back to work. As states continue to work through this complicated legislative issue, IWP remains committed to engaging in the conversation with all stakeholders to better serve our patients.

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