

**SUBSTITUTE FOR  
SENATE BILL NO. 1135**

A bill to amend 1939 PA 280, entitled  
"The social welfare act,"  
by amending section 105h (MCL 400.105h), as added by 2020 PA 101.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 105h. (1) Beginning October 1, 2020, telemedicine  
2 services are covered under the medical assistance program and  
3 Healthy Michigan program if the originating site is an in-home or  
4 in-school setting, in addition to any other originating site  
5 allowed in the Medicaid provider manual or any established site  
6 considered appropriate by the provider. **Beginning the effective**  
7 **date of the amendatory act that added subsection (7), telemedicine**  
8 **services are also covered under the medical assistance program and**  
9 **Healthy Michigan program if those services are provided at, or**



1 contracted through, a distant site allowed in the Medicaid provider  
2 manual.

3 (2) The medical assistance program and Healthy Michigan  
4 program must include a comprehensive set of the programs' services  
5 and benefits as covered telemedicine services including, at a  
6 minimum, medical, dental, behavioral, and substance use disorder  
7 services.

8 (3) The medical assistance program and Healthy Michigan  
9 program must authorize as many types of healthcare distant  
10 providers as allowable by law to render telemedicine services.

11 (4) Telemedicine services are covered both when a distant  
12 provider's synchronous interactions occur using an audio and video  
13 electronic media or when using an audio-only electronic media.

14 (5) ~~(2)~~—The distant provider or organization is responsible  
15 for verifying a recipient's identification and program eligibility.

16 (6) ~~(3)~~—The distant provider or organization must ensure that  
17 the information is available to the primary care provider.

18 (7) The distant provider must notify the recipient that  
19 personally identifiable health information will be discussed during  
20 the telemedicine service. The distant provider must encourage the  
21 recipient to proceed with the telemedicine service only if the  
22 recipient is in a safe and private environment.

23 (8) The distant provider must follow generally accepted  
24 clinical practice guidelines and ensure the clinical  
25 appropriateness and effectiveness of services delivered using  
26 telemedicine.

27 (9) The medical assistance program and Healthy Michigan  
28 program shall not do any of the following:

29 (a) Impose quantity or dollar amount maximums or limitations



1 for services delivered using telemedicine that are more restrictive  
2 than those imposed on comparable in-person services.

3 (b) Reimburse distant providers for telemedicine services at a  
4 lower rate than comparable services rendered in person, except when  
5 reimbursing a provider who exclusively provides telemedicine  
6 services.

7 (c) Impose specific requirements or limitations on the  
8 technologies used to deliver telemedicine services, except that the  
9 technology be compliant with requirements of the health insurance  
10 portability and accountability act of 1996, Public Law 104-191.

11 (d) Impose additional certification, location, or training  
12 requirements on health care professionals who are distant providers  
13 as a condition of reimbursing the distant provider for telemedicine  
14 services.

15 (10) A telemedicine service is an allowable encounter for a  
16 federally qualified health center, rural health clinic, or tribal  
17 health center in the medical assistance program or Healthy Michigan  
18 program.

19 (11) Reimbursement for telemedicine services authorized under  
20 this section is contingent upon the availability of federal  
21 financial participation for those services in the medical  
22 assistance program and the Healthy Michigan program.

23 (12) The department must seek any necessary waiver or state  
24 plan amendment from the United States Department of Health and  
25 Human Services to implement the provisions of this section.

26 (13) Telemedicine services authorized under this section must  
27 be incorporated in rate development for any managed care program  
28 that is implemented in the medical assistance program and the  
29 Healthy Michigan program subject to federal actuarial soundness



1 requirements.

2 (14) ~~(4)~~ As used in this section:

3 (a) "Distant provider" and "distant site" mean the location of  
4 the health care professional providing the service at the time the  
5 service is being furnished by a telecommunications system and the  
6 health care professional providing those services. Distant site may  
7 include the health care professional's office or any established  
8 site considered appropriate by the health care professional as long  
9 as the privacy of the recipient and security of the information  
10 shared during the telemedicine visit are maintained.

11 (b) ~~(a)~~ "Originating site" means the location of the eligible  
12 recipient at the time the service being furnished by a  
13 telecommunications system occurs.

14 (c) ~~(b)~~ "Telemedicine" means that term as defined in section  
15 3476 of the insurance code of 1956, 1956 PA 218, MCL 500.3476.

