

Legislative Analysis



TELEMEDICINE COVERAGE

Mary Ann Cleary, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 5408

Sponsor: Rep. Gail Haines

House Bill 5421

Sponsor: Rep. Matt Lori

Committee: Health Policy

Complete to 2-22-12

A SUMMARY OF HOUSE BILL 5408 AS INTRODUCED 2-16-12 AND HOUSE BILL 5421 AS INTRODUCED 2-21-12

The bills would specify that health insurers could not require face-to-face contact between a health care provider and patient for services appropriately provided through telemedicine—subject to all terms and conditions of the policy or certificate agreed upon between the health insurer and the policy, certificate, or contract holder. Only a policy, certificate, or contract issued or renewed on or after July 1, 2012, would be affected.

"Telemedicine" would be defined as the use of telecommunications technologies for medical diagnosis, care, and education. (Generally speaking, telemedicine uses interactive audio, video, or other electronic media for diagnosis, consultation, or treatment, but the term usually does not include services provided using audio-only telephone, email, or fax transmissions. Nationally, the top three uses of telemedicine according to Telemedicine.com, Inc., are radiology, dermatology, and psychiatry.)

House Bill 5408 would add the new language to the Nonprofit Health Care Corporation Reform Act, which regulates Blue Cross Blue Shield of Michigan (MCL 550.1401k), to apply to group and nongroup certificates.

House Bill 5421 would add the new language to the Insurance Code to apply to group and nongroup policies, contracts, and certificates of commercial health insurers and health maintenance organizations (MCL 500.3476).

FISCAL IMPACT:

House Bills 5408 and 5421 would not likely impact the administrative and enforcement costs of the Office of Financial and Insurance Regulation. Currently Michigan's Medicaid program covers telemedicine and telehealth costs. The actual cost to private insurers and how this trickles down to state and local units of government health care costs is unknown. Due to a lack of available data, a fiscal impact to state and local governments cannot be determined with any accuracy.

Legislative Analyst: Susan Stutzky
Fiscal Analyst: Paul Holland
Steve Stauff
Ben Gielczyk

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