Legislative Analysis



TELEHEALTH SERVICES

Phone: (517) 373-8080 http://www.house.mi.gov/hfa

Senate Bill 753 (S-2) as passed by the Senate

Sponsor: Sen. Peter MacGregor House Committee: Health Policy Senate Committee: Health Policy

Complete to 9-9-16

Analysis available at http://www.legislature.mi.gov

SUMMARY:

<u>Senate Bill 753</u> would add a six sections to the Public Health Code to require that a health professional consult with a patient or receive the patient's consent before providing telehealth services; prescribe certain standards for drug prescription and provision of telehealth services; authorize the Department of Licensing and Regulatory Affairs (LARA) to promulgate rules regarding telehealth; and define key terms. These new telehealth provisions would not require new or additional third party reimbursement for telehealth services, or limit or authorize a health care service beyond current law. The bill would take effect 90 days after enactment.

<u>Consultation/Consent</u>: A telehealth professional may only provide telehealth services after first consulting with the patient or obtaining consent from the patient to provide the services. This does not apply to an inmate in the state corrections system.

Prescribing: A health professional who is providing a telehealth service may prescribe the patient a drug if the health professional is a prescriber and the drug is not a controlled substance.

• A prescriber would mean that term as defined in Section 17708 of the Public Health Code: a licensed dentist, a licensed doctor of medicine, a licensed doctor of osteopathic medicine and surgery, a licensed doctor of podiatric medicine and surgery, a licensed optometrist certified under Part 174 to administer and prescribe therapeutic pharmaceutical agents, a licensed veterinarian, or another licensed health professional acting under the delegation and using, recording, or otherwise indicating the name of the delegating licensed doctor of medicine or licensed doctor of osteopathic medicine and surgery.

<u>Discipline for violation</u>: A disciplinary subcommittee may place restrictions or conditions on a health professional's ability to provide a telehealth service if it finds that the person has violated the consultation/consent or prescribing rules listed above.

Rules to be promulgated by LARA: LARA, in consultation with a board, may promulgate rules to implement the consultation/consent and prescribing rules listed above.

Definitions:

• The bill defines *telehealth* as the use of electronic information and telecommunication technologies to support or promote long-distance clinical health care, patient and

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- professional health-related education, public health, or health administration. Telehealth may include, but is not limited to, telemedicine.
- Section 3476 of the Insurance Code defines *telemedicine* as the use of an electronic media to link patients with health care professionals in different locations. To be considered telemedicine under this section, the health care professional must be able to examine the patient via a real-time, interactive audio or video (or both) telecommunications system and the patient must be able to interact with the off-site health care professional at the time the services are provided.

Proposed MCL 333.16283 to 333.16288

FISCAL IMPACT:

The bill would likely have a small, though negative fiscal impact on the Department of Licensing and Regulatory Affairs. The department will likely experience increases in administrative costs associated with the promulgation of rules regulating telehealth services and the administration of certain provisions contained within the bill. Additionally, the Bureau of Professional Licensing may see increased costs associated with investigations of alleged violations of the Public Health Code and disciplinary action taken for violations. The bill would likely have no fiscal impact on local units of government.

This bill should not have a fiscal impact on the state's Medicaid program, as telehealth is already a covered service.

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