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Medicare finalizes a new rule for telemedicine services to keep beneficiaries in rural and remote areas dialed in through telemedicine

The Centers for Medicare & Medicaid Services (CMS) today announced that it has finalized a rule for telemedicine services to ensure that patients in rural or remote areas will continue to receive the most cutting-edge medical care from many of their local hospitals.

The final rule changes the process that hospitals and critical access hospitals (CAH) can use for credentialing and granting privileges to physicians and practitioners who deliver care through telemedicine. Specifically, the rule simplifies how hospitals and CAHs partner with hospitals and non-hospital telemedicine entities (such as teleradiology facilities) to deliver care to their patients. The streamlined process will be particularly beneficial to patients of small hospitals and CAHs in rural or remote areas that may lack staff or resources to deliver specialized clinical expertise to their patient populations.

“Today’s final rule is the result of close collaboration with hospital and telemedicine care experts,” said CMS Administrator Donald M. Berwick, MD. “We at CMS want to be sure that as we develop rules to protect the safety and quality of care at America’s hospitals and CAHs, we also devise policies that reflect the most innovative practices in delivering care to all patients, especially patients in rural or remote parts of the country through telemedicine practices.”

Before today’s final rule, CMS regulations required hospitals and CAHs to grant practice privileges to remote-site doctors and other practitioners already credentialed in distant-site facilities, after their own individualized consideration of the practitioner’s qualifications, on a practitioner-by-practitioner basis. This meant that these practitioners could not provide care via telemedicine unless they were granted practice privileges both by their home hospital as well as by the remote hospital or CAH to which the telemedicine services were being delivered.

Privileging decisions are currently made based upon the recommendations of a hospital’s staff after the staff has thoroughly examined and verified the credentials of the practitioners and also used specific criteria to determine whether privileges should be granted.

As part of credentialing, hospitals research the qualifications of licensed healthcare professionals and assure that these qualifications are appropriate and legitimate. Privileging considers a practitioner’s credentials, including a license or ability to legally practice in a state, the practitioner’s training and experience, any special certifications the individual may hold from a medical specialty board, as well as the individual’s clinical skills and abilities.

The final rule aims to reduce the burden of the traditional credentialing and privileging process for Medicare-participating hospitals and CAHs, both those that provide telemedicine services and those that use such services. In particular, the rule extends the option of a streamlined credentialing and privileging process to those small hospitals and CAHs that use the telemedicine services of practitioners from distant-site telemedicine entities, both Medicare- and non-Medicare-participating, in order to improve access to specialty services for patients while further reducing the regulatory burden imposed on hospitals and CAHs.

A hospital or CAH that furnishes telemedicine services to its patients via an agreement with a “distant” hospital or telemedicine entity may now rely upon information furnished by the distant hospital (often a larger medical center) or telemedicine entity when making credentialing and privileging decisions for the physicians and practitioners at the distant site that will furnish the services.

Telemedicine is the use of electronic information and telecommunications technologies to provide professional health care services. Telemedicine is often used to connect practitioners and clinical experts in large hospitals or academic medical centers with patients in smaller hospitals or CAHs, which are typically located in more remote locations. Telemedicine can assure that these remotely located patients enjoy the same access to potentially life-saving technologies and expertise that are available to patients in more populated parts of the country.

The final rule was developed in response to concerns about the urgent need to preserve access to telemedicine for patients.

Today’s final rule updates the conditions of participation for hospitals and CAHs. Conditions of participation are rules that apply to health care organizations that seek to begin and continue participating in the Medicare and Medicaid programs. The conditions are the baseline health and safety standards and are the foundation for improving quality and protecting the health and safety of beneficiaries. CMS implements these standards through state departments of health and accrediting organizations recognized by CMS (through a process called “deeming”), which review provider practices to assure they meet or exceed Medicare’s condition standards.

More information about the finalized rule is available on CMS’ website at http://www.cms.gov/CFCsAndCoPs/06_Hospitals.asp and http://www.cms.gov/CFCsAndCoPs/03_CAHs.asp.
