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By the Committees on Communications, Energy, and Public Utilities; and Health Policy

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A bill to be entitled An act relating to telemedicine; creating s. 456.4501, F.S.; providing a short title; creating s. 456.4502, F.S.; defining terms applicable to the act; creating s. s. 456.4503, F.S.; requiring specified practitioners providing telemedicine services to patients in this state to be licensed in this state; providing certain exceptions for emergency services and consultations; authorizing nonFlorida licensed physicians to meet alternative requirements; requiring pertinent records to be made available upon request; requiring other health care providers to be supervised by a telemedicine provider; providing continuing education requirements for telemedicine providers; establishing venue; providing applicability; authorizing the licensing boards to adopt rules; creating s. 456.4504, F.S.; providing standards and prohibitions for the provision of telemedicine services; prohibiting nonemergency prescribing of a legend drug without a physical examination; prohibiting the prescription of a controlled substance for chronic nonmalignant pain using telemedicine; creating s. 456.4505, F.S.; authorizing the use of telemedicine services in the diagnosis and treatment of the human eye; providing requirements for the use of automated equipment; requiring the owner or lessee of the automated equipment to maintain specified liability insurance under certain circumstances; prohibiting prescriptions for spectacles or contact

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lens based solely on the use of an autorefractor; creating s. 456.4506, F.S.; providing requirements for reimbursement of telemedicine services under the Medicaid program; requiring a report to the Legislature on the usage and costs of telemedicine in Medicaid by a certain date; providing for future repeal; amending s. 409.967, F.S.; prohibiting a managed care plan under Medicaid from using telemedicine providers that are not physicians; amending ss. 627.645 and 641.185, F.S.; prohibiting the denial of a claim for payment for medical services based on a medical necessity determination conducted via telemedicine unless the determination is made by a physician; providing an effective date.

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Be It Enacted by the Legislature of the State of Florida:

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Section 1. Section 456.4501, Florida Statutes, is created to read:

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456.4501 Short title.—Sections 456.4501-456.4506 may be cited as the "Florida Telemedicine Act."

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Section 2. Section 456.4502, Florida Statutes, is created to read:

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456.4502 Definitions.—As used in this act, the term:

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(1) "Act" means the Florida Telemedicine Act.

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(2) "Advanced communications technology" means:

(a) Compressed digital interactive video, audio, or data

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transmissions;

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(b) Real-time synchronous video- or web-conferencing

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communications;

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(c) Secure web-based communications;

- (d) Still-image capture or asynchronous store and forward;
- (e) Health care service transmissions supported by mobile
 devices (mHealth); or
- (f) Other technology that facilitates access to health care services or medical specialty expertise.
- (3) "Distant site" means the location at which the telemedicine provider delivering the health care service is located at the time the service is provided via telemedicine.
- (4) "Encounter" means an examination, consultation, monitoring, or other health care service.
- (5) "Health care provider" means a health care practitioner or out-of-state licensed individual who provides health care services within the scope of his or her professional license.
- (6) "In person" means that a patient is in the physical presence of the health care provider without regard to whether portions of the encounter are conducted by other providers.
- (7) "Originating site" means the location of the patient receiving telemedicine services, which site meets the standards of this act as verified by the telemedicine provider.
- (8) "Patient presenter" means an individual who has clinical background training in the use of advanced communications technology equipment and who is available at the originating site to present the patient, manage the cameras or equipment, and perform any hands-on activity necessary to successfully complete the telemedicine encounter under the direction and supervision of a telemedicine provider.
 - (9) "Store and forward" means the type of telemedicine

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encounter that uses still images of patient data for rendering a medical opinion or diagnosis. The term includes the asynchronous transmission of clinical data from one site to another.

- (10) "Telehealth" means the use of advanced communications technology to provide access to health assessment, diagnosis, intervention, consultation, supervision, and information across distances. The term includes the use of remote patientmonitoring devices that are used to collect and transmit data for telemonitoring and interpretation.
- (11) "Telemedicine" means the practice of medicine through the use of advanced communications technology by a telemedicine provider at a distant site in compliance with federal and state privacy and confidentiality requirements and encryption standards. Services provided through telemedicine may include patient assessment, diagnosis, consultation, treatment, prescription of medicine, transfer of medical data, or other medical-related services. The term does not include audio-only calls, e-mail messages, or facsimile transmissions. Telemedicine includes telehealth and telemonitoring.
- (12) "Telemedicine provider" means a physician or physician assistant licensed under chapter 458 or chapter 459, an advanced registered nurse practitioner licensed under chapter 464, or a pharmacist licensed under chapter 465 who provides telemedicine services.
- Section 3. Section 456.4503, Florida Statutes, is created to read:
 - 456.4503 Telemedicine requirements.
- (1) An out-of-state physician, physician assistant, advanced registered nurse practitioner, or pharmacist who

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provides telemedicine across state lines to a patient physically
located in this state must have a Florida license to practice as
provided under chapter 458, chapter 459, chapter 464, or chapter
465.

- (2) An out-of-state physician, physician assistant, advanced registered nurse practitioner, or pharmacist is exempt from subsection (1) if:
- (a) The out-of-state physician, physician assistant, advanced registered nurse practitioner, or pharmacist is consulting with a telemedicine provider licensed to practice in this state; and
- (b) The telemedicine provider licensed in this state retains ultimate authority and responsibility for the diagnosis, treatment, and care of the patient located within this state.
- (3) An out-of-state physician is exempt from subsection (1) if the physician:
- (a) Holds an unrestricted active license to practice allopathic or osteopathic medicine in the state of the distant site and that state's licensure requirements must meet or exceed those of this state under chapter 458 or chapter 459, as determined by the appropriate board;
- (b) Maintains professional liability coverage that includes coverage for telemedicine services, in an amount and manner consistent with s. 458.320 and appropriate to the physician's scope of practice and location;
- (c) Has privileges at or is on the medical staff of an outof-state hospital affiliated with a Florida hospital licensed under chapter 395, or has an affiliation with an out-of-state health insurer or health plan that is also authorized to conduct

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business in this state pursuant to chapter 627 or chapter 641; and

- (d) Practices in a state that authorizes Florida-licensed physicians to provide telemedicine services to patients located in that state without having to be licensed to practice medicine in that state.
- (4) An out-of-state physician authorized under paragraph (3) to provide telemedicine services to patients in this state is subject to appropriate disciplinary action by the Board of Medicine, the Board of Osteopathic Medicine, or a regulatory entity in this state which has regulatory jurisdiction over the hospital, insurer, or health plan affiliated with the physician as described in subparagraph (3)(c).
- (5) A telemedicine provider and a hospital, insurer, or health plan operating in this state which is affiliated with an out-of-state physician as described in subparagraph (3)(c) shall make any pertinent records available upon request of the board, the department, or other regulatory authority as applicable. Failure to comply with such request may result in the revocation of the provider's license or imposition of a fine by the applicable board; or, in the case of an affiliated hospital, insurer, or health plan, a fine, license restriction, or revocation of an affiliated entity's authorization to conduct business in this state.
- (6) Consultations that occur on an emergency basis and that are conducted via telemedicine are exempt from subsection (1).

 The terms "emergency services and care" and "emergency medical condition" have the same meanings as provided in s. 395.002.
 - (7) A health care provider or patient presenter acting

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under the direction and supervision of a telemedicine provider through the use of telemedicine may not be interpreted as practicing without a license. However, the health care provider must be trained in, educated on, and knowledgeable about the procedure and technology and may not perform duties for which he or she does not have sufficient training, education, and knowledge. Failure to have adequate training, education, and knowledge is grounds for disciplinary action by the appropriate board, or the department if there is no board, or the affiliated regulatory entity for affiliated providers.

- (8) Upon license renewal, a physician, physician assistant, advanced registered nurse practitioner, or pharmacist practicing telemedicine shall:
- (a) Designate himself or herself as a telemedicine provider on the practitioner profile; and
- (b) Submit proof of successful completion of a course and subsequent examination, approved by the board, on the standards of practice in telemedicine. The course must consist of 2 web-based contact hours. The first course and examination must be offered by July 1, 2014, and shall be conducted at least annually thereafter. The course and examination shall be developed and offered by a statewide professional association accredited to provide educational activities as designated by the board. The board shall review and approve the content of the initial course and examination if the board determines that the course and examination adequately and reliably satisfy the criteria set forth in this section. Annually thereafter, the board shall review the course and examination and, if the board determines that the content continues to adequately and reliably

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Successful completion of the board-approved course and examination may be used to satisfy 2 hours of continuing education requirements for the biennial period during which the board-approved course and examination are taken. A physician, physician assistant, advanced registered nurse practitioner, or pharmacist who does not complete a board-approved course and examination under this section may not provide telemedicine services.

- (9) Venue for a civil or administrative action initiated by the telemedicine recipient, the department, or the appropriate board shall be based on the location of the patient or shall be in Leon County.
- (10) The boards may adopt rules to administer the requirements of this act and must repeal rules that are inconsistent with this act, including rules that prohibit the use of telemedicine in this state. The appropriate board may also develop standards and adopt rules relating to requirements for patient presenters. Such rules may not require the use of patient presenters in telemedicine services if special skills or training is not needed for a patient to participate in the encounter.

Section 4. Section 456.4504, Florida Statutes, is created to read:

456.4504 Telemedicine standards.-

(1) The standard of care as provided in s. 766.102 is the same regardless of whether the physician, physician assistant, advanced registered nurse practitioner, or pharmacist provides health care services in person or by telemedicine. The

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applicable board may adopt rules specifically related to the standard of care for telemedicine.

- (2) A telemedicine provider providing telemedicine services under this act is responsible for the quality of the equipment and technology employed and for its safe use. Telemedicine equipment and advanced communications technology must, at a minimum, be able to provide the same information to the telemedicine provider as the information that would be obtained in an in-person encounter with a health care provider and must enable the telemedicine provider to meet or exceed the prevailing standard of care for the practice of the profession.
- (3) The telemedicine provider is not required to conduct a patient history or physical examination of the patient before engaging in a telemedicine encounter if the telemedicine provider conducts a patient evaluation sufficient to meet the prevailing standard of care for the services provided.
- (4) Before each telemedicine encounter, the identification and location of the telemedicine provider and all other individuals present via advanced communications technology who will view the patient or the patient's information must be identified to the patient.
- (5) For the purposes of this act, the nonemergency prescribing of a legend drug based solely on an electronic questionnaire without a visual examination is considered a failure to practice with the level of care, skill, and treatment which is recognized by a reasonably prudent physician, physician assistant, advanced registered nurse practitioner, or pharmacist and is not authorized under this act.
 - (6) A controlled substance may not be prescribed through

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the use of telemedicine for chronic, nonmalignant pain.

(7) Medical records must be kept by each telemedicine provider that participates in a patient telemedicine encounter to the same extent as required for an in-person encounter under state and federal law. Telemedicine providers are encouraged to create electronic health records to document the encounter and to transmit information in the most efficient manner possible.

- (8) Any medical records generated, including records
 maintained via video, audio, electronic, or other means, due to
 a telemedicine encounter must conform to the confidentiality and
 recordkeeping requirements of federal law and nationally
 recognized health care accreditation organizations and the laws
 and rules of this state, regardless of where the medical records
 of a patient in this state are maintained.
- (9) Telemedicine technology used by a telemedicine provider must be encrypted and must use a recordkeeping program to verify each interaction.
- (10) In those situations in which a telemedicine provider uses telemedicine technology provided by a third-party vendor, the telemedicine provider must:
- (a) Require a business associate agreement with the thirdparty vendor; and
- (b) Ensure that the third-party vendor complies with the administrative, physical, and technical safeguards and standards set forth by the Health Information Technology for Economic and Clinical Health (HITECH) Act and by federal regulations implemented pursuant to HITECH.
- Section 5. Section 456.4505, Florida Statutes, is created to read:

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 $\underline{\text{456.4505 Telemedicine services to diagnose or treat the}}$ human eye.—

- (1) The use of automated equipment, including computercontrolled devices, in the provision of telemedicine services to
 diagnose or treat the human eye and its appendages, is
 permissible if the following requirements are met at the time
 the automated equipment is used:
- (a) The automated equipment is approved by the United States Food and Drug Administration for the intended use;
- (b) The automated equipment is designed and operated in a manner that provides any accommodation required by the federal ADA Amendments Act of 2008;
- (c) The automated equipment and accompanying technology used for the collection and transmission of information and data, including photographs and scans, gathers and transmits protected health information in compliance with the federal Health Insurance Portability and Accountability Act;
- (d) The procedure for which the automated equipment is used has a recognized Current Procedural Terminology (CPT) code approved by the Centers for Medicare and Medicaid Services;
- (e) The physical location of the automated equipment prominently displays the name and Florida license number of the individual who will read and interpret the diagnostic information and data, including photographs and scans;
- (f) Diagnostic information and data, including photographs and scans, gathered by the automated equipment is read and interpreted by an optometrist licensed under chapter 463 or a physician skilled in diseases of the human eye and licensed under chapter 458 or chapter 459; and

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(g) The owner or lessee of the automated equipment maintains liability insurance in an amount adequate to cover claims made by individuals diagnosed or treated based on information and data, including photographs and scans, generated by the automated equipment.

(2) A prescription for spectacles or contact lens may not be made based on telemedicine services or based solely on the refractive error of the human eye generated by a computer-controlled device such as an autorefractor.

Section 6. Section 456.4506, Florida Statutes, is created to read:

456.4506 Telemedicine services under Medicaid.—

- (1) The Agency for Health Care Administration shall reimburse for Medicaid services provided through telemedicine in the same manner and equivalent to Medicaid services provided in person under parts III and IV of chapter 409, except as provided in subsection (7).
- (2) Telemedicine services reimbursed under Medicaid must meet the standards and requirements of this act.
- (3) Except as provided in subsection (7), the agency may not require in-person contact between a telemedicine provider and Medicaid recipient as a prerequisite for payment for services appropriately provided through telemedicine in accordance with generally accepted health care practices and standards prevailing in the applicable health care community at the time the services are provided.
- (4) Before receipt of telemedicine services, a Medicaid recipient or the legal representative of a Medicaid recipient must provide informed consent for telemedicine services. A

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Medicaid recipient shall also be provided the opportunity to receive the same service through an in-person encounter.

- (5) A Medicaid service that is provided through a fee-for-service or managed care program may not be denied as a creditable Medicaid service solely because that service is provided through telemedicine.
- (6) Reimbursement of telemedicine services under Medicaid shall be the amount negotiated between the parties involved to the extent permitted under state and federal law. Regardless of the reimbursement methodology or amount, telemedicine providers located at the originating site and the distant site should both receive reimbursement based on the services rendered, if any, during the telemedicine encounter.
- (7) If, after implementation, the agency determines that the delivery of a particular service through telemedicine is not cost-effective or does not adequately meet the clinical needs of recipients and the determination has been documented, the agency may discontinue Medicaid reimbursement for that telemedicine service.
- (8) The agency shall submit a report on the usage and costs, including savings, if any, associated with the provision of health care services through telemedicine under the Medicaid program by January 1, 2017, to the President of the Senate, the Speaker of the House of Representatives, and the minority leaders of the Senate and the House of Representatives.
 - (9) This section is repealed June 30, 2017.
- Section 7. Paragraph (c) of subsection (2) of section 409.967, Florida Statutes, is amended to read:
 - 409.967 Managed care plan accountability.-

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(2) The agency shall establish such contract requirements as are necessary for the operation of the statewide managed care program. In addition to any other provisions the agency may deem necessary, the contract must require:

(c) Access.-

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1. The agency shall establish specific standards for the number, type, and regional distribution of providers in managed care plan networks to ensure access to care for both adults and children. Each plan must maintain a regionwide network of providers in sufficient numbers to meet the access standards for specific medical services for all recipients enrolled in the plan. A plan may not use telemedicine providers as defined in s. 456.4502 to meet this requirement unless the provider is licensed under chapter 458 or chapter 459. The exclusive use of mail-order pharmacies may not be sufficient to meet network access standards. Consistent with the standards established by the agency, provider networks may include providers located outside the region. A plan may contract with a new hospital facility before the date the hospital becomes operational if the hospital has commenced construction, will be licensed and operational by January 1, 2013, and a final order has issued in any civil or administrative challenge. Each plan shall establish and maintain an accurate and complete electronic database of contracted providers, including information about licensure or registration, locations and hours of operation, specialty credentials and other certifications, specific performance indicators, and such other information as the agency deems necessary. The database must be available online to both the agency and the public and have the capability to compare the

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availability of providers to network adequacy standards and to accept and display feedback from each provider's patients. Each plan shall submit quarterly reports to the agency identifying the number of enrollees assigned to each primary care provider.

- 2. Each managed care plan must publish any prescribed drug formulary or preferred drug list on the plan's website in a manner that is accessible to and searchable by enrollees and providers. The plan must update the list within 24 hours after making a change. Each plan must ensure that the prior authorization process for prescribed drugs is readily accessible to health care providers, including posting appropriate contact information on its website and providing timely responses to providers. For Medicaid recipients diagnosed with hemophilia who have been prescribed anti-hemophilic-factor replacement products, the agency shall provide for those products and hemophilia overlay services through the agency's hemophilia disease management program.
- 3. Managed care plans, and their fiscal agents or intermediaries, must accept prior authorization requests for any service electronically.

Section 8. Subsection (3) is added to section 627.645, Florida Statutes, to read:

- 627.645 Denial of health insurance claims restricted.-
- (3) A claim for payment under a health insurance policy for medical care or treatment may not be denied on the basis of a medical necessity determination conducted via telemedicine as defined in s. 456.4502 unless the determination is made by a physician licensed under chapter 458 or chapter 459.
 - Section 9. Paragraph (m) is added to subsection (1) of

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section 641.185, Florida Statutes, to read:

 $641.185~{\rm Health}$ maintenance organization subscriber protections.—

- (1) With respect to the provisions of this part and part III, the principles expressed in the following statements shall serve as standards to be followed by the commission, the office, the department, and the Agency for Health Care Administration in exercising their powers and duties, in exercising administrative discretion, in administrative interpretations of the law, in enforcing its provisions, and in adopting rules:
- (m) A health maintenance organization may not deny a claim for payment for medical care or treatment on the basis of a medical necessity determination conducted via telemedicine as defined in s. 456.4502 unless the determination is made by a physician licensed under chapter 458 or chapter 459.

Section 10. This act shall take effect October 1, 2014.