TO: Independent Mental Health Clinics and Hospitals

SUBJECT: Telepsychiatry

EFFECTIVE: Immediately

PURPOSE: To improve clinical access for clients in need of psychiatric services

BACKGROUND: New Jersey hospital and independent clinic mental health providers have expressed concerns with the growing shortage of psychiatrists and psychiatric advance practice nurses (APNs) across the state. This shortage has driven up costs and reduced access to appropriate psychiatric care. The Centers for Medicare and Medicaid Services (CMS) has determined that the provision of telemedicine services may meet the definition of face to face services and has allowed states to allow telemedicine as a billable service provided certain criteria are met. By allowing telepsychiatry for the face to face provision of mental health services provided by psychiatrists and psychiatric advance practice nurses at independent clinic mental health programs and hospital outpatient mental health programs, the New Jersey Division of Medical Assistance and Health Services hopes to ameliorate the difficulties that providers have expressed in obtaining qualified medical directors and access to psychiatric services.

ACTION: Telepsychiatry is defined as a psychiatric service provided by a psychiatrist or psychiatric advance practice nurse from a remote location over secure, two-way, interactive, audiovisual equipment. Telepsychiatry may be utilized by mental health clinics and/or hospital providers of outpatient mental health services to meet their physician related requirements including but not limited to intake evaluations, periodic psychiatric evaluations, medication management and/or psychotherapy sessions for clients of any age. The following requirements must be met:

1) Telepsychiatry must meet all confidentiality requirements required in HIPAA and HITECH regulations. Sessions may not be recorded.

2) Consumers must provide informed consent to participate in any service utilizing telepsychiatry. Should a client choose not to participate, they must be made aware of other face to face options and services. If they choose to participate, the clients must be informed and aware of the location of the psychiatrist/APN providing the telepsychiatry service.
3) All telepsychiatry transmissions must be on a secure line which utilizes an encryption process that ensures confidentiality and the integrity of the information being transmitted.

4) The interactive audiovisual equipment must provide for two-way communication at a minimum bandwidth of 384 kbps (kilobits per second).

5) Telepsychiatry services must be provided from, and in, a location that is properly lit allowing for clear visual contact.

6) The Medicaid client must receive services at the mental health clinic or outpatient hospital program and the mental health clinic/hospital must bill for all services under their Medicaid provider number. The clinician cannot bill for services directly.

7) The psychiatrist or psychiatric APN may be off-site but must be a practitioner currently licensed to practice within the State of New Jersey. When consumers receiving telepsychiatry services are under the care of a multidisciplinary treatment team, the psychiatrist or psychiatric APN providing telepsychiatry services must have regular communication with them and be available for consultation.

8) All services shall be provided by practitioners operating under an affiliation agreement between providers and the independent clinic or outpatient hospital program that describes the program and practitioners’ roles and responsibilities, as well as how telepsychiatry services will be coordinated between the facilities. When the provider is acting as the Medical Director, they must be contracted to provide these services.

9) In the event that the psychiatrist or psychiatric APN require a physical evaluation as part of their clinical assessment, the hosting provider shall have an RN available to complete and share the results of the physical evaluation.

10) The provider shall establish criteria to ensure authentication and identification of the Medicaid client participating in a telepsychiatry session. The provider shall ensure that the client has sufficient knowledge on how to operate any equipment before the session begins. They shall also ensure that staff is readily available to answer any technical questions or concerns the participant may have before, during or after the session.
11) All services shall be documented to show the provision of service was by telepsychiatry if applicable. The clinic or hospital program is responsible for maintaining all documentation of services for which they are the primary, billing provider. Off-site clinicians must have access to the client’s chart with the ability to document the therapeutic services provided.

12) All services currently billed by an independent mental health clinic or outpatient hospital program as mental health services, provided by a psychiatrist or psychiatric APN, shall be eligible for provision by telepsychiatry except for group therapy. Hospitals shall utilize existing outpatient revenue codes and independent clinics shall bill using the appropriate HIPAA compliant HCPCS code with a GT modifier.

13) The mental health clinic and hospital providers are limited to billing for services permitted by the Division of Medical Assistance and Health Services.

14) Before any telepsychiatry services may be provided, each participating program shall establish policy and procedures which address all the areas noted in this newsletter. These policies and procedures must be reviewed and approved by the Division of Medical Assistance and Health Services (DMAHS), in consultation with the Division of Mental Health and Addiction Services (DMHAS) or the Children’s System of Care (CSOC), depending on the program focus. Interested providers should contact their local Medical Assistance Customer Center (MACC) before providing telepsychiatry services.

All costs associated with the provision of telepsychiatry services including but not limited to the contracting of professional services and the telecommunication equipment are the responsibility of the provider and are not directly reimbursable by New Jersey Medicaid.

If you have any questions concerning this Newsletter, please contact the DMAHS Office of Customer Service at (609) 631-4641.

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