

# RHC Cost Reporting for Telehealth during COVID-19 crisis



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First the basics...How is the RHC rate calculated?


$$\text{RHC COSTS} / \text{RHC VISITS} = \text{RHC RATE}$$

# COSTS – WORKSHEET A/M-1

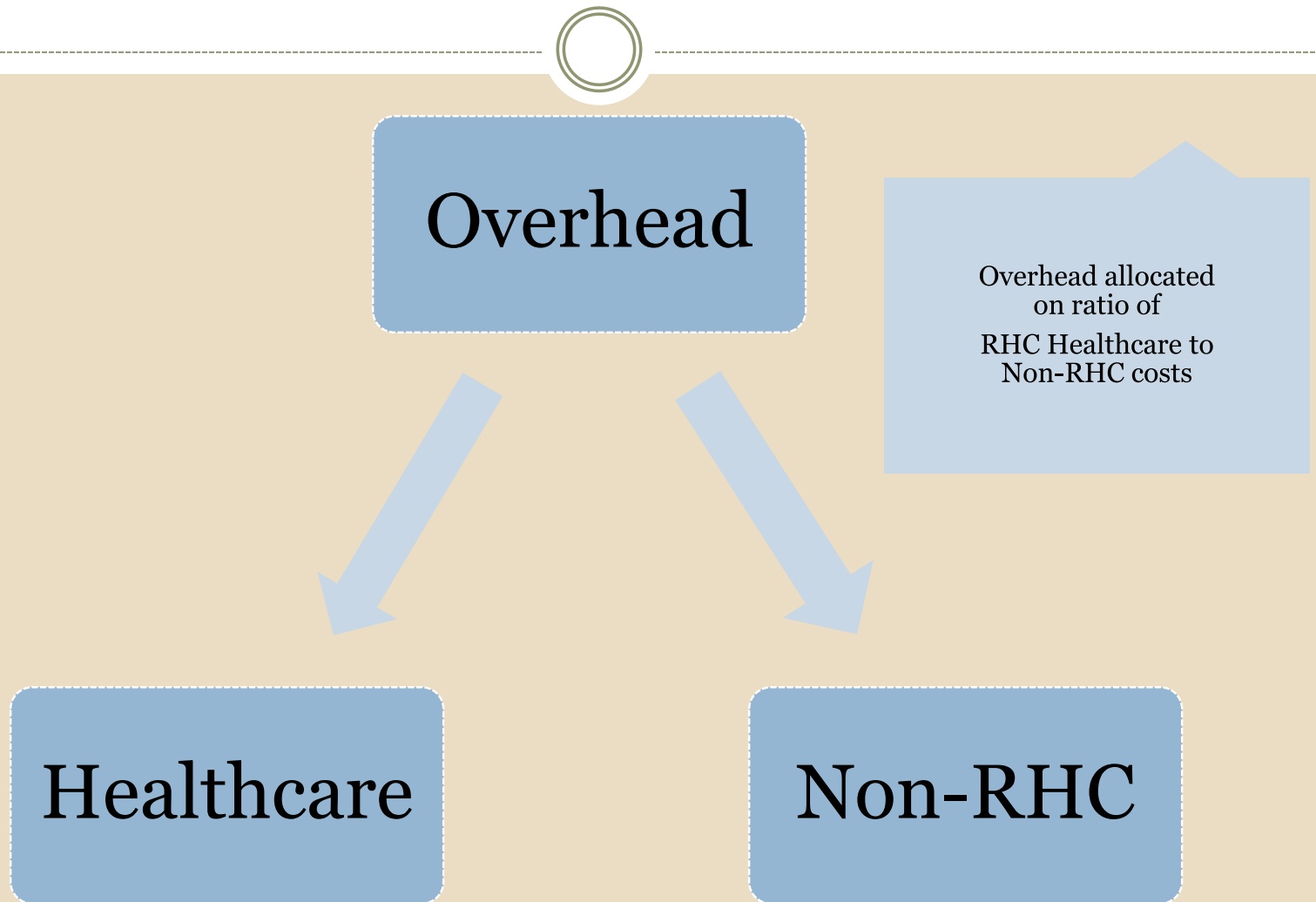


**RHC Healthcare  
Costs**

**Overhead**

**Non-  
RHC**

# Overhead allocations



# Where do we put Telehealth?



**Cost of providing telehealth services must be classified in the Non-RHC section on Line 79 for Independent, Line 25.01 Provider Based**

# Exclude or Reclassify?



- Does it use overhead at the clinic? (space, staff, etc.)
  - RECLASSIFY!
  
- If it is a non-allowable expense that does not use overhead:
  - EXCLUDE!

# Exclude or Reclassify?



- For telehealth – if using the clinic’s EMR, billers, front desk, referral coordinators, etc., you may need to reclassify direct cost.
- If telehealth visits are performed by the provider from their home, an exclusion with limited overhead components may be appropriate.
- Discuss with your RHC cost report expert

# Telehealth costs are Non-RHC



For reclassifications:

- Only allocate DIRECT costs
  - Practitioner wages
- Overhead will allocate through the cost report



# Telehealth – Direct Expense Calculations



- **Method A – Actual time spent**
  - Practitioners performing telehealth visits keep time studies of actual time spent
  - Allocate % of time for telehealth carve out for practitioners performing telehealth visits
  - Time studies of practitioners to support the allocated carve out

# Telehealth – Direct Expense Calculations



- Method B – Use average time based on CPT codes in clinic's EMR/Billing system
  - 99212 – 10 minutes
  - 99213 – 15 minutes
  - 99214 – 25 minutes
  - 99215 – 40 minutes
  - Multiply by number of codes performed
  - Multiply by average hourly wage
- Reclassify resulting non-RHC wages into non-reimbursable cost center

# Telehealth – Direct Expense Calculations



Method B – Use average time based on CPT codes in clinic’s EMR/Billing system, for example:

- 99213: Office or other outpatient visit for the evaluation and management of an established patient, which requires at least 2 of these 3 key components: An expanded problem focused history; An expanded problem focused examination; Medical decision making of low complexity. Counseling and coordination of care with other physicians, other qualified health care professionals, or agencies are provided consistent with the nature of the problem(s) and the patient's and/or family's needs. Usually, the presenting problem(s) are of low to moderate severity. **Typically, 15 minutes are spent face-to-face** with the patient and/or family.
- 99215: Office or other outpatient visit for the evaluation and management of an established patient, which requires at least 2 of these 3 key components: A comprehensive history; A comprehensive examination; Medical decision making of high complexity. Counseling and/or coordination of care with other physicians, other qualified health care professionals, or agencies are provided consistent with the nature of the problem(s) and the patient's and/or family's needs. Usually, the presenting problem(s) are of moderate to high severity. **Typically, 40 minutes are spent face-to-face** with the patient and/or family.

# Telehealth – Direct Expense Calculations



## Mental health example:

- 90832: Psychotherapy, 30 minutes with patient  
Psychotherapy is a variety of treatment techniques in which a physician or other qualified health care provider helps a patient with a mental illness or behavioral disturbance identify and alleviate any emotional disruptions, maladaptive behavioral patterns, and contributing/exacerbating factors. This treatment also involves encouraging personality growth and development through coping techniques and problem-solving skills. **Report 90832 for one half hour of face-to-face time** spent with the patient without an additional evaluation and management (E/M) service. Report 90833 if a separate E/M service is performed during the same encounter as the 30 minutes of psychotherapy.

# VISITS – WORKSHEET B/M-2



- Definition: Face-to-face encounter with qualified provider during which RHC services are performed.
- Telehealth visits are paid outside of the RHC rate.
- **Telemedicine visits are NOT reported as an RHC visit on worksheet B**

# FTE – RHC Clinical Hours only...



- FTE is based upon how many hours the practitioner is available to provide RHC patient care
- Telehealth is paid outside of the RHC rate; thus, time spent performing telehealth visits **does not count toward available time for FTE calculations.**
- Exclude telehealth time from RHC FTE calculations

# Questions?

