

February 25, 2011

Centers for Medicare and Medicaid Services  
7500 Security Boulevard  
Baltimore, MD 21244

Dear Administrator Berwick,

On behalf of the more of than 17,000 physician members of the American Academy of Dermatology Association (AADA) and the American Telemedicine Association (ATA), we are writing to request the consideration of the Centers for Medicare and Medicaid Services (CMS) to expand the adoption of technology-aided medical services by expanding coverage for these services. Telemedicine holds tremendous potential to improve access to a range of high quality medical services, including dermatologic care which is the focus of this request. Through the use of photographic and video communication technology, dermatologists have demonstrated the ability to deliver cost-effective, quality care. In order to provide patients with greater access to dermatological care and enhance the quality of dermatological services in the larger provider community, a more favorable reimbursement model is needed.

We understand there is opportunity each year with the publication of the proposed physician fee schedule to submit proposals for the inclusion of services under the definition of "telehealth" for reimbursement under Medicare. However, given the proven quality of store-and-forward teledermatology and its similarity to other services included under CMS' definition of "physician services" in the Medicare Policy Benefit Manual, we would like to discuss including it within this definition along with suggested language in the manual.

We look forward to meeting on Monday, February 28 with OCSQ and other CMS leaders about this and other administrative actions CMS can take to improve telehealth services for Medicare and Medicaid beneficiaries.

**Teledermatology benefits consumers with expanded access to providers and better continuity of care**

Teledermatology has been part of telemedicine activities since the 1970's and holds great potential to enhance and broaden the delivery of dermatologic services. It offers improved access to specialist care for geographically underserved, rural, disabled, or institutionalized patients with skin diseases. Potential uses include a supporting role for primary care, more accurate triage of dermatology referrals, or "advice only" services reducing the need for dermatology patients to attend outpatient clinics. The practice of dermatology heavily relies on patient history and visual examination to make a diagnosis, both facilitated by advancements in technology that allow for high quality care through

telemedicine. With comprehensive patient information and clear images, the dermatologist can often make a diagnosis at a distance and advise the local doctor how to care for the patient, keeping patients out of high-cost care sites and allowing patients access to care that may have otherwise seemed unattainable.

Some circumstances in which consideration of teledermatology may be prudent include:

- Providing quality care for medically underserved communities whether they are in a remote, rural or inner city area;
- Hospitalized patients (where no dermatologist is on staff)
- Extending the reach of a physician, nurse, program or facility;
- Improving access to care for target populations:
  - o Children;
  - o Elderly;
  - o Specific skin diseases for which there are few specialists;
  - o Chronic care;
  - o Military; and
  - o Many other groups that will benefit from this care model;
- Responding to emergencies or disasters quickly and effectively.
- Allowing a rural community to survive and thrive through connections to remote specialists, training and medical technology.

### **Evidence in support of teledermatology**

Dermatologists are among the most active users of telemedicine applications in the United States. The visual nature of the diagnosis of many common dermatologic conditions lends itself to the remote review of images, often referred to as “store and forward” telemedicine. As discussed in the American Telemedicine Association’s Practice Guidelines for Teledermatology, store and forward communication typically refers to the sending or forwarding of digital images and associated patient data to the specialist for storage and consultation.<sup>1</sup> In some instances, real-time video teleconferencing may be used, or a hybrid between store and forward and real-time video teleconferencing.

The largest and strongest body of research exists regarding the diagnostic reliability of teledermatology. The evidence shows that teledermatology consultations, whether using store and forward or real-time interactive techniques, result in highly reliable diagnoses that compare favorably with conventional clinic-based care.<sup>2-10</sup> High simple agreement has been found for biopsy decisions made by teledermatologists and clinic-based dermatologists when using both store and forward and real time interactive techniques.<sup>3,6,10-13</sup> Most of the existing evidence shows that store and forward teledermatology results in comparable diagnostic accuracy when compared to conventional clinic-based care. This is based primarily on studies that found comparable diagnostic accuracy between teledermatologists and clinic-based examiners using histopathologic review of biopsied tissue or other reference standard tests to make these assessments<sup>6,14-16</sup>.

Clinical outcomes are the least researched area of teledermatology. To date, only one large study has been published that assessed a definitive clinical endpoint finding no evidence to suggest a difference in the clinical course that patients experience when undergoing store and forward teledermatology consultations compared to clinic-based care.<sup>17</sup> Additionally, patients do reach a point of intervention with a dermatologist much sooner with store and forward teledermatology compared to the conventional referral process.<sup>7,10,18,-21</sup> The economic impact of store and forward teledermatology has shown that teledermatology can be a cost-effective strategy to providing broader access to dermatological care.<sup>3,10,22-24</sup>

### CMS language Consideration

Based on the 2010 Medical benefit Policy Manual, *“a ‘service’ may be considered to be a physician’s service where the physician either examines the patient in person or is able to visualize some aspect of the patient’s condition without the interposition of a third person’s judgment. Direct visualization would be possible by means of x-rays, electrocardiogram and electroencephalogram tapes, tissue samples, etc.”* (CMS Medicare Benefit Policy Manual Chapter 15 – Covered Medical and Other Health Services,” “30 - Physician Services, (Rev. 1, 10-01-03), B3-2020, B3-4142.). Within the context of Section 30 of the Medicare Benefit Policy Manual, visualization of digital photos (following a standard set of imaging protocols) accompanied by a written patient history (standardized set of history elements) that include all required components for Level 1-5 office visits or consultations would constitute a physician examination. The use of standardized digital photos accompanied by patient histories to manage patients remotely to provide consultation to the referring provider is a service currently covered by Medicare.

Based on these definitions of a physical examination for consultation and office visits, it is our understanding that the remote diagnostic services provided by dermatologists are covered services. Specifically, the example involves the use of asynchronous transfer of electronic records for dermatology that include a written patient history and digital photos of appropriate lesions/areas, that are packaged in an electronic form and are sent, compliant with HIPAA requirements, to a dermatologist located at a site other than that of the patient.

CMS has appropriately left it to various specialists to decide the appropriate means of direct visualization for various types of clinical services. It would be helpful if the current Medicare Benefit Policy Manual provided a reference to other widely used, proven and accepted practices. Therefore, we ask that CMS include a further example of covered physician services related to dermatologic conditions that can now effectively rely on similar direct visualization. Dermatologists have been using remote digital imaging for many years and its use has been fully integrated into federal programs serving veterans, the military, Native Americans and even federal prisoners. There are multiple scientifically-validated studies showing clinical efficacy and cost-effectiveness, and as mentioned earlier, there are approved and validated practice guidelines for the remote delivery of dermatologic care.

AADA and ATA believe the review of standardized written patient history accompanied by a standard set of digital images is more closely aligned with reimbursed services such as those services stated by CMS to be covered. There is precedent for this type of provision—in 1996 the nation’s largest Medicaid program, California’s Medi-Cal, approved a similar provision for dermatology services. In the 14 years since the provision was adopted, quality medical services have been provided to thousands of patients. Importantly, any fears of fraud and abuse have been assuaged and the state has not witnessed any drain on the system as a result of misuse of this provision.

The Medicare Benefit Policy Manual does not explicitly state that “hands-on” care is required for a dermatologist to provide an exam nor does the CPT code manual require the patient or provider to be physically present (services provided in-person). Although the telemedicine process for inclusion or exclusion of telemedicine CPT codes has indicated that asynchronous dermatology photos are considered a new service for the purposes of telemedicine, we believe that the review of dermatology photos in conjunction with an extensive written history might not be considered a new service under the current Medicare Benefit Policy Manual.

Also, for the reasons stated above, we would like CMS to consider adding of language to the Medicare Policy Benefit Manual to specifically include reference to the identification, evaluation and management of dermatologic conditions under the definition of “physician services” to clearly identify the visualization of photographs as a covered service, thereby allowing the broader application of this cost-effective and access-enabling technology.

We would like to request a meeting with CMS to further discuss the use and reimbursement of tele dermatology as a method for providing high quality access to much needed dermatological care.

Sincerely,



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