

Telehealth vs. In-Person Payments and Claims Denials Analysis

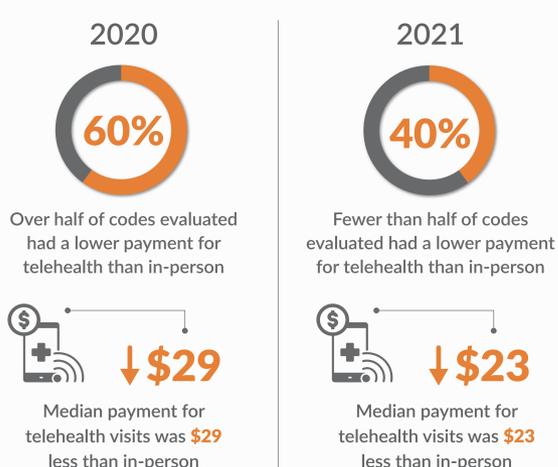
Providing health care services remotely through telehealth has the potential to [improve access to care](#) and advance health equity, especially for patients in rural and under-resourced communities. In an effort to understand and ultimately reduce barriers providers face when offering telehealth services, the Office of e-Health Innovation ([OeHI](#)) and Prime Health gathered [insights into telehealth](#) from Colorado organizations and providers in 2021. Even though [Colorado law requires](#) equal payments between in-person and telehealth services for health care, mental health, and dental services, providers reported lower reimbursement rates and denied claims for telehealth as barriers to providing services.

[OeHI](#) partnered with Center for Improving Value in Health Care ([CIVHC](#)) to study these reported barriers using claims data from the CO APCD and self-reported denied claims from four payers.*



Payment Variation

Statewide payments for telehealth were lower than some in-person visits in 2020 and 2021, although the gap is closing



The payment gap was larger in urban areas in 2020 and in rural areas in 2021

Median Payments (Total Allowed), Statewide, Rural and Urban, 2020 & 2021, Commercial Payers



By individual commercial payer, payment variation was also different

2020: Payments were \$2 to \$59 lower for telehealth



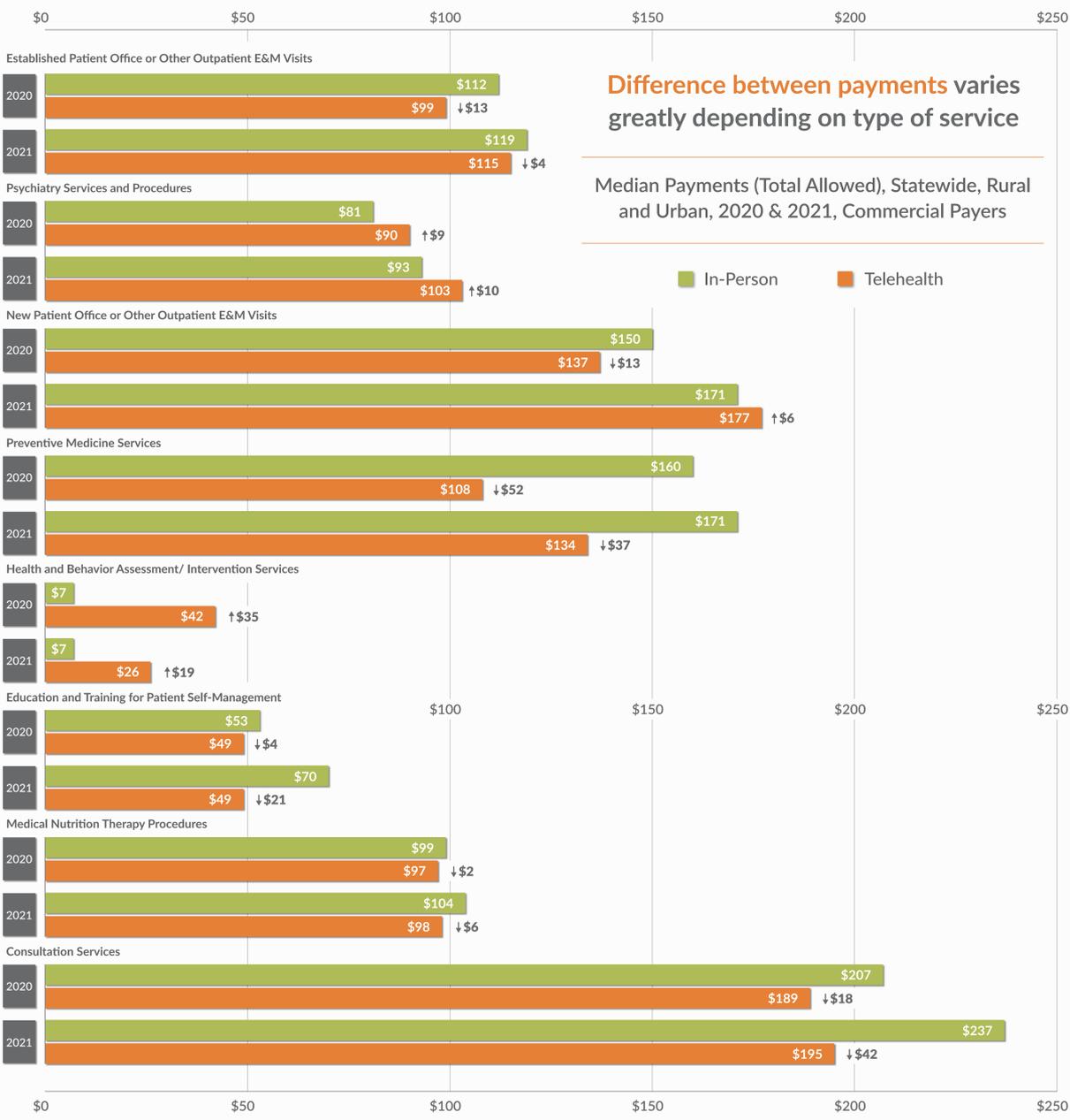
2021: Payments were \$1 to \$54 lower for telehealth



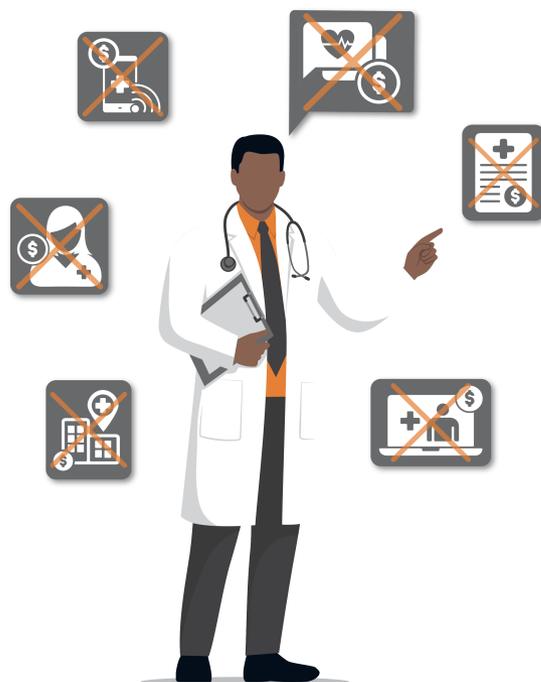
In 2021, only 8% (3 total) had equal or higher payments for telehealth, 60% of payers decreased the gap between payments, and 32% of payers showed an increase in the gap between payments for in-person versus telehealth.

Difference between payments varies greatly depending on type of service

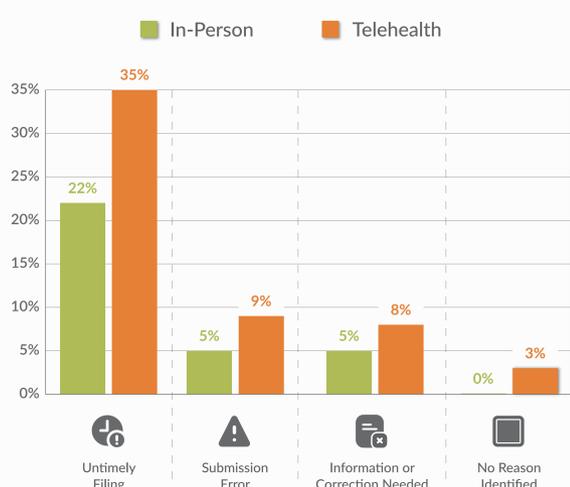
Median Payments (Total Allowed), Statewide, Rural and Urban, 2020 & 2021, Commercial Payers



Claims Denial Variation



The difference between telehealth and in-person denial rates depended on the type of service and the commercial payer



Conclusions & Next Steps

This project revealed that in 2020 and 2021, telehealth services were reimbursed at lower rates than comparable in-person services. Also, there was a statistically significant difference in the denied claims rate between in-person and telehealth claims. More information is needed to fully understand the impact of telehealth claims processing and reimbursement on providers and the availability of telehealth services in CO. [CIVHC](#) and [OeHI](#) are working together to plan new projects to answer these questions.

To read the full reports:

Visit [OeHI Reports](#)

More telehealth data is available at www.civhc.org

[Telehealth Services Utilization & Cost Analysis](#)

[Telehealth vs. In-Person Utilization Trend Analysis](#)

[Telehealth vs. In-Person Health Equity Analysis](#)

*Methodology: For payment variation, [CIVHC](#) analyzed payments for 70 CPT® codes that could have been performed either via telehealth or in-person and calculated median allowed amounts (payer portion + patient portion) using [CO APCD](#) data. Denied claims information was requested by [Division of Insurance](#) from select payers and provided to [CIVHC](#) to analyze telehealth and in-person rates and reasons for denials.