

## Part I: The Evolution of Telehealth Policy in Colorado

For decades, policymakers in Colorado and across the country have been exploring the potential of telehealth as a cost-effective mechanism to enhance access and reduce health care disparities. However, the onset of the COVID-19 pandemic, with its unprecedented challenges, significantly accelerated the development of telehealth policies. The urgency to continue to provide health services and the need for an exponential increase in telehealth access during the pandemic led to a flurry of policy changes.

Years after the initial surge in telehealth policy development, it is evident that the door to telehealth expansion opened by COVID-19 has not closed. As the immediate response to the public health emergency has lessened, policymakers are now focusing on aligning policies with telehealth's long-term, sustainable future. With telehealth becoming increasingly accepted as a new norm in service delivery options, policymakers are striving to create policies that support this evolving frontier in health care.

### Series Outline: Telehealth in Focus

We will explore the development of telehealth policy in Colorado across three issue briefs, examining how it aligns with national trends and what it indicates for the future of telehealth in our state.

This first issue brief will look at how telehealth policy in Colorado is evolving, both before and after the onset of the COVID-19 public health emergency (PHE).

### An Introduction to Telehealth Policy

Before examining the specifics of Colorado policy, it is essential to understand the context of how it is shaped. Telehealth policy encompasses a broad and complex web of issues, but at its core, addresses at least one of four essential questions:

- 1) **Who** (*Can receive services? Who can provide services?*)
- 2) **What** (*Services are eligible for reimbursement?*)
- 3) **Where** (*Can providers issue care from?*)
- 4) **How** (*Can care be provided and how is it compensated for?*)

#### KEY DEFINITIONS: TELEHEALTH & TELEMEDICINE

**Telehealth** – A broad collection of electronic and telecommunications technologies and services that support at-a-distance health care delivery, education, and services.

**Telemedicine** – Delivery of care through the electronic exchange of medical information between a patient and a provider, including physical, behavioral, and oral health.

Definitions from [Center for Connected Health Policy](#)

These questions are primarily answered individually by states, adding an additional layer of complexity. With little guidance and structure from the federal level, the burden of telehealth regulation falls primarily to states, which must individually determine how to align with national policy trends while considering their individual needs. Therefore, while there are general trends in focus areas, the path for each state in adapting policy looks different.

**Telehealth Highlight:**  
*Telehealth Policy 101*

The Center for Connected Health Policy has a library of [educational telehealth policy materials](#) where readers can learn more about key issues and considerations in telehealth policy.

For simplicity, telehealth regulations can be broadly split into two category types:

- 1) Practice
- 2) Payment

Standards and regulations on how telehealth is practiced – what kind of services can be provided, how, and from where – are almost entirely set at the state level. Payments have heavy regulations at both the federal and state levels, where federal rules apply mainly to provide a “floor” in how services are paid for by Medicare.

<b>Telehealth Policy Regulation</b>		
	State Regulated	Regulated Federally
<b>Practice of Telehealth</b>		
Licensing	✓	
Patient/Provider Relationship	✓	
Regulating Bodies	✓	
CMS Eligibility Regulation & Policies	✓	✓
HIPAA and Privacy		✓
Controlled Substance Prescription		✓
<b>Payment for Telehealth</b>		
Payment Parity & Private Payer Reimbursement	✓	
Medicaid Reimbursement	✓	
Medicare Reimbursement	✓	✓

## The History of Telehealth in Colorado

Although the COVID-19 pandemic put telehealth at center stage, state leaders had already considered it a critical component for improving health care in Colorado and implemented a framework of progressive telehealth policies before 2020.

To contextualize and examine Colorado’s policy, this series investigates legislation under four umbrella categories considered “key areas” of state regulation in telehealth policy.

### KEY DEFINITIONS: PARITY

**Payment Parity** – When insurers pay the same rate for telehealth services as they would for an equivalent in-person service.

**Coverage Parity** – When payers cover a service via telehealth the same as the service would be covered in-person.

*Definitions from [Center for Connected Health Policy](#)*

Key Telehealth Policy Areas			
Payment and Reimbursement	Licensing	Connectivity	Standards of Practice
<ul style="list-style-type: none"> <li>• Eligible Providers</li> <li>• Coverage for Federally Qualified Health Centers (FQHCs)</li> <li>• Coverage of audio-only services</li> <li>• Asynchronous Telehealth (Store-and-Forward)</li> <li>• Payment Parity</li> <li>• Coverage Parity</li> </ul>	<ul style="list-style-type: none"> <li>• Out-of-State Licensure</li> <li>• Interstate Medical Licensure Compacts</li> </ul>	<ul style="list-style-type: none"> <li>• Statewide Broadband Connectivity</li> </ul>	<ul style="list-style-type: none"> <li>• Remote Patient Monitoring</li> <li>• Consent</li> <li>• Establishment of Patient-Provider Relationships</li> </ul>

Before 2020, Colorado already had legislation in place addressing many of these focus areas, including being one of the few states with policies establishing payment parity, or the requirement for payers to reimburse for telehealth services at the same rate as the equivalent in-person service.

## Telehealth Toolkit Spotlight: Colorado's Telehealth Milestones

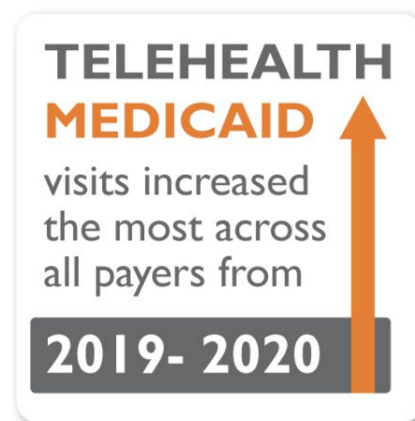
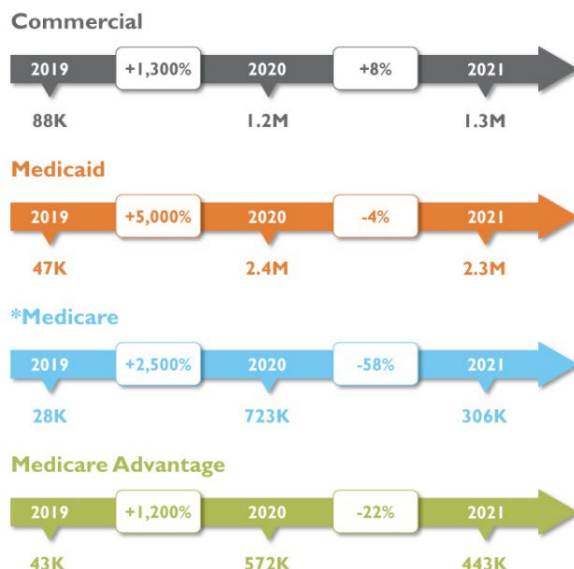
In a [report on the state's emergency response to the COVID-19 pandemic](#), the Colorado Health Institute provided an outline of the major telehealth policy milestones leading up to 2020, showing Colorado to be forward-thinking in the integration of telehealth even prior to the pandemic.

### Impact of the Public Health Emergency on Telehealth in Colorado

As noted, Colorado had already set up a framework for telehealth integration before the COVID-19 pandemic. However, the pandemic introduced new trends that highlighted strained parts of the system and gaps in care for certain populations. This led policymakers to prioritize changes in telehealth policies that would support overburdened providers better and relieve pressure points in the system.

According to CIVHC's [Telehealth Services Analysis](#), which contains Colorado All Payer Claims Database (CO APCD) data from 2019-2021, the most significant trends in telehealth as a result of new policy at the onset of the pandemic included:

- I. Use of telehealth remains significantly higher than pre-pandemic levels. Telehealth use across payers increased by 2,000% from 2019 to 2020 and has dropped just 11% from 2020 to 2021, the most recent year of data available.
- II. Telehealth Medicaid visits increased the most among all payers from 2019 – 2021, and individuals covered by Medicaid remain the top utilizers.

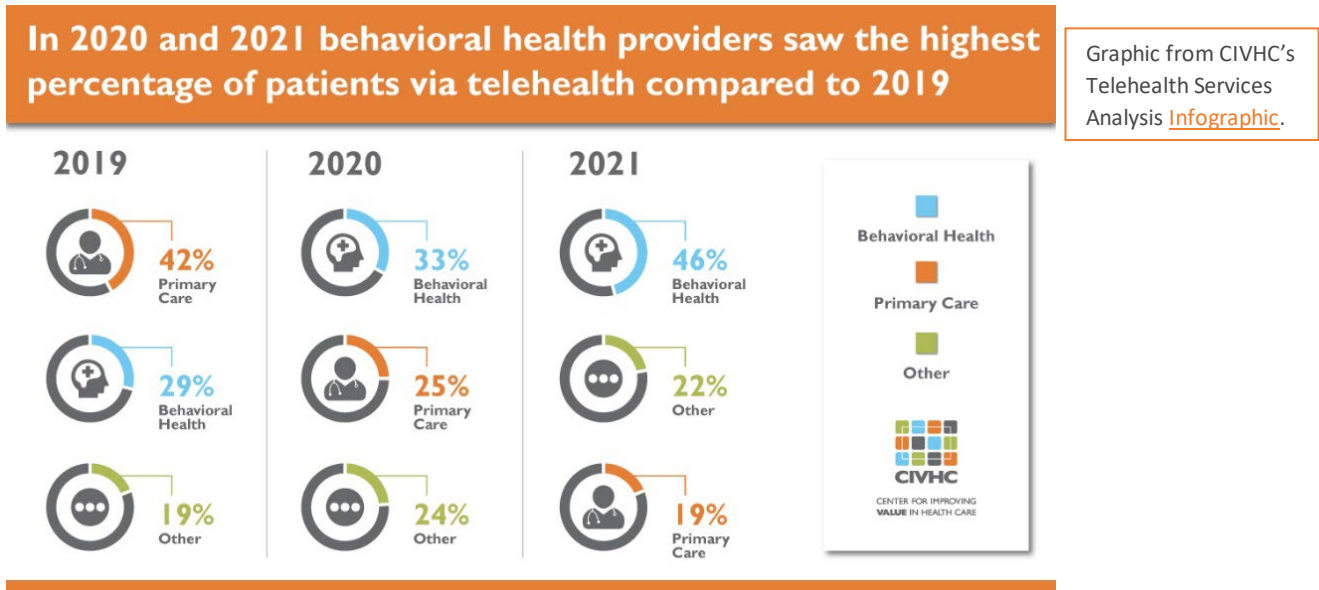


Graphic from CIVHC's  
Telehealth Services  
Analysis [Infographic](#).

\* Medicare FFS data for 2021 is  
incomplete and includes claims  
through June only.



- III. Behavioral health providers consistently provide the most telehealth visits, with little drop-off from mid-pandemic highs.



**Telehealth Highlight:**  
*CO APCD Telehealth Analyses*

The Center for Improving Value in Health Care (CIVHC) is the administrator of the CO APCD, a state-legislated, secure health care claims database containing over 1 billion claims representing over 70% of insured lives in Colorado with data from commercial payers, Medicare Advantage, Medicare Fee-For-Service, and Medicaid.

CIVHC releases public CO APCD data designed to support decision making to improve cost and quality of health care for Coloradans. As one focus area for public data releases, CIVHC has released multiple reports on telehealth in Colorado in collaboration with the Office of e-Health Innovation, available [here](#).

**Transformation of Colorado’s Telehealth Landscape**

While it can be said that Colorado had a head start in shaping telehealth policy, the pandemic helped to re-frame and center areas needing policy support to ensure sustainable, long-term utilization as part of a new normal in health care. Broadly, the COVID-19 PHE changed the telehealth landscape in Colorado along similar trendlines to other states, introducing changes in many of the same central policy areas.

Most significantly, changes implemented to telehealth policy in Colorado have led to:

- I. **Cross-state care expansion**, including furthering licensure flexibilities for out-of-state providers and interstate medical licensure compacts.

- II. **Flexibility and loosening of definitions** to expand covered modalities and services, allowing patients to receive care from more provider types, including physical and occupational therapists, home health providers, and pediatric health care providers.
- III. Expanded coverage of telehealth services **within Colorado’s Medicaid program**.

In the following issue brief on telehealth in Colorado, we will look at the specific policies implemented under our key categories – payment and reimbursement, licensing, connectivity, and standards of practice – and examine how Colorado’s approach in these areas compares to national trends and other states. Additionally, future briefs will discuss challenges still present for telehealth in Colorado and outline the policy road ahead.