



# Arizona State Senate Issue Brief

November 10, 2014

## Note to Reader:

The Senate Research Staff provides nonpartisan, objective legislative research, policy analysis and related assistance to the members of the Arizona State Senate. The *Research Briefs* series, which includes the *Issue Brief*, *Background Brief* and *Issue Paper*, is intended to introduce a reader to various legislatively related issues and provide useful resources to assist the reader in learning more on a given topic. Because of frequent legislative and executive activity, topics may undergo frequent changes. Additionally, nothing in the *Brief* should be used to draw conclusions on the legality of an issue.

## TELEMEDICINE IN ARIZONA

### INTRODUCTION

Arizona statute defines telemedicine as “the practice of health care delivery, diagnosis, consultation and treatment and the transfer of medical data through interactive audio, video or data communications that occur in the physical presence of the patient, including audio or video communications sent to a health care provider for diagnostic or treatment consultation.”

Telemedicine makes it possible to deliver health care to distant sites using modern technology, including interactive video imaging, digital photography and telecommunications networks. Telemedicine allows physicians to make diagnoses, conduct consultations and recommend treatment plans to patients at different locations. It also allows physicians to consult with other physicians by sending patient information and test results for review.

### ARIZONA TELEMEDICINE PROGRAM

In 1996, the Legislature appropriated \$1.2 million to the University of Arizona – Health Sciences Center for a pilot telemedicine network (Laws 1996, Fifth Special Session, Chapter 1). The original network consisted of eight sites, including a state prison, a hospital on a reservation and six other rural medical centers. Over the years, the network has developed and expanded into the Arizona Telemedicine Program (Program), which integrates services, training and assessments for participants.

The Program and its network are overseen by the Telemedicine Council (Council). The Council, made up of legislators, agency members and public members, was created by the Joint Legislative Budget Committee in 1996.

### Program Services

The Program has a telecommunications infrastructure that affiliates may access to facilitate the provision of health care

services to patients in remote locations.<sup>1</sup> The Program reports that there are currently over 65 sites directly linked to the Program's network and an additional 130 sites that are linked through affiliates. Video conferencing allows patients and physicians in different locations to communicate directly. In addition, physicians may transmit photos, x-rays and other patient data to consulting physicians.

The Program indicates that services are available in over 60 specialties, including surgery, pediatrics, psychiatry, radiology, pathology and behavioral health. Home health services are also available for certain conditions, such as patients waiting for heart transplants.

Services are offered to a broad range of users, including persons who live in geographically isolated or underserved areas, Native American communities and Arizona Department of Corrections' (ADC) rural prisons. The Program reports that 1.3 million services have been conducted through the network, serving over 275,000 Arizonans. An estimated 80 percent of specialty medical consultations for prisoners utilize telemedicine.

In collaboration with the Program, the Northern Arizona Regional Behavioral Health Authority (responsible for administering behavioral health in Mohave, Coconino, Apache, Navajo and Yavapai counties) developed a telemedicine network for behavioral health services. This collaboration was expanded to include other regional behavioral health authorities providing behavioral health services using telemedicine throughout the state.

In addition to maintaining the telemedicine network, the Program provides other opportunities for health care professionals. Using the network, organizations around the state can conduct virtual roundtables to discuss health issues by videoconference. The Program offers training in telemedicine to health care providers from throughout the state. In addition, it provides continuing medical education

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<sup>1</sup> Health care facilities may install their own telecommunications equipment and provide medical services through telemedicine without affiliating with the Program.

programming through video conferencing for physicians, nurses and other health care professionals in rural communities.

The Program also staffs the Arizona Telemedicine Technology Assessment Center. The Center serves as a clearinghouse for telemedicine applications, designs and implements telemedicine clinics throughout Arizona, develops clinical protocols and tests new telemedicine applications.

In 2005, the University of Arizona received federal funds to develop the Institute for Advanced Telemedicine and Telehealth (THealth), which is a telehealth education center located in downtown Phoenix affiliated with the Program.

## ***Program Funding and Reimbursement***

The Program is funded by direct state General Fund appropriations to the University of Arizona-Health Sciences Center (approximately \$1.8 million annually), transfers from the Department of Health Services and ADC, federal grant programs and foundations.<sup>2</sup>

In addition, the Program charges a fee to affiliated organizations, which is based on the extent of services requested.

In 2013 the Legislature passed S.B. 1353, a parity bill concerning health coverage for telemedicine. The legislation requires private insurers to cover telemedicine services if the service would be covered were it provided in-person. S.B. 1353 only applies to rural areas and lists specific services that are eligible for reimbursement.

## ***ADDITIONAL RESOURCES***

- Annual Appropriations Report, Joint Legislative Budget Committee  
[www.azleg.gov/jlbc.htm](http://www.azleg.gov/jlbc.htm)

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<sup>2</sup> Medicare and AHCCCS reimburse for some services provided through telemedicine. These funds, however, are used to compensate the health care professionals providing the service, not the Program itself.

- Arizona Telemedicine Program  
The University of Arizona  
520-626-4785  
[www.telemedicine.arizona.edu](http://www.telemedicine.arizona.edu)
- Northern Arizona Regional Behavioral Health Authority  
<http://www.narbha.org/>
- Arizona Revised Statute, Laws 2013, Chapter 70
- Telemedicine Statute: Arizona Revised Statute, Title 36, Chapter 36
- “The Arizona Telemedicine Program Business Model,” Barker, Krupinski, McNeely, et al. *Journal of Telemedicine and Telecare*, 2005; 11:397-402.