

Minnesota Study of Telehealth Expansion and Payment Parity: Final Report to the Legislature

The Minnesota Department of Health (MDH) study synthesizes findings from several analyses of quantitative data, a set of MDH surveys, and qualitative interviews with Minnesota payers, providers, and patients. While the focus of the study is on the commercial health insurance space, Minnesota-wide findings are also included. The report includes nine recommendations to support continued broad availability and use of telehealth.

Telehealth has established a lasting role in health care delivery.

- ***The use of telehealth increased rapidly during the COVID-19 pandemic and remains higher than pre-pandemic years.*** Nearly one-third of Minnesotans used telehealth each year from mid-2021 to mid-2023. In 2022, about 19% of primary care visits and 26% of behavioral health visits among commercial insurance enrollees were delivered via telehealth, compared to 3% and 2%, respectively, in 2019.
- ***Nearly all Minnesota clinics offer some form of telehealth as an option.*** The most common type of telehealth offered is video visits. Further, most physicians, physician assistants, mental health providers, and drug and alcohol counselors reported using telehealth for at least some of their visits in 2022 and 2023.
- ***Audio-only telehealth is an important tool for accessing health care, including behavioral health care, particularly among Minnesotans who experience challenges accessing in-person care or audio-visual telehealth care.*** Many services delivered via audio-only telehealth can be comparable to in-person services. While use of audio-only services is generally low, use is highest among potentially vulnerable populations (e.g., older patients, sicker patients, and patients in areas with low broadband access).
- ***Patients and providers appreciate the option of telehealth, as long as it is not the only choice.*** While telehealth has the potential to increase care options, efforts to ensure adequate availability of in-person care continue to be needed. Telehealth is not an appropriate option in every situation, and preferences for its use varies among Minnesotans. Older adults and Black, Indigenous, and People of Color (BIPOC) Minnesotans were more likely to express preferences for in-person care.

Telehealth is expanding access to care and may strengthen health equity.

- ***Access: Telehealth makes accessing care faster and easier for many Minnesotans.*** Providers, patients, health plans, and public health professionals all agree that telehealth's greatest contribution has been to expand access and reduce barriers to health care services. Telehealth has become an especially important option for many Minnesotans seeking behavioral health care services in the time since it became available in 2020.

- **Equity: Telehealth may strengthen health equity by expanding access to health care.** Telehealth has the potential to help to reduce some of the inequities in health care access that further exacerbate health disparities. However, access to telehealth itself is not equitable, and is particularly challenging for people with limited digital access or lower digital literacy.

Increased use of telehealth in Minnesota does not appear to have compromised quality or satisfaction, nor has it contributed to greater health care spending.

- **Spending: Health care spending does not appear to have increased because of increased telehealth use.** An actuarial analysis of claims data showed that increased telehealth use beginning in March 2020 did not lead to greater than expected health care spending in subsequent months. Interviews with Minnesota's health plans affirmed that they made no adjustments to premiums due to changes in telehealth utilization. More research is needed to determine whether telehealth can lead to cost savings without sacrificing quality or satisfaction.
- **Quality: Early evidence suggests that quality can be generally comparable for telehealth and in-person care.** When used in appropriate situations, telehealth does not appear to compromise quality of care. In fact, telehealth may improve health outcomes for some by facilitating easier or more frequent interaction with health care providers.
- **Satisfaction: Most Minnesotans are satisfied with telehealth.** Minnesotans who used telehealth were largely satisfied with their experience, and satisfaction was generally consistent across audio-only and audio-visual visits. Telehealth fell short of patient expectations when technological issues arose.



MDH recommends continued payment parity and measures to improve equitable access to both telehealth and in-person care.

In light of the findings of this study, MDH makes nine recommendations to support continued, broad availability and use of telehealth as a tool to deliver health care services, helping Minnesotans to access timely, effective, and affordable health care.

Recommendation 1: Payment parity should continue for real-time (synchronous) audio-visual and audio-only telehealth for health care services for which telehealth may substitute for, and is comparable to, in-person care. If evidence emerges that there are significant or meaningful cost savings without sacrificing quality or satisfaction, the payment structure could be revisited.

Recommendation 2: Audio-only telehealth should continue to be included in the definition of telehealth in Minnesota statute, and therefore be subject to payment parity and coverage requirements.

Recommendation 3: Further investments in infrastructure are needed to improve access to telehealth.

Recommendation 4: Broad action is needed to help people build their knowledge, skills, and comfort to use telehealth effectively.

Recommendation 5: Build the capacity across sectors to support equitable access to health care via telehealth.

Recommendation 6: Require that health plans and health care providers provide clear and transparent communication about options for telehealth services, including costs to patients.

Recommendation 7: Ensure that policies promoting telehealth access do not limit availability of in-person care for all Minnesotans.

Recommendation 8: Telehealth can support a strained health care workforce, and training and continuing education for providers must include telehealth and related technologies.

Recommendation 9: Ongoing monitoring and policy-relevant research on telehealth are needed to ensure that its use effectively supports Minnesotans' health and does not increase risks of harm.

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