

Telehealth Multi-State Licensing & Credentialing Matrix

A Strategic Operational Guide to Multi-State Licensure Compacts, Out-of-State Payer Enrollment, and Telemedicine Compliance

Executive Summary

Expanding a telehealth practice across state lines allows providers to scale patient acquisition rapidly. However, providing virtual care legally requires active medical licensure in the state where the patient is physically located at the time of service, along with cross-state payer credentialing, accurate taxonomy structuring, and compliance with state-specific telemedicine parity laws.

Use this operational matrix to establish cross-state licensing, streamline compact pathways, and get credentialed with out-of-state commercial and Medicaid payers.

Part 1: Fast-Track Licensure Compacts

Navigating individual state licensing boards can take 3 to 9 months per state. Leveraging national licensure compacts reduces processing times by up to 75%.

Physicians (MDs & DOs)	Nurses (RN & APRN)	Physical Therapy	Psychology
IMLC (Interstate Medical Licensure Compact)	NLC / APRN Compact	PT Compact	PSYPACT

1. Interstate Medical Licensure Compact (IMLC) – Physicians (MD/DO)

- What it is:** An expedited pathway for physicians licensed in a State of Principal License (SPL) to obtain licenses in 40+ participating member states.
- Eligibility:** Must hold an unrestricted medical license, primary board certification (ABMS or AOA), no disciplinary actions, and pass a national criminal background check.
- Timeline:** Expedited Letter of Qualification (LOQ) issued in 2 to 4 weeks; state licenses

issued in several days once the LOQ is verified.

2. Enhanced Nurse Licensure Compact (eNLC) – RNs & APRNs

4. **What it is:** Allows registered nurses to hold one multi-state license allowing practice in 40+ participating compact states.
5. **APRN Compact:** Authorizes qualifying nurse practitioners to practice in participating states without individual secondary licenses.

3. PSYPACT – Psychologists (PhD/PsyD)

6. **What it is:** An interstate compact permitting licensed psychologists to practice telepsychology across 40+ participating states under the Authority to Practice Interjurisdictional Telepsychology (APIT).

Part 2: Step-by-Step Multi-State Telehealth Credentialing Protocol

Step 1: Secure State Licensure & Telehealth Registrations

- Obtain full medical licenses via the IMLC, eNLC, PSYPACT, or traditional state board applications for all target expansion states.
- Evaluate Telehealth-Only Registrations (e.g., Florida, Alaska) to see if they satisfy your practice model at lower cost and faster turnaround.

Step 2: Configure Physical vs. Virtual Practice Addresses

- **Physical Practice Address Rule:** Most payers and boards require a physical home state address or a registered agent address; P.O. Boxes are not permitted.
- **DEA Registration:** Ensure compliance with federal Ryan Haight Act and state-specific requirements if prescribing controlled substances.

Step 3: Build & Maintain Multi-State CAQH ProView Profiles

- Upload all newly acquired state medical licenses into the Professional IDs section.
- Add expansion states as secondary practice locations or telehealth servicing jurisdictions.
- Verify that professional liability insurance (COI) covers telehealth services in all active expansion states.

Step 4: Commercial Payer & Border-State Medicaid Contracting

- **Commercial Payers:** Request participation on regional payer panels for your target states.
- **Medicaid:** Enroll as an out-of-state telemedicine provider with agencies (e.g., AHCCCS, Medi-Cal) for remote specialty care billing.

Part 3: Telehealth Billing, Coding & Taxonomy Matrix

Ensure your billing system is configured correctly to avoid immediate claim denials for remote services.

Component	Standard Telehealth Requirement	Common Pitfall
Place of Service (POS) 02	Telehealth Provided Other than in Patient's Home	Using POS 11 (Office) for virtual encounters.
Place of Service (POS) 10	Telehealth Provided in Patient's Home	Using POS 02 when patient is in their home.
Modifier 95	Synchronous Real-Time Audio/Video Telecommunications	Omitting modifier 95 on commercial claims.

Part 4: Top 3 Compliance Pitfalls in Telehealth Credentialing

Pitfall Topic	Description & Compliance Rule
1. Practicing Without Patient-Site Licensure	Legally, the encounter occurs where the PATIENT sits, not the doctor. Providers must be licensed in the patient's state.
2. Out-of-State DEA Compliance	Prescribing controlled drugs across state lines without

Pitfall Topic	Description & Compliance Rule
	local DEA/CDS registration or adhering to Ryan Haight Act.
3. Missing Malpractice Riders	Policy only covering the home state rather than expansion jurisdictions.

Need Multi-State Telehealth Credentialing & Licensing Support?

EXP Credentialing Services provides complete multi-state licensing, IMLC processing, and payer credentialing for digital health and telemedicine organizations nationwide.

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