



September 26, 2014

The Honorable Fred Upton
Chairman
Committee on Energy & Commerce
U.S. House of Representatives
Washington, DC 20515

The Honorable Diana DeGette
Committee on Energy & Commerce
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Upton and Representative DeGette:

The undersigned, representing stakeholders from across the healthcare space, appreciate the time and resources you have invested with the 21st Century Cures initiative, highlighting ways that the health care system of the 21st century can harness advances in sciences and technology to improve the health and care of patients. We agree with you that recognizing the potential of new and emerging technologies, and implementing policies that support their adoption, must be a priority.

To this end, we hold the view that telehealth¹ and remote patient monitoring should be the cornerstone of a 21st Century healthcare system and should be a covered benefit.² Relevant federal agencies have

¹ While Section 1834(m) of the Social Security Act includes a definition of telehealth services, for the purposes of this letter we consider "telehealth" to include the wide range of modalities, technologies and services that are derived from telehealth, telemedicine, mobile health (mHealth), remote patient monitoring, and others.

already invested great resources in exploring the benefits of telehealth, with the Veterans Administration already having significant success in the deployment of telemedicine.³ Despite an outdated and restrictive legal and regulatory environment, these transformative technologies have been demonstrated to result in increased quality of care, reduced hospitalization, avoidance of complications and improved satisfaction, particularly for the chronically ill, and reduced costs, among others.⁴

Congress has the responsibility to take necessary steps to help Americans realize the benefits of these solutions. Namely, Congress should immediately address restrictions in Section 1834(m) of the Social Security Act, which have resulted in arduous constraints on telehealth services,⁵ particularly via its geographic and originating site limitations. Restrictions in the law such as those in 1834(m) significantly limit patient access to new technologies, effectively discouraging providers from utilizing advanced ICT solutions in their practices and depriving millions of Americans the benefits of cutting-edge care available today.

To aid with your consideration of these important issues as the 21st Century Cures Initiative progresses, the undersigned stakeholders have worked to identify consensus recommendations for beneficial, short- and long-term actions that should take to immediately address gaps under Medicare that inhibit a modern, 21st century health care system. Our recommendations are further expanded upon to provide context and linkages to demonstrated bipartisan support by the House.

Our recommendations are:

- Authorize the use of telehealth for all accountable care organizations and bundled payments program;
- Authorize remote patient monitoring for congestive heart failure (CHF) and chronic obstructive pulmonary disease (COPD), and, in the case of federally qualified health centers (FQHCs), diabetes, along with flexibility for further expansion for eligible chronic conditions identified by the Secretary based on an annual review of the evidence;
- Authorize the use of telehealth payments for population health management to include all critical access hospitals and FQHCs; and

² See also “Roundtable: Harnessing the Power of Telehealth: Promises and Challenges?” Before the Senate Special Committee on Aging (September 16, 2014), available at <http://www.aging.senate.gov/hearings/roundtable-harnessing-the-power-of-telehealth-promises-and-challenges> (featuring testimony from the Mayo Clinic College of Medicine; the Institute for e-Health Policy; Verizon Communications; the American Heart Association; the Minnesota Organization of Registered Nurses; the National Alliance for Caregiving; Intel Corporation; the American Medical Association; the Federal Trade Commission; the Federal Communications Commission; and the Centers for Medicare and Medicaid Services).

³ See Darkins, Telehealth Services in the United States Department of Veterans Affairs (VA), available at <http://c.ymcdn.com/sites/www.hisa.org.au/resource/resmgr/telehealth2014/Adam-Darkins.pdf>.

⁴ See Hindricks, et al., The Lancet, Volume 384, Issue 9943, Pages 583 - 590, 16 August 2014 doi:10.1016/S0140-6736(14)61176-4. See also U.S. Agency for Healthcare Research and Quality (“AHRQ”) Service Delivery Innovation Profile, *Care Coordinators Remotely Monitor Chronically Ill Veterans via Messaging Device, Leading to Lower Inpatient Utilization and Costs* (last updated Feb. 6, 2013), available at <http://www.innovations.ahrq.gov/content.aspx?id=3006>.

⁵ See 42 CFR § 410.78.

- Facilitate care for Medicare patients by allowing video visits and remote monitoring, such as for home-based kidney dialysis patients.

In addition, we also ask that you immediately request a Congressional Budget Office (CBO) analysis of the costs and benefits associated with the expanded use of telehealth during 4Q 2014. Other provisions in House bills may similarly be attractive if a CBO analysis identifies calculable savings or relatively small costs associated with these provisions.

The following provides more information about the priorities listed above, as well as references to existing bipartisan language from various House bills:

Payment innovations: We recommend that Medicare telehealth coverage take form in two value-based payment innovations, consistent with authority related to the payment innovation of Medicare Advantage plans:

- Accountable care organizations (under Social Security Act section 1899). Relevant legislative language for telehealth inclusion can be found in H.R. 3306's Section 103; and
- Bundled payments (national pilot program on payment bundling under Social Security Act section 1866D). Relevant legislative language for telehealth inclusion can be found in H.R. 3306's Section 104.

Chronic condition monitoring: We recommend the authorization of remote patient monitoring for chronic disease management (both single and multiple conditions) – such as: CHF and COPD, and, in the case of FQHCs, diabetes. Relevant legislative language for this improvement can be found in H.R. 5380's Section 2(a)(4).

Essential community providers: We recommend for the expansion of Medicare telehealth coverage for two categories of providers:

- *Critical access hospitals (CAHs)* – Relevant legislative language for this category can be found in H.R. 3306's Section 105; and
- *FQHCs* – Relevant legislative language for this category can be found in H.R. 5380's Section 2(a).

Noting that the rural locations of these essential community providers are already eligible as patient sites for video services, we recommend that coverage be extended for video-based services to metropolitan area sites as well as for asynchronous (store-and-forward) services for all the sites. Legislative language addressing the coverage of asynchronous (store-and-forward) services for all Medicare telehealth originating sites can be found in H.R. 5380's Section 2(a)(5).

Care at home: To help beneficiaries in the home more widely realize the advantages of Medicare telehealth services, we recommend coverage of video visits and remote monitoring for home kidney dialysis patients.

Relevant legislative language can be found in H.R. 3306's Section 105.

We would like to commend members of the Energy & Commerce Committee for your strong bipartisan commitment to taking a comprehensive look at modernizing the American health care system, and we look forward to working with you to enact these important reforms.

Respectfully submitted,

American Telemedicine Association
ACT | The App Association
Alliance for Home Dialysis
Baxter International
Christus Health
Continua Health Alliance
HIMSS
Intel
Panasonic Corporation of North America
Philips
Qualcomm
RCHN Community Health Foundation
Telecommunications Industry Association