Advancing Telehealth through Connectivity

Subcommittee on Communications, Technology, Innovation, and the Internet

Committee on Commerce, Science and Transportation

U.S. Senate

April 21, 2015

Mr. Chairman:

Thank you for the opportunity to speak to this Committee about the importance of advancing healthcare through connectivity. I am the Chief Executive Officer of American Telemedicine Association (ATA). ATA promotes telemedicine, sometimes called telehealth, telecare, mobile health or connected care and resolves barriers to its deployment. Founded in 1993, members of ATA include almost 9,000 physicians, administrators and other health providers as well as over 300 health systems and vendors of telecommunications and advanced technology.

Telemedicine involves the use of telecommunications technology to provide healthcare. It is a broad term that encompasses a variety of health and medical services to patients located both inside and outside of medical facilities. Although forms of telemedicine have been in existence for forty years, its use has recently skyrocketed. For example, this year over 125,000 patients who suffer stroke symptoms will be diagnosed by a neurologist in an emergency room using a tele-stroke network. Tele-ICU is being used for 11 percent of the nation's intensive care beds to help oversee almost 500,000 critically ill patients this year. About one-million patients with an implantable pacemaker or suffering from an arrhythmia will be remotely monitored. New technology and innovative applications to deliver healthcare using mobile devices are announced every day, promising even greater access to patients, regardless of their location.

Driving this expansion are a number of factors including:

- Expansion of coverage and payment by private payers, employers and Medicaid programs in the states
- The prevalence of outcomes research showing improved quality, reduced cost and expanded access resulting from the use of telemedicine
- Increased consumer demand for more convenient services
- Evolution of the healthcare industry including:
    - movement of payment mechanisms from fee-for-service to value-based payments which remove previous barriers in justifying the use of telemedicine and
    - consolidation of individual hospitals and clinics into regional and national health systems spawning the use of telecommunications networks to increase efficiencies and expand referral patterns

The immediate benefit of telemedicine for the patient includes access to care where it is not otherwise available.

Unfortunately, despite its growth, we have yet to see its full benefits and its promise to transform healthcare delivery. Accessing healthcare continues to be a pervasive problem across America. Unmet demands for health services, coupled with lagging availability of advanced technologies continue to be a problem for a number of interrelated reasons. The wonder of advanced technology in the delivery of healthcare is useless if one does not have access to broadband technologies. Access to broadband is of no use without remote health services made available by providers. Providers can't provide such services if it is not allowed by payers and regulators.

Solutions to this problem do not require rocket science. In fact similar problems facing other industries have long ago been resolved. Without changes in financial laws and regulations consumers would still have to wait in line to withdraw their money from a bank by writing a check and presenting it to a teller. Instead ATM machines are available across the world and consumers can manage their money and investments over the internet regardless of when or

where they are located. The fact is telemedicine is a 21st century solution hampered by 20th century public policies.

Reform and progress is desperately needed in several areas. I would like to focus on some very specific actions you can take as a Subcommittee as well as in your broader roles as members of other Committees.

Most germane to this Subcommittee are opportunities to improve the Federal Communications Commission (FCC) programs for health provider broadband connection rates and infrastructure.

Infrastructure to physically enable telehealth services

Shortly after the nation passed the 1996 Telecommunications Reform Act the Federal Communications Commission began to develop regulations to implement provisions expanding broadband access for rural healthcare facilities. The estimate at that time was that the program would provide upward of $400 million annually to support broadband connectivity for rural healthcare. Almost twenty years later, and after numerous "fixes," the Commission still fails to provide even half that amount. Rural health facilities, crushed under increasing demands and shortages of funding, have yet to take full advantage of the opportunities afforded by telemedicine to overcome these problems. Suffering the most are the patients and their families that have yet to fully benefit from the promise that Congress held out in 1996.

The latest iteration of the FCC's solution to this issue is the Healthcare Connect program, which, although designed with high hopes, is still falling short of obligating its relatively small allocation of universal service funds. Congress needs to step in and help the Commission finally turn their program into a shining example from the embarrassment it is today.

We urge approval of two small, but important legislative Telecommunications Act changes included in the Telehealth Enhancement Act (S. 2662 in the last Congress) from Chairman Wicker and his senior Senator.

For the rural health care provider discounted broadband rates, the bill would update the almost 20 year old list of eligible providers under section 254(h)(7) to also include--

- ambulance providers and other emergency medical transport providers
- health clinics of elementary, secondary and post-secondary schools
- other sites where telehealth services are provided for Medicare or Medicaid patients

The other improvement would specify that health care provider access to advanced telecommunications and information services under 254(h)(2)(A) be considered based on need rather than geographic location – similar to schools and libraries.

Second, we urge you to work with the FCC to suspend some of the program requirements, at least until the annual allocation is reached. We highlight two requirements that seem the most significant barriers:

- A 400 bed limit on hospitals, and
- No funding for administrative costs, even a modest percentage directly attributable to the costs of recordkeeping, data reporting and other administrative requirements of the FCC program.

Benefit coverage to financially enable telehealth networks

Many state governments have been very active assuring health benefit coverage for telehealth-provided services, at least on par with in-person services, for privately insured, Medicaid recipients, and state employees. Several state legislatures have made or on the verge of major progress for telehealth coverage in recent months. Beyond the obvious value for such people,

since much of telehealth provision functions as network, the larger number of participants makes the networks better, stronger, and cheaper.

While the Departments of Defense and Veterans Affairs are among the leaders in taking advantage of the benefits of telehealth and advancing telehealth applications and quality, other federal health benefit programs, such as Medicare, FEHBP, and TRICARE, are laggards.

We greatly appreciate the leadership of Chairman Thune for enactment as part of the new Medicare physician payment reforms to not have the major restrictions on Medicare telehealth coverage apply to a new program for "alternative payment methods" program to begin in the fall of 2016.

Chairman Wicker's Telehealth Enhancement Act includes a range of incremental, budget-sensitive improvements for Medicare and Medicaid. We think the Congressional Budget Office would find scorable savings from several of the provisions and some others at no or low budget cost. I will highlight two specific provisions:

- Create a Medicaid option for high-risk pregnancies using a telehealth network. Independent CBO-style analysis estimated savings of $186 million over 10 years. This provision is largely based on a very successful statewide program in Arkansas.
- Cover remote diagnosis of ischemic strokes so that clot busting therapies greatly reduce the need and cost of stroke rehabilitation.

Other federal health benefit programs, such as the Federal Employees Health Benefits Program, should not deny claims for covered services when an interactive video or other telehealth means is used.

Federal collaboration to nurture telehealth networks

I will close by highlighting the need and opportunity for Congress to direct or facilitate the development of new telehealth networks, in addition to continued support for the relatively small federal grant program for telehealth networks.

Just as there are numerous federally-funded networks for medical research by centers of excellence, there should be networks for medical treatment. Two specific recommendations are the following:

- Autism CARES Act (section 399BB of the Public Health Service Act) activities should be amended to include promoting the creation of a network of autism care centers to improve care quality and accessibility.
- Medicare should be amended to allow community health center professionals to be the telehealth providers for Medicare services, not just a site where the patient needs to be served by non-CHC professionals, thus fostering CHC telehealth networks of diverse and scarce services.

Thank you for the opportunity to present these comments. I and the members of ATA stand ready to help you and the other members of the Committee to make advances and reform the health and technology policies in order to help the residents of your states take advantage of the promise of telemedicine.

Jonathan D. Linkous
Chief Executive Officer
American Telemedicine Association