

“Telehealth Enhancement Act of 2013”

Section-By-Section

*** Indicates best prospect for budget savings.

Rural America struggles with inadequate access to health care due to provider shortages and lack of resources in communities needing primary care and prevention education. Metropolitan areas similarly face challenges in providing timely access to specialty and sub-specialty services, such as the evaluation or treatment of an acute stroke.

Telehealth extends care to patients by providing tools for individuals to adopt healthier lifestyles through prevention education and empowers rural health providers to increase their scope of services. This delivery system also lowers costs for traditional and specialty care because patients minimize travel expenses to and from health facilities and eliminate inappropriate use of emergency room services. Even more, telehealth allows patients who may otherwise allow symptoms to manifest to receive timely diagnoses, saving providers and the federal government money on avoidable procedures.

A priority for these provisions is building off of existing payment innovations.

TITLE I – STRENGTHENING MEDICARE THROUGH TELEHEALTH

Sec. 101. Positive incentive for Medicare’s hospital readmissions reduction program.***

Provides hospitals with shared savings for reducing readmissions. Savings would be inherent, with the total amount based on the actual results. A “carrot” of shared savings would recognize a hospital’s additional costs for better performance under section 1886(q), such as using remote patient monitoring.

Sec. 102. Health homes and medical homes.

Allows HHS to contract with entities to provide bundled and coordinated Medicare services using a “medical home” approach. An important aspect is waiving statutory Medicare restrictions on telehealth services.

- Medicare companion to the new Medicaid “health home” option (SSA section 1945) for enrollees with two or more chronic conditions. This would enable a state to contract with HHS to provide a combined Medicare/Medicaid program for eligible enrollees.
- Specialty care coordination for a specific long-term illness, chronic medical condition, or medical subspecialty – such as Parkinson’s, multiple sclerosis, or depression – and could include Medicaid recipients.

Sec. 103. Flexibility in accountable care organizations coverage of telehealth.***

Authorizes Medicare accountable care organizations under section 1899 to use telehealth without the fee-for-service restrictions and allows them to provide supplemental benefits to the extent permitted for Medicare Advantage.

Sec. 104. Recognizing telehealth services and remote patient monitoring in national pilot program on payment bundling.***

Provides for telehealth – without regard to fee-for-service restrictions – and remote patient monitoring under the financial incentives of the section 1866D pilot program on payment bundling.

Sec. 105. Additional sites to be considered originating sites for purposes of payments for telehealth services under Medicare.

Without payment of the originating site facility fee,

- Expands coverage to any critical access or sole community hospital, regardless of metropolitan status.
- Extends coverage to beneficiaries in counties located in metropolitan areas with populations of less than 25,000 individuals, according to the most recent decennial census.
- Includes services critical for the evaluation or treatment of an acute stroke.
- Provides coverage for “store-and-forward” (asynchronous) services in critical access or sole community hospitals.
- Covers home-based video services for
 - hospice care.
 - home dialysis.***
 - homebound beneficiaries.

Restores coverage to beneficiaries who lost coverage when their county of residence was redesignated as a metropolitan area based on the 2010 census, retroactive to February 28, 2013.

Establishes that the provider’s location is the site of care for purposes of health care liability.

TITLE II – ENHANCING MEDICAID THROUGH TELEHEALTH

Sec. 201 Medicaid option for high-risk pregnancies and births.***

This innovation builds on the experience of state programs, notably Arkansas ANGELS, to create a federally-authorized option for states to use telehealth and other services to coordinate and improve care for Medicaid at-risk pregnancies and neonatal care. Savings of \$186 million over 10 years have been projected by Avalere Health.

TITLE III – IMPROVING TELECOMMUNICATIONS FOR MEDICAL DELIVERY

Sec. 301. Additional providers considered health care providers for purposes of universal service support.

For Universal Service Support rural health discounts, expands eligibility to

- Ambulance providers and other emergency medical transport providers.
- Health clinics at elementary and secondary schools as well as post-secondary educational institutions.
- Any other Medicare or Medicaid telehealth site.

Sec. 302. Grants health care provider access to advanced telecommunications and information services without regard to rural or urban location.