

June 22, 2015

The Honorable Mark R. Warner
475 Russell Senate Office Building
Washington, DC 20510

The Honorable Johnny Isakson
131 Russell Senate Office Building
Washington, DC 20510

Via Email

Re: Improving Outcomes for Medicare Patients Requiring Chronic Care

Dear Senators Warner and Isakson,

Thank you for the opportunity to provide input on how best to improve outcomes for Medicare patients requiring chronic care. ACT | The App Association is an international grassroots advocacy and education organization representing more than 5,000 small and mid-size app makers and information technology firms. It is the only organization focused on the needs of small business innovators from around the world.

The app economy has emerged to become a \$121 billion industry in just seven years and the mobile health sector is growing even faster. Current revenues in the mobile health economy topped \$4 billion last year and are expected to reach \$26 billion by 2017.¹ Over three-fourths of the top health apps are made by small companies located all over the country. Our members are the software developers building the health apps, software, and IT systems of tomorrow that are helping patients monitor their chronic conditions and improve their overall health.

Apps, along with other telehealth and remote patient monitoring (RPM) technologies, can significantly improve the health and well-being of persons with chronic conditions. Reports show that 60 percent of people are using mobile apps to help track their conditions and make better informed choices about their health.² Use of apps can also bring down the overall cost of healthcare through reductions in office visits and trips to the emergency room, lowered administrative costs as records become more portable, and decreasing the need for expensive treatments by helping patients identify medical issues early, to name just a few. However, our healthcare payment structure hasn't kept pace with technology. Today, there remains a major obstacle for further innovation in the medical mobile app economy – reimbursement.

¹ Mobile Health Economy Study, ACT | The App Association (last visited June 22, 2015) available at <http://actonline.org/mobile-health-report-2014/>.

² Get Mobile, Get Healthy: The Application of Health & Fitness Report, Mobyquity (2014) available at <http://www.mobiquityinc.com/mobiquity-white-papers?ref=mHealth-report-2014>.

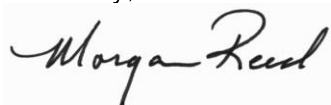
The best way to increase use of medical mobile apps is to make them reimbursable under Medicare. Apps can help improve patient outcomes and are increasingly being used by medical professionals to better serve their patients. And when reimbursement increases medical professionals' use of apps, it encourages patients to do the same. Unfortunately, the portions of the population most affected by chronic conditions are less likely to use mobile devices and RPM technologies to track and treat their illnesses. If, however, a chronic care patient's doctor recommends an app the same way they might recommend a drug, we are likely to see higher use of medical mobile apps among chronic condition patients and then better health outcomes. When patients become engaged in their own treatment and doctors have more health information, chronic conditions can be more effectively managed and symptoms reduced.

Reimbursing medical mobile apps and app platforms will also incentivize innovation in telehealth. With more users and a larger market, there is incentive for app companies and the platforms they operate on to grow and innovate. That means better apps for patients and medical practitioners, reduced healthcare costs associated with monitoring chronic illnesses, and more opportunities for app companies. Laws and regulations around electronic health records and medical apps can be intimidating for the small app companies who make the majority of medical apps, so it is important that this industry receive the validation and support it needs by including it into the medical reimbursement system.

Innovation in medical mobile apps, mobile platforms, and RPM technologies does not happen in a vacuum -- it needs support. Until mobile apps become a recognized and reimbursable healthcare option, innovation will continue to be hampered and patients with chronic conditions will continue to suffer. A lag in funding for mobile medical apps means lag in adoption, fewer healthy patients, and continued unnecessary high healthcare costs. In order to have the next generation of health apps, we need the next generation of medical reimbursement.

We look forward to working with you and the bipartisan working group on the important issue of chronic conditions. Thank you for the opportunity to comment.

Sincerely,



Morgan Reed
Executive Director