The Connected Health Initiative (CHI) is the leading cross-sector group of innovators and healthcare organizations that harness the power of mobile connectivity to improve patient engagement and health outcomes. CHI members include a diverse array of healthcare stakeholders, including physician groups, patient groups, device manufacturers, pharmaceutical companies, software companies, venture capital firms, and research universities.

Digital medicine must play a more substantial role in healthcare as the current physician shortage of 30,000 increases to an estimated 90,000 by 2025. And by 2030, an estimated 70 million Americans will be over the age of 65, about 80 percent of whom will have a chronic condition. In order to meet Americans' evolving healthcare needs, it is critical to extend each physician's reach to a larger population through the use of connected health technologies.

CHI focuses on the intersection of technology, government, and care to create a better environment for innovation in this rapidly-evolving sector. Mobile health services provide incredible opportunities for consumers to track their fitness, patients to monitor their health, and medical professionals to utilize patient data. As more connected health innovations enter the marketplace, patient outcomes and consumer wellness will continue to improve, but only if federal policies allow them to do so.

The COVID-19 pandemic forced federal agencies and Congress to finally clear the way for the use of digital health innovations including telehealth and remote patient monitoring (RPM). Most important, Congress provided a general waiver enabling Medicare coverage for patients in a much wider set of circumstances than are possible under permanent statute. After the Public Health Emergency (PHE) expires, this temporary flexibility goes away, so Congress needs to act in order for broader utilization of digital health tools permanently. A reversion to the status quo before the pandemic is unacceptable. Last year, the Centers for Medicare and Medicaid Services (CMS) spent $1 trillion on healthcare but reimbursed just $28 million for telehealth, evidencing the near impossibility of actually using telehealth services as a Medicare patient. And as additional flexibility enabled patients to access care from home (or elsewhere), usage spiked by 4,300 percent nationwide. If the law is not permanently changed, the bureaucracy will once again be failing patients—preventing them from getting care when, how, and where they need it.

CHI Offers a Crucial Voice at the Intersection of the Healthcare and Tech Sectors, With a Focus on the Following Key Points:

- **Reimbursement:** CHI is the leading voice on the need for legal and policy changes that will enable clinicians to be reimbursed for the adoption and use of connected health innovations.

- **Security and Privacy:** CHI advocates on the security and privacy concerns facing wellness and medical internet of things (IoT) applications and products.

- **Interoperability:** CHI drives efforts to promote interoperability across the health information ecosystem, from providers to developers.

- **Efficacy and Quality Assurance:** CHI believes that key oversight mechanisms, namely the Food and Drug Administration's processes for permitting medical devices (including software as a medical device, SaMD), must evolve to responsibly bring new innovations into the patient care continuum more quickly.

- **Artificial/Augmented Intelligence (AI):** CHI encourages policymakers to provide a framework of healthcare AI policy principles that address the range of opportunities and challenges associated with AI in healthcare and advocate for the appropriate role of government regulation.

To Support Interoperability, Reimbursement, Security, and Privacy in the Digital Health Space, CHI Urges Congress To:

- Pass measures like the **Telehealth Modernization Act (S. 4375)**, which would permanently sideline outdated statutory restrictions on CMS' ability to cover telehealth services furnished to Medicare patients. Especially important to CHI is the addition of "any site" at which the patient is located at the time the service is furnished and the removal of geographic restrictions. Telehealth should not be arbitrarily limited to Medicare patients fitting a very narrow set of criteria as it is in current law.

- Pass legislation like the **Wearable Equipment Adoption and Reinforcement and Investment in Technology (WEAR IT) Act** to ensure that taxpayers can use their flexible or health savings accounts (FSAs/HSAs) to purchase wearables and connected health software apps and platforms. Currently, HSAs and FSAs cover individual devices such as blood glucose monitors, but they do not cover a wearable device that collects blood glucose data via a sensor and an app and is also capable of capturing an EKG reading. Multi-function devices and their associated software components are better suited for consumers who want to track more than one health-related variable, and these items should benefit from the same tax advantages as single-function devices.

- Peel away the overly burdensome restrictions on telehealth under 1834(m) of the Social Security Act and consider requiring the Congressional Budget Office (CBO) to look beyond the 10-year budget window, including by passing the **Preventive Health Savings Act (**H.R. 2584 / S. 1361**).**

- Work with CHI to understand the impact and potential of cutting-edge technologies and innovations on the healthcare industry (e.g., machine learning/artificial intelligence).

- Speed the evolution of the Medicare system to value-based care that leverages telehealth and other digital health tools by passing measures like the **Value in Health Care Act of 2020 (**H.R. 7791**)** as well as legislation to include diabetes prevention programs with virtual components in the Medicare Diabetes Prevention Program (MDPP). Legislation like these would empower patients to make use of their mobile devices and internet connectivity to access key prevention services and remove requirements in Medicare's value-based care models that have proven to be counterproductive.

- Support access to broadband, especially in rural areas—including using unlicensed spectrum such as television white spaces—to enable connected health technologies to reach rural populations that suffer from high rates of chronic disease.

- Make appropriate updates to regulatory vestiges—like features of the Anti-Kickback Statute and the Stark Law—intended to reduce fraud, waste, and abuse that can occur under fee-for-service practices.

1401 K Street NW Suite 501
Washington, DC 20005

202.331.2130
www. ACTonline.org

@ACTonline
/ACTonline.org