

# Connected Health Initiative



Discover the App Economy





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# Key Takeaways

- 1** ACT | The App Association's Connected Health Initiative (CHI) is the policymaker go-to for connected health questions in areas including reimbursement and payment, privacy and security, and the Food & Drug Administration's (FDA) role in addressing emerging medical technologies.
- 2** The COVID-19 pandemic highlighted the need for digital health technology to play a much larger role in the American healthcare system.
- 3** Congress should support interoperability, reimbursement, security, and privacy in the digital health space in the ways outlined in this document.



# The Connected Health Initiative: Using Technology to Deliver Better, More Cost-Effective Care

CHI is the leading cross-sectoral coalition of innovators and healthcare organizations, harnessing the power of mobile connectivity to improve patient engagement and health outcomes. CHI members include physician groups, patient groups, device manufacturers, pharmaceutical companies, software companies, venture capital firms, and research universities. Pulling together these disparate interests, CHI is finding agreement on needed policy and law changes to enable the responsible uptake of digital health tools. CHI is the policymaker go-to for connected health questions in areas including reimbursement and payment, privacy and security, the Food & Drug Administration's (FDA) role in addressing emerging medical technologies, health data interoperability, and the role of AI/machine learning in care delivery. For example, CHI authored key policymaker guidance on the use of AI in healthcare and participates in the Digital Medicine Payment Advisory Group (DMPAG), which produces final recommendations on Medicare's digital health coverage.

Digital medicine must play a far 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 at least one chronic condition.

To meet your constituents' evolving healthcare needs, each caregiver must reach a larger population using connected health technologies. And while the COVID-19 public health emergency (PHE) further exacerbated problems within America's healthcare system, it also highlighted the need for the regulatory modernization to bring continuous care to patients outside of the four walls of the doctor's office.

A well-established and growing evidence base demonstrates that digital health tools improve patient engagement and outcomes, while also enhancing accountability and reducing costs throughout the healthcare value chain.

As more connected health innovations enter the marketplace, patient outcomes and consumer wellness will only continue to improve if government policies foster their advancement while protecting patients. CHI led in advancing policy changes that brought new connected health innovations into the continuum of care, such as Medicare payment changes, new rules to promote health data interoperability, and key guidance from the FDA addressing software as a medical device, among others.

Even more recently, the PHE prompted federal agencies and Congress to enable the use of digital health innovations including telehealth and remote patient monitoring (RPM) by removing legacy barriers to their use that had no connection to the needs of a modern healthcare system or patient expectations. While temporary allowances enacted by Congress do permit Medicare coverage for patients in a much wider set of circumstances than are possible under permanent statute, once the statutory extension of the Administration's PHE flexibilities expires, these temporary benefits go away.

Wrenching expanded digital health innovations away from Americans is unacceptable, and policymakers need to act to ensure broader utilization of digital health tools permanently. With these additional flexibilities enabling patients to access care from home (or elsewhere), digital health usage during the COVID-19 PHE spiked by 4,300 percent nationwide to meet patient needs and expectations. If the law is not permanently changed, the bureaucracy will once again be failing patients—reverting to a pre-internet approach to healthcare and preventing patients from getting care when, how, and where they need it.

## To support interoperability, reimbursement, security, and privacy in the digital health space, CHI urges Congress to:

- Pass measures like the **Telehealth Modernization Act (H.R. 1332/S. 386, 117th)**, 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 narrow set of criteria as it is in current law.
- Enact the **Better Interoperability for Devices (BID) Act of 2022 (H.R. 9067, 117th)** to improve medical device data interoperability to better enable tech-driven tools to drive improvements in the quality and cost-effectiveness of care.
- 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 multi-function devices 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 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.
- Speed the evolution of the Medicare system to value-based care that leverages telehealth and other digital health tools by passing measures like the **PREVENT DIABETES Act (S. 2173/H.R. 2807, 117th)**. This legislation would include diabetes prevention programs with virtual components in the Medicare Diabetes Prevention Program (MDPP), empowering patients to make use of their mobile devices and internet connectivity to access key prevention services.
- Support access to broadband, especially in rural areas—including using unlicensed spectrum—to enable connected health technologies to reach rural populations that suffer from high rates of chronic disease.