

Telehealth: Meeting Patients Where They Live

The exceedingly broad restrictions on Medicare’s coverage of telehealth services, found in Sec. 1834(m) of the Social Security Act, **effectively bar coverage for telehealth services except for a small fraction of Medicare beneficiaries.** Except in pilot demonstration programs in Hawai’i and Alaska, 1834(m) prevents Medicare reimbursement for the use of telehealth unless the patient is at a qualified originating site (which excludes their homes) and located in either a “rural health professional shortage area” or in a county that is outside of a Metropolitan Statistical Area (MSA).



These restrictions pose a serious barrier to the adoption of live voice and video interaction between caregivers and patients. Out of approximately \$800 billion the federal government spends on Medicare each year, physicians billed just \$29 million or so over the last year for which this data is available. Where patients with private insurance can generally interact with their caregivers over live voice and video, Medicare patients are usually unable to exercise that option outside the public health emergency (PHE). Medicare patients must visit their physicians in person even when video or voice communication would be more cost-effective, safer, or otherwise better for the patient than incurring the time and resource costs necessary to travel to the office physically and linger in the waiting room.

ACT | The App Association’s Connected Health Initiative (CHI) is the leading cross-sectoral group of innovators and healthcare organizations that harness the power of mobile connectivity to improve patient engagement and health outcomes.

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To Support Telehealth, We Urge Congress to:

- Pass measures like the **Telehealth Modernization Act (H.R. 1332/S. 368, 117th)**, which would permanently sideline outdated statutory restrictions on CMS' ability to cover telehealth services furnished to Medicare patients. Although the temporary general waiver of these restrictions was a welcome development during the COVID-19 pandemic, we strongly urge Congress to consider permanent statutory changes that negate the need for a waiver. 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.**

The statute should no longer exclude critical patient populations, and we should also endeavor to future-proof the statute. Accordingly, the Telehealth Modernization Act **does not require Medicare to cover telehealth services** in a broader range of clinical circumstances. Instead, it would remove the statutory restrictions put in place when video calls were impossible except in extremely limited circumstances, including when the patient was at another healthcare facility with the proper infrastructure. Technological capabilities surpassed the law by leaps and bounds in this case, as smart devices can facilitate telehealth visits no matter the location of the patient so long as there is a stable broadband connection. The expanding distribution of smart devices across demographics and geographic areas leaves these geographic and physical constraints on coverage woefully out of date.

Telehealth services can help address inequities by providing a means to access care regardless of where the patient lives or is located when seeking healthcare services. The current statute's narrow allowance for telehealth coverage only for certain rural patients with access to a physician's office arbitrarily deems those patients worthy of coverage while leaving urban and suburban populations uncovered. With smartphone ownership and use approximately the same at about 80 percent for Black, white, and Hispanic populations, **excluding all patients from coverage except those in a narrow set of locations exacerbates inequitable access to care.**