



Advising the Congress on Medicare issues

Expansion of telehealth in Medicare

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Overview

- Medicare's telehealth policies for physician fee schedule (PFS) before public health emergency (PHE)
- Telehealth expansions under PHE
- Potential options for making expansions permanent
 - Allow most telehealth expansions to continue for clinicians participating in advanced alternative payment models (A-APMs)?
 - For other clinicians in fee-for-service (FFS) Medicare
 - Revert to pre-PHE telehealth rules?
 - Allow some expansions with additional safeguards?

Medicare's telehealth PFS policies before PHE

- PFS paid for
 - Limited set of telehealth services
 - Provided in rural areas, with some exceptions
- Medicare utilization of telehealth services had been very low
 - Commercial insurers also reported low utilization

Congress and CMS have temporarily expanded telehealth services to improve access during PHE

	Pre-PHE	During the PHE
<i>Which Medicare beneficiaries can receive telehealth services?</i>	Clinicians can provide telehealth services to beneficiaries in rural areas and certain originating sites.	Clinicians may provide telehealth services to beneficiaries outside of rural areas and in their homes.
<i>Which types of telehealth services does Medicare pay for?</i>	Limited set of services (does not include audio-only E&M visits).	Over 80 additional services including audio-only E&M visits.
<i>Which clinicians can provide telehealth services?</i>	Physicians, nurse practitioners, physician assistants and some other practitioners. State licensing laws apply.	Added physical/occupational therapists and speech-language pathologists. All clinicians allowed to furnish telehealth services to beneficiaries located in other states but state licensing laws still apply.

Congress and CMS have temporarily expanded telehealth services to improve access during PHE (continued)

	Pre-PHE	During the PHE
<i>How much are telehealth services paid?</i>	PFS facility-based payment rate (less than the nonfacility rate).	PFS rate as if the service were furnished in person (facility or nonfacility rate). Same for audio only visits.
<i>Which type of telehealth technology can be used?</i>	HIPAA privacy and security requirements apply so telehealth services must be provided using HIPAA-compliant products.	HHS will not impose penalties against providers for noncompliance with HIPAA in connection with the good faith provision of telehealth.
<i>What are the costs to beneficiaries?</i>	Standard cost sharing.	Clinicians are permitted to reduce or waive cost sharing.

Note: HIPAA (Health Insurance Portability and Accountability Act). The COVID-19 PHE was set to expire July 25, 2020, but the Secretary of HHS renewed it for an additional 90 days.

Calls to make telehealth expansions permanent

- Providers rapidly adopted telehealth during the PHE
- Advocates assert that telehealth can expand access to care and reduce costs relative to in-person care
- Others contend that telehealth services have the potential to increase use and spending under a FFS payment system
- Telehealth companies recently involved in several fraud cases
- Current evidence on how telehealth services impact quality of care is limited and mixed

Option: Allow most telehealth expansions to continue for clinicians participating in A-APMs

Clinicians in A-APMs	All other FFS clinicians
<i>Continued telehealth flexibilities</i>	<i>Some expansions with additional safeguards</i>
<ul style="list-style-type: none"> • Would apply to A-APMs that assume financial risk for total Medicare spending and quality of care • Thus, less concern that expanded coverage of telehealth will lead to higher spending • Could encourage clinicians to participate in A-APMs • Commission has long supported moving from FFS to value-based payments like A-APMs 	<ul style="list-style-type: none"> • Potential for increased volume and spending, as well as program integrity concern • If some of the expansions are made permanent, add safeguards to prevent potential overuse

Which Medicare beneficiaries would receive telehealth services?

	Clinicians in A-APMs	All other FFS clinicians
	<i>Continued telehealth flexibilities</i>	<i>Some expansions with additional safeguards</i>
Could patients in non-rural areas receive telehealth?	✓	?
Could patients receive telehealth at home?	✓	?

Which types of telehealth services would Medicare pay for?

	Clinicians in A-APMs	All other FFS clinicians
	<i>Continued telehealth flexibilities</i>	<i>Some expansions with additional safeguards</i>
Would most telehealth services covered under the PHE expansion continue to be covered?	✓	Some, but not all (e.g., continue to cover mental health)
Would audio-only services continue to be covered?	✗	✗

How would telehealth services be paid?

	Clinicians in A-APMs	All other FFS clinicians
	<i>Continued telehealth flexibilities</i>	<i>Some expansions with additional safeguards</i>
Would Medicare continue to pay higher rates for telehealth services than it did before the PHE?	X	X

Which types of telehealth technology would be used?

	Clinicians in A-APMs	All other FFS clinicians
	<i>Continued telehealth flexibilities</i>	<i>Some expansions with additional safeguards</i>
Would telehealth technology and services be required to comply with HIPAA?	✓	✓

What would be the costs to beneficiaries?

	Clinicians in A-APMs	All other FFS clinicians
	<i>Continued telehealth flexibilities</i>	<i>Some expansions with additional safeguards</i>
Could providers reduce/waive cost sharing for telehealth services?	✓	✗
Prohibit Medigap from covering cost sharing?	Difficult to implement	Difficult to implement

What other safeguards would be established?

	Clinicians in A-APMs	All other FFS clinicians
	<i>Continued telehealth flexibilities</i>	<i>Some expansions with additional safeguards</i>
Limit the frequency that providers could bill telehealth services for a patient?	X	?
Require clinicians to provide a face-to-face visit to order DME and lab tests above a threshold dollar amount?	X	✓

Discussion

- Should most telehealth expansions continue for clinicians in A-APMs?
- For other clinicians in FFS Medicare
 - Revert to pre-PHE telehealth rules?
 - Allow some expansions with additional safeguards?
- Other information?