



ADVOCATE. ADVANCE. LEAD.

5510 Research Park Drive  
P.O. Box 259038  
Madison, WI 53725-9038  
608.274.1820 | FAX 608.274.8554 | [www.wha.org](http://www.wha.org)

April 1, 2019

Congressman Mike Thompson  
Chairman  
Congressional Telehealth Caucus  
U.S. House of Representatives  
Washington, DC 20515

Congressman Peter Welch  
Chairman  
Congressional Telehealth Caucus  
U.S. House of Representatives  
Washington, DC 20515

Dear members of the Congressional Telehealth Caucus:

Thank you for your bipartisan work exploring legislation to improve and expand telehealth services for Americans. The Wisconsin Hospital Association represents more than 140 hospitals and health systems in Wisconsin. We include among our membership general medical/surgery hospitals, psychiatric hospitals, VA hospitals, and hospitals that provide long term acute care. WHA has taken a leadership role in developing bipartisan solutions to our state's most pressing health care challenges. In recent years, WHA has formed a telehealth work group with hospital and health system leaders across the state who have explored this issue at the federal and state levels. Thank you for the opportunity to present our recommendations to the Congressional Telehealth Caucus's RFI.

### **Telehealth Removes Barriers to Accessing Healthcare Services**

While Wisconsin families can take advantage of one of the best healthcare systems in the country, many Wisconsin communities struggle to retain access to healthcare services due to provider shortages or transportation barriers. Telehealth can help improve access to healthcare services, allowing patients to receive care locally in their communities by connecting them to existing providers in other locations. By connecting patients to providers remotely, telehealth decreases the amount of time patients need to travel or otherwise be away from work and family. Recently, CMS estimated that its proposal to allow Medicare Advantage plans to offer additional telehealth benefits would save such enrollees up to \$540 million by 2029 in travel costs.<sup>i</sup>

### **Telehealth Can Reduce or Maintain Overall Healthcare Costs**

By reducing avoidable healthcare utilization, including expensive emergency room visits and hospital admissions, telehealth can help to reduce or maintain overall Medicare expenditures. For example, one study reviewing research on the cost-efficiency of telehealth found that telehealth reduced or maintained the same level of costs across multiple clinical areas.<sup>ii</sup> Further, in May 2018, the Wisconsin Group Insurance Board, which establishes coverage for state employees, decided to cover telehealth services completely in 2019 state employee health plans and determined that such coverage would have an estimated cost of \$0.

CMS also recognizes that telehealth "will generally result in an aggregate reduction in use of emergency room visits and inpatient admissions because the relative increased ease of receiving healthcare services should improve health outcomes and reduce avoidable utilization that results from untreated conditions exacerbating illness."<sup>iii</sup> CMS further has observed that:

- Telehealth increases efficiency through better treatment plan management and medication therapy management<sup>iv</sup>;
- Application of telehealth to transitional care programs for discharged Medicare patients has been shown to save \$1,333 per beneficiary, half of which was due to reduced inpatient follow-up care<sup>v</sup>; and

- After-hours telemonitoring of patients can reduce healthcare expenditures, with one study showing that such a program saved a skilled nursing facility \$5 for every \$1 spent implementing the program.<sup>vi</sup>

### **WHA Applauds Congress & CMS for Recent Efforts to Expand Medicare Access to Telehealth Services**

Unfortunately, despite the ability of telehealth to improve healthcare access and reduce or maintain overall healthcare expenditures, **federal statute prohibits Medicare from paying for telehealth services if the patient is located in an urban area or at home.**<sup>vii</sup> But recognizing the value of telehealth, Congress and CMS have recently taken important steps to remove these federal statutory barriers for specific telehealth services and otherwise to expand Medicare access to telehealth services. WHA supports such vital but incremental steps as the following:

- In the Bipartisan Budget Act of 2018, Congress directed Medicare to pay for telestroke services for patients in urban areas and teledialysis services in urban areas or at home. They also allowed Medicare Advantage plans to offer additional telehealth benefits as part of an enrollee’s basic benefit package.
- The “Support for Patients and Communities Act,” bipartisan opioid reform legislation signed by President Trump in October 2018, allows Medicare to pay for telehealth substance use or co-occurring mental health treatment in urban areas or at home, beginning in July of 2019.
- In its 2018 and 2019 Physician Fee Schedule rules, CMS allowed Medicare to cover remote physiologic monitoring, chronic care remote physiologic monitoring, brief virtual check-in appointments, and remote evaluations of pre-recorded patient information. Critically, CMS determined that such new services were not subject to the federal statute prohibiting Medicare from paying for such services if the patient is located in an urban area or at home.

### **Congress Should Fully Repeal the Statutory Prohibition on Medicare Covering In-home or Urban Telehealth**

While we applaud the good work Congress and CMS have done to take incremental steps that allow for payment of certain Medicare services in urban areas or at home, we believe that ultimately this should be done for all Medicare services. We respect that some have concerns about potential costs to the Medicare budget, but the evidence we have presented above suggests there is good reason to believe expanding access to telehealth will not lead to an unsustainable increase in Medicare spending.

According to the most recent data we have from the Wisconsin Health Information Organization (all-payer claims database), telehealth services represent less than 1% of all health care services billed for in Wisconsin. While telehealth should lead to a slight increase in utilization, those increases are offset by the improvements in care that decrease other health care spending as discussed above. ***We recommend the Congressional Telehealth Caucus explore this and other evidence that suggests telehealth can be expanded without drastically increasing costs. Expanding access to telehealth presents an opportunity to give Americans more choices in how they access their health care, and in a way that will ultimately improve outcomes.***

Thank you again for the opportunity to comment.

Sincerely,



Eric Borgerding  
WHA President & CEO

<sup>i</sup> 83 Fed. Reg. 54,982, 55,055.

<sup>ii</sup> Torre-Diaz, I., *et al.*, “Cost-Utility and Cost-Effectiveness Studies of Telemedicine, Electronic, and Mobile Health Systems in the Literature: A Systematic Review,” *Telemedicine Journal and e-Health* (Feb. 2015).

---

<sup>iii</sup> 83 Fed. Reg. at 55,056.

<sup>iv</sup> *Id.*

<sup>v</sup> *Id.* at 55,057.

<sup>vi</sup> *Id.*

<sup>vii</sup> Under 42 U.S.C. § 1395m(m)(4)(C), Medicare may pay for telehealth services only if the patient is located (1) in a rural Health Professional Shortage Area or in a county that is not included in a Metropolitan Statistical Area and (2) in one of eight facility types that generally does not include the patient's home.