



S. 1016

CREATING OPPORTUNITIES NOW FOR NECESSARY AND EFFECTIVE CARE TECHNOLOGIES (CONNECT) FOR HEALTH ACT OF 2017

SPONSORS:

Sen. Schatz (D-HI), Wicker (R-MS), Cochran (R-MS), Cardin (D-MD), Thune (R-SD) and Warner (D-VA)

INTENT:

To amend Title XVIII of the Social Security Act to expand access to telehealth services, and for other purposes.

The CONNECT bill allows for the waiver or elimination of the telehealth restrictions in Medicare under certain conditions (as described in the chart below), **effective Jan. 1, 2018.**

REQUIREMENTS/LIMITATIONS THAT CAN BE WAIVED	QUALIFIED CIRCUMSTANCES FOR EXEMPTION
<ul style="list-style-type: none"> Requirement that the originating site be located in a rural health professional shortage area or non-metropolitan statistical area (geographic requirements). Limitation of originating site facilities Limitation on the use of store-and-forward technologies Limitation on the type of health care providers furnishing services Limitation on codes described as telehealth services 	<p>Mental Health Services – Conditions required to be waived in Medicare fee-for-service</p> <p>Accountable Care Organizations – Allows ACOs the ability to expand telehealth services without these restrictions (see below for limitations).*</p> <p>Medicare Advantage - Allows for additional telehealth benefits, which would include services that are not hindered by these restrictions.*</p> <p>Waivers – Specifies that the Secretary has authority to waive any requirements or limitations.*</p> <p>Bundled or Global Payments – The Secretary may pay for telehealth services without application of requirements.*</p>
<ul style="list-style-type: none"> Limitation on coverage for remote patient monitoring services (RPM). 	<p>Medicare Advantage - RPM treated as if a benefit under original Medicare fee for service program option as long as treatment does not increase bid amount.</p> <p>Bundled or Global Payments – RPM may be included for payment under any bundled or global payment.</p> <p>Service is in Addition to Coverage of Chronic Care Management or Transitional Care Management Services – Secretary required to cover if RPM is delivered to an applicable individual by an eligible provider. Applies to alternative payment models.*</p>

* See descriptions below for further details and limitations.

ACCOUNTABLE CARE ORGANIZATIONS (ACOs) LIMITATIONS

Eligible ACOs must be either tested or expanded under the Center for Medicare and Medicaid Innovation (CMMI), operate under a two sided model, and have Medicare fee-for-service beneficiaries assigned to it using a prospective assignment methodology.

No facility fee would be applicable if the site/service would not qualify for reimbursement if these allowances were not made.

ACOs would be required to submit data on an annual basis to the Center for Medicare and Medicaid Services (CMS) for evaluation of the implementation of this section. The Secretary of Health and Human Services would be required to conduct a study on the implementation, including a comparison of utilization and expenditures for telehealth services versus the same services provided in an office setting. The Secretary would be required to submit a report to congress by Jan. 1, 2025, along with recommendations for legislation and administrative action.

MEDICARE ADVANTAGE

The Secretary would establish requirements for the provision of additional telehealth benefits including:

- Physician, practitioner or other healthcare provider licensure and other requirements
- Factors necessary to ensure coordination of benefits with items and services furnished in-person
- Other areas specified by the Secretary

Enrollees will have discretion as to whether or not to receive services as an additional telehealth benefit.

Additional telehealth benefits and RPM services will be treated as if they were benefits under the original Medicare fee-for-service program option. For RPM, treatment must not increase the bid amount attributable to such benefits from the amount it would otherwise be. Capital and infrastructure costs and investments would not be included as an additional telehealth benefit.

The Secretary would be required to solicit comments on the types of telehealth services that should be considered additional telehealth benefits by Nov. 30, 2017.

WAIVERS

Allows the Secretary to waive telehealth restrictions or limitations (see chart above for list of waived limitations) as long as the following applies:

- The Secretary determines the waiver is expected to reduce spending without reducing quality or vice versa.
- The Chief Actuary of CMS certifies that it would reduce spending
- The Secretary determines that it does not deny or limit coverage or provision of benefits.

The Secretary is required to establish a process for stakeholders to submit a request for a waiver.

RPM COVERAGE FOR CHRONIC CARE MANAGEMENT OR TRANSITIONAL CARE MANAGEMENT SERVICES

RPM would only be covered if it is delivered to an applicable individual by an eligible provider.

APPLICABLE INDIVIDUAL

The patient must:

- Be receiving chronic care management services or transitional care management services;
- Be in the top five percent of Medicare cost utilization and has two or more chronic diseases, as determined on a yearly basis; or
- Have a condition identified by the Chief Actuary of CMS that by treating using RPM would reduce spending without reducing the quality of care or vice versa.

An applicable individual can also include a Medicare beneficiary assigned to an alternative payment model.

ELIGIBLE PROVIDER

An eligible provider includes a physician or a practitioner, as well as services furnished in a FQHC or RHC. It does not include telephone, facsimile or electronic text message.

The Secretary must consult with the public and private stakeholders to determine the amount of payment for RPM.

IMPACT & ANALYSIS

The CONNECT Act seeks to expand telehealth coverage by allowing the Secretary to not apply certain restrictions on the delivery of services via telehealth in certain circumstances. While this bill requires the telehealth restrictions currently in Medicare be waived for the delivery of mental health services, in the case of the other circumstances (waivers and bundled payments), it only gives CMS authority, but does not require the restrictions to be waived. In the case of Medicare Advantage and ACOs, it does the same, giving both entities the ability to provide telehealth services without the application of the restrictions, but there is no guarantee that they will take advantage of that.

The bill consistently defines and treats RPM services as distinct from telehealth services. This distinction allows RPM services to avoid the restrictions on telehealth services that currently exist in the Medicare program. At the same time, the bill lays out restrictions of its own on RPM, such as limiting it to certain individuals with chronic diseases.

OTHER CHANGES MADE BY THE CONNECT ACT:

- **End Stage Renal Disease:** Beginning Jan. 1, 2018, an individual with end stage renal disease (ESRD) receiving home dialysis may choose to receive monthly ESRD-related visits from the home via telehealth if they receive a face-to-face visit at least once every three consecutive months. For these cases, a renal dialysis facility as well as the home would be added to the list of eligible telehealth originating sites. Additionally, these new sites along with hospital-based or critical access hospital-based renal dialysis center would be exempt from the geographic requirements for the monthly ESRD-related visits.
- **Stroke:** For purposes of evaluation of an acute stroke, the geographic and facility type requirements on originating sites would not apply beginning Jan. 1, 2018. Sites qualifying for reimbursement under this provision would not be eligible for a facility fee.
- **Rural Health Clinics (RHCs) & Federally Qualified Health Centers (FQHCs):** Effective, Jan. 1, 2018, the CONNECT Act exempts FQHCs and RHCs from geographic restrictions in Medicare and adds both to the list of eligible distant sites.
- **Native American Health Service Facilities:** Effective, Jan. 1, 2018, the CONNECT Act exempts facilities operated by Indian Health Services from the originating site requirements (both facility and geographic) for the delivery of telehealth services under Medicare. The sites that newly qualify under this section would not be eligible for a facility fee.
- **Study and Report:** The Secretary would be required to conduct an evaluation on the use of telehealth and RPM under all demonstration programs and pilots with telehealth waivers. The analysis must include utilization levels, cost impact, and beneficiary and family caregiver satisfaction. The Secretary would be required to submit a report not later than two years after enactment to Congress with results of the evaluation.
- **Testing of Models to Examine Telehealth and RPM:** Directs the Secretary to consider testing models to examine the use of telehealth and RPM.
- **Sense of Congress:** States that it is the sense of Congress that telemedicine is recognized by all 50 states and the District of Columbia to be a safe and effective way of delivering health care, and that the Medicare program should cover the delivery of remote patient services.

Prepared by:

