Enhancement of Use of Telehealth Services in Military Health System

Requires the Secretary of Defense to incorporate telehealth services (including mobile health applications) into direct care and purchased care components of the military health system in order to:

- Improve access to primary care, urgent care, behavioral health care and specialty care;
- Perform health assessments;
- Provide diagnoses, intervention and supervision;
- Monitor individual health outcomes of covered beneficiaries with chronic diseases or conditions;
- To improve communication between health care providers and patients; and
- Reduce health care costs for covered beneficiaries and the Department of Defense

Types of Telehealth Services:

- Real time interactive communication and remote patient monitoring (RPM);
- Allow covered beneficiaries to schedule appointments and communicate with health care providers; and
- Allow health care providers to assess and evaluate signs and symptoms, diagnose disease, supervise treatments; and monitor health outcomes.
### BILL DRAFT

Requires TRICARE program to provide coverage of services furnished through telecommunications systems to the same extent as if furnished in the location of the covered beneficiary. Reimbursement rates must incentivize the provision of telehealth services in the purchased care component of the TRICARE program.

Requires the Secretary to reduce or eliminate copayments or cost shares for covered beneficiaries in connection with telehealth services under the purchased care component of the TRICARE program.

Specifies that for purposes of reimbursement, licensure, professional liability and other purposes, the location of service is the location of the provider, not the patient.

### CURRENT LAW

The Secretary of Defense shall contract for medical care for certain service members, former service members, and their dependents under such insurance, medical service, or health plans as he considers appropriate. The law is currently silent on the use of telehealth.

Currently, a service is considered to be where the patient is located, requiring providers to be subject to the laws of the patient’s state.

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**Reports**

The Secretary would be required to submit an initial report and final report to the Committees on Armed Services of the Senate and House of Representatives 180 days from the date of enactment and three years after enactment, respectively. The initial report must describe the full range of telehealth services available in the direct care and purchased care components, the copayments and cost shares and the reimbursement plan. The final report must address the goals of incorporating telehealth (see page 1) into the TRICARE program. Data in the report must include:

- Satisfaction of covered beneficiaries and health care providers
- Effect of telehealth services furnished by the department on the following:
  - Ability of covered beneficiaries to access care
  - Frequency of use
  - Productivity of health care providers
  - Reduction in the use of services in military treatment facilities or medical facilities in the private sector (if any)
  - Number and types of appointments for telehealth services
  - Savings, if any, realized to the Department
Sec. 726. Acquisition of Medical Support Contracts for TRICARE Program

The Secretary of Defense would be required to conduct a new competition of all medical support contracts with private sector entities under the TRICARE program.

The new contracts must include (among other components and to the extent practicable), telehealth services, including:

- Maximization of the use of real-time interactive communications and RPM; and
- The use of standardized payment methods to reimburse providers for telehealth services.

* For sections that do not relate to telemedicine, see the full text of S 2943.

Impact and Analysis

If passed, S 2943 would stipulate that TRICARE, the health care program serving Uniformed Service members, retirees and their families, must reimburse beneficiaries for services furnished via a telecommunications system to the same extent as if the service was furnished in the same location of the beneficiary (in person). The language used in S 2943 to mandate reimbursement for services delivered via telecommunications systems mirrors many states' private payer laws, although most states use the terms “telemedicine” or “telehealth” instead of “telecommunications system”. The term “telehealth” is clearly defined in the legislation and used throughout the bill in other sections, the term “telecommunications system” is specifically used in the paragraph mandating coverage and is not defined in the legislation itself nor is it defined in US Code Title 10, which the bill amends. It is therefore unclear what types of service delivery exactly fall under the term “telecommunications system”. The bill specifically notes real-time interactive communication and RPM are forms of telehealth services, but does not include store and forward. Additionally, while the language indicates that the rate of reimbursement in the purchased component of the TRICARE program must incentivize the use of telehealth, it does not require reimbursement to be at the same rate as when services are delivered in-person.

For purposes of health care liability, licensure, and reimbursement (and other purposes) services would be considered furnished from the provider site (not the patient site). This means that when telehealth is used by a patient and provider in different states, the provider would no longer need to comply with the malpractice, licensure and other laws of the patient’s state, as is required under current law. S 2943 would only apply to services delivered through the TRICARE program to covered beneficiaries.