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The Honorable Anna G. Eshoo Chairwoman Subcommittee on Health Energy and Commerce Committee U.S. House of Representatives 272 Cannon House Office Building Washington, D.C. 20515

The Honorable Brett Guthrie Ranking Member Subcommittee on Health Energy and Commerce Committee U.S. House of Representatives 2434 Rayburn House Office Building Washington, D.C., 20515

Dear Chairwoman Eshoo, Ranking Member Guthrie and Members of the Subcommittee:

Thank you for the opportunity to discuss the future of telehealth in the wake of COVID-19. We at the R Street Institute commend the Subcommittee on Health for examining one of the most pressing topics today.

The R Street Institute is a nonprofit, nonpartisan, public policy research organization, and we engage in policy research that promotes free markets and limited, effective government. As such, we have conducted research on and written about telehealth regulations that limit access in harmful ways.

The COVID-19 pandemic fundamentally changed how millions of Americans access health care providers. Within days of the initial stay-at-home orders of 2020, governors, executive agencies and lawmakers across the country sought to bolster telehealth access by temporarily suspending some regulations that limit its use.<sup>1</sup>

These state and federal regulations—which dictate who can access telehealth, which telehealth platforms they can use, and where both patients and doctors must be physically located in order to engage in telehealth services—became particularly problematic as Americans suddenly faced closed doctor's offices, clinics and treatment centers. Virtual access through telehealth became a lifeline.

We now have a better understanding of how to bolster telehealth access permanently to more efficiently and effectively serve the needs of the American public. There are many things that state



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lawmakers and Congress members can do to improve, simplify and expand telehealth access. Here, we focus on two main objectives on which Congress can act:

## Eliminate originating site requirements for Medicare recipients.

The National Rural Health Association maintains that telehealth is a cost-saving measure because it enables earlier diagnosis and treatment, and better management of chronic conditions—particularly for those in rural areas. However, Medicare currently has geographic and originating site requirements that unnecessarily limit its use. Currently, a Medicare recipient keen on using telehealth services must live in a designated Health Professional Shortage Area (HPSA) and also travel to a health care facility to have a virtual consultation with a provider. At the onset of the pandemic in March 2020, the Centers for Medicare and Medicaid Services (CMS) temporarily waived these requirements.<sup>2</sup> Consequently, telehealth visits for Medicare recipients surged: fewer than 1 percent of Medicare primary care visits were via telehealth in February 2020, compared with almost half of Medicare primary care visits in April 2020.<sup>3</sup> Bipartisan legislation is currently in Congress that would permanently eliminate these requirements so that more Medicare recipients can access doctors via telehealth and not have to leave home to do so.<sup>4</sup>

## Eliminate Medicare licensing requirements that inhibit doctors from seeing out-of-state patients remotely.

Even if Medicare recipients no longer have to be in a federally designated HPSA or travel to a health care facility to use telehealth, access may—in many states—still be hindered due to state and federal licensing requirements that limit health care professionals treating patients via telehealth unless the professional is licensed in the state that the patient is located. The CMS temporarily waived this requirement in 2020 so that doctors enrolled in Medicare could engage with Medicare patients, even if they did not reside in the same state.<sup>5</sup> This waiver should also be made permanent to ensure that enrolled doctors can see patients across the country, as long as they hold a license in good standing in one state. States often hold similar restrictions, but the pandemic is changing this; for example, the Arizona Legislature is currently considering legislation that would allow practitioners to see patients in Arizona via telehealth regardless of whether they are licensed in Arizona, so long as they hold a valid license in another state.<sup>6</sup> This type of forward-thinking reform will improve health care access, and federal reform will serve as a strong signal to states to follow suit.

Again, we thank you for your consideration of this crucial issue, and we stand ready to assist or answer any questions you may have.

Respectfully submitted,

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<sup>1</sup> Center for Connected Health Policy, "Telehealth Coverage Policies in the Time of COVID-19," The National Telehealth Policy Resource Center, Sept. 15, 2020 <u>https://www.cchpca.org/resources/covid-19-telehealth-coverage-policies</u>.

<sup>2</sup> Centers for Medicare and Medicaid Services, "President Trump Expands Telehealth Benefits for Medicare Beneficiaries During COVID-19 Outbreak," U.S. Department of Health and Human Services, Mar. 17, 2020. <u>https://www.cms.gov/newsroom/press-releases/president-trump-expands-telehealthbenefits-medicare-beneficiaries-during-covid-19-outbreak</u>.

<sup>3</sup> Office of the Assistant Secretary for Planning and Evaluation, "ASPE Issue Brief: Medicare Beneficiary Use of Telehealth Visits: Early Data From the Start of the COVID-19 Pandemic," U.S. Department of Health and Human Services, July 28, 2020. <u>https://aspe.hhs.gov/pdf-report/medicare-beneficiary-use-telehealth</u>.

<sup>4</sup> "Scott, Schatz, Shaheen Introduce Bipartisan Legislation to Increase Access to Telehealth in the Midst of the Pandemic," The Office of Sen. Tim Scott, Feb. 23, 2021. <u>https://www.scott.senate.gov/mediacenter/press-releases/scott-schatz-shaheen-introduce-bipartisan-legislation-to-increase-access-totelehealth-in-the-midst-of-the-pandemic.</u>

<sup>5</sup> Centers for Medicare and Medicaid Providers, *COVID-19 Emergency Declaration Blanket Waivers for Health Care Providers*, U.S. Department of Health and Human Services, Feb. 19, 2020. <u>https://www.cms.gov/files/document/summary-covid-19-emergency-declaration-waivers.pdf</u>.

<sup>6</sup> Courtney M. Joslin and Shoshana Weissmann, "Arizona may become the model state for telehealth access," *Washington Examiner*, Feb. 24, 2021 <u>https://www.washingtonexaminer.com/opinion/arizona-may-become-the-model-state-for-telehealth-access</u>.