

**AARC's Legislative Initiative for 2015 -- The Medicare Telehealth Parity Act  
Frequently Asked Questions – Updated February 20, 2015**

**NOTE: If the Medicare Telehealth Parity Act is reintroduced prior to our PACT meeting, we will add the bill number to these FAQs.**

**Why did AARC decide not to reintroduce HR 2619, the Medicare Respiratory Therapist Access Act in the 114<sup>th</sup> Congress?**

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The AARC leadership and the Government Affairs staff took a hard look at the prospects of our bill moving forward in the newly-controlled Republican Congress and how the AARC's 2015 Congressional legislative agenda should realistically fit into this new paradigm.

After some clear-eyed assessment of the new congressional landscape, we've decided not to come out of the gate in 2015 with another version of HR 2619, a bill that we've specifically generated. We're going to take a different tactic regarding our Hill agenda. We're going to turn our focus onto another piece of legislation that was introduced in the 113<sup>th</sup> Congress; that is, HR 5380, the Medicare Telehealth Parity Act. The current bill has bipartisan support, a definite advantage looking at the 2015 Congressional landscape (and both sponsors were re-elected).

Many other health care associations support this bill and we have every confidence the bill will be re-introduced early in 2015 although we do not have a bill number at this time. [FYI: The end of February is a possible target date.] The legislation also has far reaching advantages for respiratory therapists. It is supported by other practitioner organizations, all who will be actively lobbying for the bill during their Hill events. Also a key supporter of the bill is the American Telemedicine Association which is very influential on the Hill.

**What is Telehealth?**

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Telehealth is an interactive audio and video telecommunications system that permits real-time face-to-face communication between physicians/practitioners and their patients who are in located at different sites. For example, in Medicare, the beneficiary may be physically located in a rural health clinic or a skilled nursing facility while the physician is in his/her office suite or the hospital. The term "telemedicine" is often used interchangeably with "telehealth."

To get a better understanding of the types of communication systems and delivery methods used in telehealth, go to the American Telemedicine Association's (ATA) website at <http://www.americantelemed.org/about-telemedicine/what-is-telemedicine#.VK2FeG90yUk>

**I've heard there are other telehealth bills being considered on Capitol Hill? Why pick the Medicare Telehealth Parity Act?**

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Telehealth services are an integral part of the health care system today and have gained recognition and the attention of Congress in the past couple of years. The various legislative initiatives underway that provide some type of Medicare expansion of telehealth services have similarities, but the Medicare Telehealth Parity Act is the only one that specifically adds

respiratory therapists as covered practitioners and respiratory care as a covered service. Highlights of other telehealth initiatives we are aware of are discussed below:

### The 21th Century Cures Initiative

This is a key piece of legislation currently receiving a lot of attention in the 114<sup>th</sup> Congress. It has strong bi-partisan support and a bill is expected to be introduced in February 2015. It is spearheaded by Representatives Fred Upton [R-MI], Chair, Committee on Energy and Commerce and Diana DeGette [D-CO]. It has far-reaching implications designed to “accelerate the discovery, development, and delivery of promising new cures for patients” that include:

- Incorporating patient perspectives into the regulatory process to help address their unmet needs.
- Expediting review and approval of breakthrough drugs and devices.
- Modernizing clinical trials.
- Focusing on innovation and biomedical research that involves FDA, NIH, CDC and CMS.
- Modernizing medical product regulation.
- Expanding Medicare **telehealth** services by developing a methodology to cover and pay for services to the same extent as if they were furnished in the same location as the patient.
- Including **telehealth** services that meet unmet service needs; that are substitutes for an in-person visit, or that are proven to reduce readmissions as long as the Medicare Chief Actuary certifies that the services will reduce costs or will not increase costs.
- Promoting use of **telehealth** as part of Medicare’s bundled payments initiative and other demonstrations that are considered cost-saving measures.

**NOTE (FYI Only): We have learned that Cong. Thompson wants to replace the telehealth section of the Cures bill with the Medicare Telehealth Parity Act. This would be a distinct advantage for respiratory therapists but it is unclear at this time whether he will be successful.**

### The Telemedicine Enhancement Act

This bill was first introduced as HR 3306 by Cong. Gregg Harper [R-MS] in October 2013 and later as S. 2662, introduced in July 2014 by Senators Thad Cochran [R-MS] and Roger Wicker [R-MS]. We expect it will be re-introduced in the 114<sup>th</sup> Congress. Key provisions include:

- Incentives for certain hospitals to lower excess readmission rates by making an additional payment in shared savings if performance is better than expected between the hospital and the Medicare program.
- Coverage of **telehealth and remote patient monitoring services** as part of a national pilot program for bundled payments and as supplemental health care benefits in Accountable Care Organizations.
- A Medicare chronic care counterpart to Medicaid’s Health Home initiative for coordinated care to Medicare/Medicaid individuals with a long-term illness or medical condition that requires regular medical treatment, advising and monitoring.

## What does the Medicare Telehealth Parity Act Do and How Does it Benefit Respiratory Therapists?

The Act is designed to be implemented in three phases with each phase two years apart. The text of HR 5380 as it was introduced in the last Congress is available at <https://www.govtrack.us/congress/bills/113/hr5380/text>

### Phase One

- Covers **licensed respiratory therapists as qualified telehealth practitioners** in addition to certified diabetes educators, licensed physical therapists (PT), occupational therapists (OT), speech-language pathologists (SP) and audiologists.
- **Incorporates respiratory therapists into the Medicare statute**, something AARC has strived to achieve through its previous legislative initiatives.
- Adds **coverage of remote patient management services** including monitoring, assessment, training and treatment for chronic conditions **that include COPD**, congestive heart failure, and diabetes if furnished at a Federally Qualified Health Center.
- Expands the originating sites to include any Rural Health Clinic or Federally Qualified Health Clinic regardless of its location.
- Expands coverage to any site located in a Metropolitan Statistical Area (MSA) with a population of fewer than 50,000 individuals.
- Calls for a study to determine the effectiveness of remote patient monitoring for chronic conditions in reducing hospital readmissions and saving Medicare money.

### Phase Two

- Adds additional covered services to include **respiratory services**, audiology services, and outpatient therapy services including PT, OT and SP.
- Adds **home as a telehealth site** with respect to hospice care, home dialysis, home health or durable medical equipment services.
- Expands the originating sites to include MSAs with a population of at least 50,000 but fewer than 100,000 individuals.
- Calls for a study to determine the effectiveness of the new telehealth services and practitioners as to savings and whether additional services should be added in the future.

### Phase Three

- Expands the originating sites to include MSAs with a population of at least 100,000 individuals.

## What Does Remote Patient Management Involve and What is Covered for COPD Patients?

Coverage of remote patient management services for the three chronic conditions noted above means the “evaluation and management of a patient...through the use of a system of technology that allows a remote interface to collect and transmit clinical data between the individual and responsible physician or practitioner or supplier.” The services do not include a telecommunication that consists solely of a telephone audio conversation, facsimile, or

electronic text mail between a health care professional and patient. Remote patient management services include in-home technology based on the following:

- Professional consultations
- Patient monitoring
- Patient training services
- Clinical observation
- Assessment
- Treatment
- Any other services that utilize services specified by the Secretary

A respiratory therapist could perform these services for COPD patients that are within their scope of practice in addition to other respiratory services based on medical necessity and coverage and payment policies and timelines established through regulations and consultations with stakeholders.

**As covered practitioners, will respiratory therapists will able to bill Medicare directly for the telehealth services they furnish?**

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No, the Act does not change current payment policies or procedures in how respiratory therapists are reimbursed. Only the physician or the facility can bill Medicare directly for telehealth services furnished by respiratory therapists.

**Does the Act define Qualified Respiratory Therapist?**

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No, the Act makes no mention of what the qualifications would be for any of the newly covered practitioners. However, within 2 years of the date of enactment, the Secretary (i.e., CMS) is required to develop standards governing qualifications of personnel and maintenance of equipment for remote patient management services in consultation with physicians, practitioners and supplier groups.

**Is there a cost associated with the bill and what do we tell Congressional staff when we met with them about how to pay for it?**

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We do not know the cost of the legislation at this time since AARC did not initiate the bill. However, provisions in the bill call for studies to determine the savings to the Medicare program through reduced hospital readmissions and use of additional telehealth services and qualified practitioners to furnish those services that may offset costs. Once the bill is reintroduced in the 114<sup>th</sup> Congress and gains co-sponsorship, we assume the appropriate committee will ask the Congressional Budget Office for a cost estimate. We will update this response when we have additional information.

**What Does Medicare Currently Cover with Respect to Telehealth Services?**

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Current Medicare coverage of telehealth services is limited to originating sites (e.g., where the beneficiary is located) that are located in a rural Health Professional Shortage area in a Metropolitan Statistical Area (MSA) or rural census tract, or a county outside of an MSA. Only certain practitioners can provide the services.

<b>Originating Sites (Where the beneficiary is located)</b>	
• Physician/Practitioner Office	• Federally Qualified Health Centers (FQHC)
• Hospitals	• Hospital-based or CAH-based Renal Dialysis Centers
• Critical Access Hospitals	• Skilled Nursing Facilities
• Rural Health Clinics	• Community Mental Health Centers

<b>Covered Practitioners (At distant site where the beneficiary is <u>not</u> located)</b>	
• Physicians	• Clinical Nurse Specialists
• Nurse practitioners	• Clinical psychologists
• Physician Assistants	• Clinical social workers
• Nurse-midwives	• Registered dietitians or nutrition professions

<b>Overview of Telehealth Services Currently Covered by Medicare</b>	
• Initial ED/inpatient consultations	• Smoking cessation services
• Follow-up consultations (hospitals/SNFs)	• Annual depression counseling
• Office/outpatient visits	• Screening/counseling for alcohol misuse
• Subsequent hospital care/nursing facility services	• Alcohol/substance abuse assessment/intervention
• Kidney disease education	• Annual face-to-face behavioral therapy for cardiovascular disease
• Health/behavior assessment/intervention	• Counseling for obesity
• Individual psychotherapy	• Transitional care management services
• Pharmacologic Management	• Counseling to prevent sexually transmitted infection
• Psychiatric diagnostic interview exam	• Annual Wellness exam
• ESRD-related services	• Psychotherapy services
• Individual/group medical nutrition therapy	• Prolonged office service
• Diabetes self-management training	• Neurobehavioral status exam

**Why should I support the Medicare Telehealth Parity Act since it is not one initiated by AARC?**

There are a number of reasons why this Act is important to the profession and why respiratory therapists should support it.

- It recognizes RTs as practitioners in the Medicare statute which has been a long-standing goal of the AARC.
- It covers respiratory care services which are not covered under current Medicare telehealth policy, adding additional language to the statute recognizing the importance of these services.
- It would allow RTs to provide respiratory services and remote patient management services for COPD patients via telehealth communications that are within their scope of practice and determined to be medically necessary.

- If offers a broader reach of services and a new way to deliver them that are currently not available to RTs as part of the Medicare program.
- It expands originating sites, which means it expands the reach of patients who suffer from chronic respiratory disease that can be helped by respiratory therapists.
- The bill has bipartisan support, having been introduced by Congressmen Mike Thompson (D-CA) and Greg Harper (R-MS), both of whom were reelected to the 114<sup>th</sup> Congress. The bill is expected to be reintroduced in early 2015.
- AARC would not be the only organization lobbying on the Hill for the bill; we would be part of number of influential organizations, including the American Telemedicine Association, pushing the bill.
- It is the only telehealth bill that specially includes respiratory therapists and respiratory services in statutory language.
- It provides Congress with a study that has the potential to highlight the value of RTs and how their services could save the Medicare program money and reduce hospital readmissions.
- Depending on the outcome of the studies, it has the potential to expand future remote patient monitoring to include other chronic conditions such as asthma.