

Medicare Telehealth Improvement Act of 2008

Sponsored by Senators Conrad and Stabenow

Nearly one-quarter of all Medicare beneficiaries live in rural areas, and these seniors face unique challenges in accessing health care. Health professional shortages due to low reimbursement often force seniors to travel for care. But making the trip to urban hospitals or physician offices can be dangerous for frail elderly who often do not have family nearby to assist them.

In response, Congress acted in 1997 and again in 2000 to provide Medicare reimbursement for the use of telecommunications technology for certain Medicare-covered services by certain providers at a limited number of sites. For example, the telehealth service must be provided in a health professional shortage area or county not classified as a metropolitan statistical area. In addition, only consultations, office visits, individual psychotherapy and pharmacologic management are covered services. Moreover, reimbursement, which is the same as the current fee schedule amount, is limited to physicians, nurse practitioners, physician assistants, nurse midwives, clinical nurse specialists, clinical psychologists, clinical social workers, and registered dietitians. Finally, only certain facilities are eligible to be an originating site and receive the “facility fee” associated with it; those facilities include: a physician office, a hospital, a rural health clinic, and a federally-qualified health center.

This benefit has been tremendously helpful to seniors in rural areas, but the benefit is not as comprehensive as it should be and the Medicare Telehealth Improvement Act of 2008 would make several low-cost improvements to ensure that the telemedicine benefit is able to assist those beneficiaries most in need. The bill would:

Increase the Number of Eligible Sites. The Conrad-Stabenow bill would increase the number of originating sites eligible to receive the facility fee to include nursing homes, dialysis facilities and community mental health centers. Moreover, it would allow any other site that has telecommunications systems to be an originating site, but these sites would not be eligible for the facility fee.

Expand the Eligible Providers. The Medicare Telehealth Improvement Act would expand the list of eligible practitioners to include physical therapists, occupational therapists, speech-language pathologists, audiologists, and any other providers the Secretary deems appropriate.

Improve the Process for Updating Services Covered. Finally, the bill improves the process by which CMS updates the list of covered telehealth services. Despite there being widespread support for inclusion of new codes, CMS has not sufficiently updated the list of covered services in recent years. In response, the bill establishes a permanent advisory committee made up of seven physicians and non-physician providers that will make recommendations to the Secretary on the appropriate addition or deletion of services.

The Medicare Telehealth Improvement Act is supported by a variety of organizations, including the American Telemedicine Association, the National Council on Community Behavioral Healthcare, the American Health Care Association, the American Health Information Management Association, the Center for Aging Services Technologies, the National Association for the Support of Long Term Care, and the National Center for Assisted Living.

For information on the bill or to cosponsor, please contact Lindsey Henjum in Senator Conrad’s office (4-1237) or Oliver Kim in Senator Stabenow’s office (4-2166).