SUBJECT: Telemedicine, telehealth, and home telemonitoring services in Medicaid

COMMITTEE: Public Health — committee substitute recommended

VOTE: 7 ayes — Kolkhorst, Naishtat, Coleman, V. Gonzales, S. King, Laubenberg, Zerwas

2 nays — S. Davis, Schwertner

2 absent — Alvarado, Truitt

SENATE VOTE: On final passage, April 7 — 31-0

WITNESSES: (*On House companion bill, HB 842)*
For — Rachel Hammon, Texas Association for Home Care & Hospice; Jeff Whitaker, Home Healthcare Partners; (*Registered, but did not testify*: Troy Alexander, Texas Medical Association; Nora Belcher, Texas e-Health Alliance; Faye Bryant, Acadian Monitoring Services; Jeffrey Clark, Technology Association of America; Lauren Dimitry, Texans Care for Children; Gilberto Garcia, St. Anthony's Home Healthcare Services, Inc.; Harry Holmes, Harris County Healthcare Alliance; Angie King, Accolade Home Care & Hospice; Joe Lovelace, Texas Council of Community Centers; Carlos Robledo, St. Anthony's Home Health; Stacy Wilso, Central Health)

Against — Melanie Lantrip; Lee Spiller, Citizens Commission on Human Rights; (*Registered, but did not testify:* Monica Ayres; Patricia Michael; Jim Moore; Claudia Smith; Salila Travers; Savita Wadhwani; Eric Whittier)

On — Colleen Horton, Hogg Foundation for Mental Health; Billy Millwee, Texas Health & Human Services Commission; Tammy Pirtle

BACKGROUND: Government Code, sec. 531.0216 requires the executive commissioner of the Health and Human Services Commission (HHSC) to develop and implement a system to reimburse providers for telemedicine medical services under Medicaid.

DIGEST:

Telehealth services. CSSB 293 would add telehealth services to the services for which providers could be reimbursed under the HHSC system to reimburse providers for telemedicine medical services under Medicaid. The bill would define a telehealth service as a service, other than a telemedicine medical service, delivered by a licensed health professional who did not perform a telemedicine medical service and that required the use of certain advanced telecommunications technology, other than telephone or facsimile technology.

The bill would define telemedicine medical service as a service initiated by a physician or provided by a health professional acting under physician supervision that was provided for patient assessment, diagnosis, or consultation by a physician, treatment, or the transfer of medical data, and one that required the use of certain advanced telecommunications technology, other than telephone or facsimile technology.

The focus of any pilot programs for telemedicine and telehealth services would be expanded to include increased access to the monitoring of chronic conditions, in addition to the medical services already outlined under current law regarding the telemedicine services program. The list of condition-specific applications that telemedicine or telehealth services could address would also be expanded to include chronic obstructive pulmonary disease, hypertension, and congestive heart failure.

CSSB 293 would repeal current the provisions within chap. 531 of Government Code governing the telemedicine medical services program that would be replaced by the bill's provisions.

Home telemonitoring services. The bill also would direct the executive commissioner to develop and implement a system for home telemonitoring service providers to participate and be reimbursed under Medicaid if the agency determined it was cost effective. The bill would define a home telemonitoring service as a health service that required scheduled remote monitoring of data related to a patient 's health and transmission of the data to a licensed home health agency.

Any program established by HHSC would have to provide that home telemonitoring services were available only to persons who were diagnosed with diabetes, heart disease, cancer, or were pregnant, and who exhibited two or more of the following risk factors:

- two or more hospitalizations in the prior 12-month period;
- frequent or recurrent emergency room admissions;
- a documented history of poor adherence to ordered medication regimens;
- a documented history of falls in the prior six-month period;
- limited or absent informal support systems;
- living alone or being home alone for extended periods of time; and
- a documented history of care access challenges.

The home telemonitoring program would have to ensure that clinical information gathered by a home health agency was shared with the patient's physician and that it did not duplicate services contracted through the disease management program overseen by the Department of State Health Services (DSHS).

If HHSC determined that the home telemonitoring program was not cost effective after its implementation, the agency could discontinue the program and stop providing reimbursement for these services under Medicaid. HHSC would also need to determine whether the provision of home telemonitoring services to persons who were eligible to receive benefits under both Medicaid and Medicare achieved cost savings within Medicare. If it did reduce costs, HHSC would have to pursue the creation of accountable care organizations to participate in the Medicare Shared Savings Program established under U.S. law.

HHSC would be required to submit a report to the governor, the lieutenant governor, and the speaker by December 31, 2012, about the effects of the home telemonitoring services program under Medicaid, including:

- the methods used by HHSC to determine if the program was cost effective and feasible;
- the utilization of home telemonitoring services by Medicaid recipients;
- the health outcomes of Medicaid recipients who received these services;
- the hospital admission rate of Medicaid recipients who received telemonitoring services;
- the cost of the services provided; and
- the estimated cost savings to the state.

The executive commissioner would have to establish separate provider identifiers for telehealth, telemedicine medical service, and home telemonitoring service providers for reimbursement.

The bill would require the executive commissioner of HHSC to expand the telemedicine and telehealth advisory committee to include representatives of providers of telemedicine, telehealth, and telemonitoring services.

If any agency determined that a federal waiver was necessary to implement any provision of the bill, the agency would have to request the waiver and could delay implementation until obtaining it.

The bill would take effect September 1, 2011.

SUPPORTERS SAY:

CSSB 293 would help reduce Medicaid costs by enabling the system to monitor and treat chronically ill patients. Health care professionals could receive the latest patient data by the telemonitoring service to help them assess the progress of patients from their own homes. The new technology would help nurses or physicians diagnose or even intervene in a health crisis in real time, preventing delays in care and reducing the number of unnecessary hospitalizations.

CSSB 293 would help address a severe shortage of health care professionals in medically underserved areas of Texas and would increase access to care. The geographic and demographic challenges faced by the state have resulted in some fairly dramatic health disparities in the areas of diabetes, heart disease, infant mortality, and other health conditions. Research conducted by the state's Health Disparities Taskforce in 2006 revealed that African Americans, Latinos, and rural populations have experienced these diseases disproportionately. CSSB 293 would expand the scope of care provided to patients within Medicaid and offer ongoing monitoring to help close the gaps among these affected populations.

CSSB 293 would allow Texas to experience the benefits of telehealth and telemonitoring systems that have been tested in other states and federal programs. Many other state Medicaid programs use telemonitoring and telehealth services, which have played a critical role in identifying, treating, and rehabilitating soldiers within the Veterans Health Administration. A 2007 article in the *Journal of Rehabilitation Research and Development* found that telemonitoring services within the

Department of Veterans Affairs improved the coordination of care for soldiers affected by traumatic brain disorder and allowed surgeons operating in Afghanistan to consult with specialists in Washington, D.C. to enhance the level of care for patients. Telehealth services have transformed the way clinicians treat the troops and their families in the recovery process, particularly those residing in medically underserved and impoverished communities. CSSB 293 would allow Texas to share in this success.

OPPONENTS SAY:

CSSB 293 could waste a significant amount of money within the Medicaid program. Telehealth and telemonitoring services are becoming more common in the health care system, but there is little evidence to support the claims that these services are worth the expense. In fact, in 2009 the *Journal of the American Medical Association* published a study conducted by Texas physicians that revealed that telemonitoring interventions for patients in the Gulf Coast region did not improve patient mortality rates. The funds spent in this area would be better used to provide actual care for patients or address the real problem, which is the shortage of health care professionals in Texas.

CSSB 293 would detract from the doctor-patient relationship and could harm the chronically ill within Medicaid. While the use of telemonitoring could help to assist health care professionals, the professionals could eventually come to depend on these services and reduce their face-to-face consultations. It would be unethical to substitute telehealth for actual patient care, and it is unclear whether the protections within CSSB 293 actually would ensure that patients were not neglected by health care professionals because of the telehealth services.

NOTES:

The House committee substitute differs from the Senate-passed version by adding provisions to expand the minimum technology standards to include telehealth and home telemonitoring services; include telehealth and telemedicine providers on the advisory panel; and require HHSC to determine the cost-effectiveness and feasibility of the home telemonitoring program.

The House companion bills, HB 70 by Martinez and HB 842 by J. Davis, both were heard by the Public Health Committee on March 23 and left pending.