June 22, 2015

The Honorable Orrin Hatch
Chairman, Committee on Finance
United States Senate
104 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Ron Wyden
Ranking Member, Committee on Finance
United States Senate
107 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Johnny Isakson
United States Senate
131 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Mark Warner
United States Senate
475 Russell Senate Office Building
Washington, D.C. 20510

Dear Senators Hatch, Wyden, Isakson and Warner:

The undersigned organizations applaud the formation a bipartisan Senate Finance working group to explore solutions that will improve outcomes for Medicare patients. We appreciate your opening the process to stakeholders, and, as you determine the path forward for this working group, we write to provide consensus views to encourage you to help millions of American Medicare beneficiaries with

chronic conditions. Our goal is to realize the benefits of information and communications technology (ICT) in the care Medicare beneficiaries receive. We believe that a 21st Century health care system must harness and prioritize the use and adoption of advanced medical science and technology, particularly emerging telehealth and remote patient monitoring (RPM) technologies. Specifically, we write to urge you to ensure that Medicare appropriately supports the use of evidence-based telehealth and RPM services.

As you may be aware, Medicare does a poor job integrating innovative, systems-enhancing and team-based approaches. We believe that reform of Medicare's approach to telehealth and RPM service coverage is urgently needed. In fact, Medicare coverage for telehealth is shockingly lacking[1] when compared to the CMS 2015 annual budget[2] while support for RPM does not-exist as a separate benefit or category. RPM technologies (which are not telehealth services under Medicare's definition of telehealth services) have been shown to reduce inpatient care, hospital readmissions, as well as improve care coordination. We note that while the Centers for Medicare and Medicaid Services (CMS) has stated that services commonly furnished remotely using telecommunications technology ("electronically, rather than by means of a verbal description") are paid under the same conditions as if the service were provided in-person, CMS policies do not permit reimbursement for the remote monitoring of patient-generated health data (PGHD).

We believe there remains a need for federal programs to leverage the full potential of the health ICT ecosystem which is comprised of proven technologies, including telehealth and RPM through coverage for Medicare beneficiaries. As evidence of cost savings we would like to highlight the following examples of the impact of remote patient monitoring. RPM technologies positively engage patients while helping to manage chronic and persistent disease states.[3] The Hackensack Alliance in New Jersey reduced readmission rates from 28% to 5% for congestive heart failure patients.[4] Christus Health reduced the average cost for congestive heart failure readmissions from $12,937 compared to $1,231 per re-admission after implementing a remote patient monitoring system.[5] We have also appended a non-exclusive list of studies demonstrating the value of telehealth and RPM to patients with chronic conditions.

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[1] For example, according to the Centers for Medicare & Medicaid Services (CMS), Medicare telemedicine reimbursement totaled a mere $13.9 million in Calendar Year 2014. *See* http://ctel.org/2015/05/cms-medicare-reimburses-nearly-14-million-for-telemedicine-in-2014/.

[2] According to the Department of Health and Human Services, the CMS budget overview for 2016 is $957.4 Billion US dollars. *See* http://www.hhs.gov/about/budget/budget-in-brief/cms/.

[3] Agboola, Stephen, et al. "Home blood pressure monitoring program improves management of hypertension." *Circulation: Cardiovascular Quality and Outcomes* 5.3 Supplement (2012): A118.

[4] Use Case Study: Hackensack Alliance ACO - Remote Patient Monitoring for Chronic Disease. HIMSS. 2014

[5] Use Case Study: Christus Health –Remote Patient Monitoring and Chronic Disease. HIMSS 2014

Based on the above, we have found consensus around the following priorities that we recommend to the chronic care working group:

- ***Congress should establish an RPM benefit for beneficiaries with chronic conditions.*** CMS could, using its existing authority, provide adequate reimbursement for collection and interpretation of physiologic data stored/transmitted by patient/caregiver by "unbundling" the relevant Current Procedural Terminology (CPT®) code.[6] Such a practice would align with CMS' established approach to chronic care management, where, the challenges of preventing and managing chronic disease caused "the focus of primary care [to evolve] from an episodic treatment-based orientation to a focus on comprehensive patient-centered care management." In response, CMS found that the reimbursement for chronic care management that had historically been included in evaluation and management (E/M) codes was insufficient. CMS concluded that chronic care management should be separately reimbursed, and noted its anticipation that increased reimbursement for chronic care management (CCM) will be more than offset by the corresponding reduction in more costly services. As an example, in recent months, a broad cross-section of stakeholders from across the technology and healthcare sectors have worked to develop proposals that would enable remote patient monitoring for Medicare beneficiaries with chronic conditions in a budget-conscious manner – which include "sunset" safeguards contingent on proven savings – to inform a Congressionally-led path forward towards enabling a true continuum of care.[7]
- ***Congress should ensure that improvements to chronic care management are applied widely to Medicare system components.*** We urge the chronic care working group to apply the improvements to patients with chronic conditions across the entire Medicare system. For example, we strongly recommend that the working group address the failure of CMS to adequately incorporate telehealth and RPM innovations into the Medicare Shared Savings Program. Furthermore, the committee should update the Accountable Care Organization provisions for flexibility, within the value-based financial incentives, to use telehealth and remote patient monitoring to improve chronic care.
- ***Congress should direct CMS' to properly collect and use data on the benefits of telehealth and RPM.*** The chronic care working group should ensure that CMS is leveraging – and tracking – telehealth and RPM to inform future use for beneficiaries. For example, we are concerned with the lack of focus on tracking effort, use, and benefits of telehealth and remote patient monitoring associated with CMS' Center for Medicare & Medicaid Innovation (CMMI) program. CMS repeatedly refers to CMMI as a pathway forward on updates to telehealth and remote patient monitoring payments. However, the transparency in the types of technologies employed in grants is lacking. There is sufficient concern amongst stakeholders that funded programs may be constrained in abilities to sufficiently scale or translate research into tangible cost savings.

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[6] Medicare considers CPT Code 99091 ("Physician/health care professional collection and interpretation of physiologic data stored/transmitted by patient/caregive") as "bundled" into payment for other basic services (*e.g.*, an office visit provided the same day or other services incident to the service provided) and therefore does not currently make separate payment for 99091.

[7] *See* http://bit.ly/1FgkNXp.

- ***The chronic care working group should reform patient categories of need.*** The chronic care working group should consider focusing on making improvements to the system in areas of the most need. This includes an attentive focus on dual eligible Medicare beneficiaries. These are individuals who receive full Medicaid benefits as well as those who only receive assistance with Medicare premiums or cost sharing, meeting certain income and resource requirements and being entitled to Medicare Part A and/or Part B as well as select Medicaid Programs. As the Medicare Payment Advisory Commission and Medicaid and CHIP Payment Access Commission has noted, dual eligibles typically have worse health, and require more care, in comparison to other Medicare and Medicaid beneficiaries.[8] This population stands to gain the most from remote monitoring technologies.

- ***Congress should instruct CMS to develop an approach to ensure quality and continuity of care that telehealth and remote patient monitoring can provide Medicare beneficiaries.***

- ***The chronic care working group should prioritize interoperability.*** Interoperability is critical for engagement with patients experiencing chronic conditions, and for provider consumption of patient generated health information. While we urge the chronic care working group to promote the ability to exchange health information confidentially and securely across healthcare systems, settings of care, vendors, certified EHRs and EHR modules and systems, and geographies; pushing data through secure messaging alone is insufficient for achieving the nation's health goals. It would also further the working group's goals to enable systemic engagement with patients, care providers, medical professionals and other healthcare stakeholders. Voluntary industry standards – along with consensus on specifications for interoperability between remote monitoring products and healthcare systems – already exist and are currently utilized in commercial products.

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[8] *See* Medicare Payment Advisory Commission and Medicaid and CHIP Payment Access Commission, Data Book: Beneficiaries Dually Eligible for Medicare and Medicaid (Washington, D.C.: December 2013), 26.

We commend you for your leadership in taking a crucial, bipartisan approach towards modernizing the American healthcare system for those beneficiaries most in need. Thank you and we look forward to working with you.

Respectfully submitted,

ACT | The App Association
American Association for Respiratory Care
American Society of Nephrology
American Telemedicine Association
Baxter Corporation
Biocom
Christus Health
College of Healthcare Information Management Executives
HIMSS
Intel
Panasonic Corporation of North America
Personal Connected Health Alliance
Qualcomm
Telecommunications Industry Association
Underwriters Laboratories
Welch Allyn
WLSA – Wireless-Life Sciences Alliance

APPENDIX A: Existing Clinical Studies Demonstrating the Benefits of Remote Access Technologies

CHRONIC CONDITION MANAGEMENT

Adam Darkins: Telehealth and the VA FY2013 Report

In FY2013, **608,900 (11%)** of veterans received some element of their health care via telehealth. This amounted to **1,793,496** telehealth episodes of care. **45%** of these patients lived in rural areas.

Home Telehealth Services: Helps patients with chronic conditions

- Provided care for 144,520 veterans
- 59% reduction in bed days of care
- 35% reduction in hospital readmissions
- Saves $1,999 per annum per patient
- 84% patient satisfaction

Store-and-Forward Telehealth: Remote scanning, then send to specialist

- Served 311,396 veterans
- 95% patient satisfaction
- Saves $38.41 per consultation

Clinical Video Telehealth: Real-time video consultation that covers over 44 specialties

- 94% patient satisfaction
- Saves $34.45 per consultation

TeleMental Health

- Over 278,000 encounters to 91,000 patients
- 1.1 million patient encounters since FY2003
- Reduced bed days of care by 38%
- Nearly 7,500 patients with chronic mental health conditions are now living independently thanks to TeleMental Health

The number of veterans receiving care through telehealth is climbing by **22%** each year.

http://ehrintelligence.com/2014/06/23/va-reduces-admissions-by-35-due-to-telemedicine-services/
http://c.ymcdn.com/sites/www.hisa.org.au/resource/resmgr/telehealth2014/Adam-Darkins.pdf
http://www.va.gov/health/NewsFeatures/2014/June/Connecting-Veterans-with-Telehealth.asp

Veterans Administration: Study Size: Over 17,000 patients.
"Routine analysis of data obtained for quality and performance purposes from a cohort of 17,025 CCHT patients shows the benefits of a 25% reduction in numbers of bed days of care, 19% reduction in numbers of hospital admissions, and mean satisfaction score rating of 86% after enrolment into the program. The cost of CCHT is $1,600 per patient per annum, substantially less than other NIC programs and nursing home care. VHA's experience is that an enterprise-wide home telehealth implementation is an appropriate and cost-effective way of managing chronic care patients in both urban and rural settings." "Care Coordination/Home Telehealth: the systematic implementation of health informatics, home telehealth, and disease management to support the care of veteran patients with chronic condition" [Darkins A, Ryan P, Kobb R, Foster L, Edmonson E, Wakefield B, Lancaster AEs, Telemed J E Health. 2008 Dec;14(10):1118-26. doi: 10.1089/tmj.2008.0021.]
http://online.liebertpub.com/doi/pdf/10.1089/tmj.2008.0021

> ***Note:*** this specific area has been supplemented with further data from Darkins, available at:
> http://c.ymcdn.com/sites/www.hisa.org.au/resource/resmgr/telehealth2014/Adam-Darkins.pdf

Primary Care E-Visit v. Physician Office Visit: Study Size 8,000 Office and E-Visits
From The Washington Post, 1/21/2013: "A new study suggests that "e-visits" to health-care providers for sinus infections and urinary tract infections (UTIs) may be cheaper than in-person office visits and similarly effective." [Ateev Mehrotra, MD; Suzanne Paone, DHA; G. Daniel Martich, MD; Steven M. Albert, PhD; Grant J. Shevchik, MD, JAMA Intern Med. 2013;173(1):72-74. doi: 10.1001/2013. jamainternmed.305]
http://archinte.jamanetwork.com/article.aspx?articleid=1392490

Randomized Control Trial of Telehealth and Telecare: Study Size 6,191 patients, 238 GP practices
"The early indications show that if used correctly telehealth can deliver a 15% reduction in A&E visits, a 20% reduction in emergency admissions, a 14% reduction in elective admissions, a 14% reduction in bed days and an 8% reduction in tariff costs. More strikingly they also demonstrate a 45% reduction in mortality rates." [Source: "Whole System Demonstrator Programme, Headline Findings – December 2011", Department of Health, United Kingdom]
http://www.telecare.org.uk/sites/default/files/file-directory/secure_annual_reports/Publications/Effect%20of%20Telehealth%20on%20use%20of%20secondary%20care%20and%20mortality%20findings%20from%20the%20WSD%20cluster%20randomised%20trial.pdf

HEART FAILURE MANAGAGEMENT

Remote Patient Monitoring of Heart Failure Patients, Meta analysis: Study Size 4,264 patients
"Remote monitoring programmes reduced rates of admission to hospital for chronic heart failure by 21% (95% confidence interval 11% to 31%) and all cause mortality by 20% (8% to 31%); of the six trials evaluating health related quality of life three reported significant benefits with remote monitoring." [Telemonitoring or structured telephone support programmes for patients with chronic heart failure: systematic review and meta-analysis, Robyn Clark, Sally Inglis, Finlay McAlister, John Cleland, Simon Stewart, MJ (British Medical Journal), doi:10.1136/bmj.39156.536968.55 (published 10 April 2007)]
http://www.ncbi.nlm.nih.gov/pmc/articles/PMC1865411/

Remote Patient Monitoring of Heart Failure Patients, Meta analysis: Study Size 6,258/ 2,354 Patients
"RPM convers a significant protective clinical effect in patients with chronic HF compared with usual care." [J Am Coll Cardio: 2009; 54:1683-94]
http://content.onlinejacc.org/article.aspx?articleid=1140154

Telehome Monitoring Program: 1,000 Patients Enrolled
"Research at the Heart Institute has shown telehome monitoring at the Heart Institute has cut hospital readmission for heart failure by 54 percent with savings up to $20,000 for each patient safety diverted from an emergency department visit, readmission and hospital stay." [University of Ottawa Heart Institute, February 24, 2011, Press Release]
http://www.heartandlung.org/article/S0147-9563(07)00084-2/fulltext

Remote Patient Monitoring at St. Vincent's Hospital:
"Impact: In less than two years, preliminary results show that the care management program implemented by St. Vincent Health and facilitated by the Guide platform reduced hospital readmissions to 5 percent for patients participating in the program – a 75 percent reduction compared to the control group (20 percent), and to the national average (20 percent)."[St. Vincent's Hospital Reduces Readmissions by 75 percent with a Remote Patient Monitoring-Enabled Program, Case Study by Care Innovations, an Intel GE Company]
http://www.careinnovations.com/data/sites/1/downloads/Guide_product/guide_stvincent_profile.pdf

DIABETES MANAGEMENT:

Mobile Phone Personalized Behavior Coaching for Diabetes: Study Size 163 patients over 26 Practices
"Conclusions – The combination of behavioral mobile coaching with blood glucose data, lifestyle behaviors, and patient self-management individually analyzed and presented with evidence-based guidelines to providers substantially reduced glycated hemoglobin level over 1 year." [Cluster-Randomized Trial of a Mobile Phone Personalized Behavioral Intervention for Blood Glucose Control, Charlene Quinn, Michelle Shardelll, Michael Terrin, Eric Barr, Soshana Ballew, Ann Gruber-Baldini, Diabetes Care. Published Online July 25, 2011]
http://care.diabetesjournals.org/content/34/9/1934.long

Mobile Phone Diabetes Management: Study Size 30 patients from 3 group practices
"Conclusions: Adults with type 2 diabetes using WellDoc's software achieved statistically significant improvements in A1c. HCP and patient satisfaction with the system was clinically and statistically significant." [WellDoc™ Mobile Diabetes Management Randomized Controlled Trial: Change in Clinical and Behavioral Outcomes and Patient and Physician Satisfaction, Charlene Quinn, Suzanne Sysko Clough, James Minor, Dan Lender, Maria Okafor, Ann Gruber-Baldini, Diabetes Technology & Therapeutics, Vol 10, Number 3, 2008, pps 160-168]
http://online.liebertpub.com/doi/pdf/10.1089/dia.2008.0283

MEDICATION ADHERENCE FOR CHRONIC CONDITIONS: 50 patients

"There was a trend toward increased prescription refill rates with the use of the Pill Phone application and a decrease after the application was discontinued" [Case study titled: "Medication Adherence and mHealth: The George Washington University and Wireless Reach Pill Phone Study", Study designed, conducted and analyzed by George Washington University Medical Center; Qualcomm Wireless Reach Initiative was the primary funder of this study]
http://www.qualcomm.com/media/documents/files/wireless-reach-case-study-united-states-pill-phone-english-.pdf