White House Seeks to Sustain Increased Medicare Telehealth Coverage

The executive order calls upon HHS to cement expanded Medicare telehealth coverage and improve rural health care infrastructure.

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A new executive order from the White House is pushing to expand telehealth coverage and infrastructure, as well as make health care in rural communities more accessible beyond the COVID-19 pandemic.
The Centers for Medicare and Medicaid Services vastly expanded its Medicare coverage for telehealth visits as part of the White House’s March 13 COVID-19 national emergency declaration. CMS further increased the number of telehealth services it would cover for its beneficiaries during the pandemic in late March, totaling 135 different medical services in telehealth coverage, CMS said.

Until now the increased telehealth coverage and accessibility were only temporary measures to protect patients and health care providers from contracting COVID-19. The White House’s Aug. 3 executive order looks to maintain many of the expanded virtual health provisions beyond the end of the COVID-19 pandemic, however. It also looks to leverage technologies and reform to improve rural health delivery.

More specifically, the executive order calls upon the Department of Health and Human Services to:

• Propose a CMS rule to extend parts of Medicare's coverage of telehealth beyond the end of the pandemic’s public health emergency;
• Propose a payment model to improve rural health care through the Center for Medicare and Medicaid Innovation;
• Launch rural health action plan with a range of actions that different components of HHS will take to build sustainable models for rural communities, focus on preventing disease and mortality, leverage innovation and technology and increase access to care; and
• Reach a memorandum of understanding with the Federal Communications Commission and Department of Agriculture to promote rural access to telehealth through broadband.

The longer-term sustainment of telehealth Medicare coverage is a significant change for CMS, which only covered virtual care visits under specific and limited circumstances. Before COVID-19, HHS reported that only 14,000 CMS beneficiaries received virtual services through Medicare each week, but by the end of April, that number increased to nearly 1.7 million. CMS reports that between mid-March and early June, a total of 10.1 million beneficiaries have accessed telehealth services through its coverage.
“The extension of telehealth flexibilities initiated by today’s executive order inaugurates a new era of health care delivery,” CMS Senior Administrator Seema Verma said in a press release. “At President Trump’s direction, CMS has dramatically expanded the availability of telehealth during the pandemic, extending a lifeline to patients and providers amid stay-at-home orders. In an earlier age, doctors commonly made house calls. Given how effectively and efficiently the health care system has adapted to the advent of telehealth, it’s become increasingly clear that it is poised to resurrect that tradition in modern form.”

“Telehealth use has skyrocketed during the pandemic thanks to the President’s actions, and the telehealth revolution is here to stay,” HHS Secretary Alex Azar added. “The new gold standard for health care will be patients and providers deciding on the right blend of in-person and virtual care, when and where it makes sense for them.”

CMS will determine which telehealth expansion changes to sustain in the future after reviewing the impact those changes have had on access to care, health outcomes, Medicare spending and impact on the health care delivery system, Verma said in a blog post.

Specifically, Verma wants to assess whether certain modes of telehealth service delivery are clinically appropriate and safe for patients, compared to in-person visits. CMS will also examine Medicare payment rates for telehealth services. Per the COVID-19 national emergency declaration, Medicare paid the same for telehealth visits as in-person visits, by typically Medicare pays for telehealth services at rates similar to the rest of the telehealth market’s. CMS aims to strike a balance in rates moving forward.

“Further analysis could be done to determine the level of resource involved in telehealth visits outside of a public health emergency and to inform the extend to which payment rate adjustments might need to be made,” Verma wrote. “For example, supply costs that are typically needed to enable safe in-person care (e.g., patient gowns, cleaning or disinfectants) and built into the in-person payment rate are not needed in a telehealth visit. On the other hand, there are new processes that clinicians must create for telehealth visits, with associated costs.”
The final provision that CMS is reviewing in its final telehealth expansion rule is in fraud and abuse prevention. Verma said CMS is monitoring program integrity implications, such as practitioners who may be offering shorter telehealth visits with patients to maximize patients or billing more visits than possible in a day.