

### BACKGROUNDER

No. 3510 | JULY 20, 2020 DOMESTIC POLICY STUDIES

# Telehealth in the Pandemic and Beyond: The Policies That Made It Possible, and the Policies That Can Expand Its Potential

Marie Fishpaw and Stephanie Zawada

#### **KEY TAKEAWAYS**

Lawmakers have helped patients to access medical care more easily by temporarily lifting regulations on telehealth, leading to rapid growth in its adoption.

Telehealth gives patients who have few local providers more health care options and allows them to avoid waiting rooms and other contact while receiving care.

Policymakers should make the initial regulatory relief permanent and offer more reforms to encourage continued use and innovation.

he COVID-19 outbreak has ushered in an unprecedented acceleration in the use of telehealth services. Multiple health care systems and private telehealth companies have reported increases in use ranging from 100 percent to more than 4,300 percent since the pandemic began.<sup>1</sup> This was facilitated by policy changes when Congress, the Trump Administration, and individual states rapidly took several steps<sup>2</sup> to expand access to telehealth services by temporarily removing barriers to its adoption as part of the initial response to the pandemic. With this temporary regulatory relief, combined with strong consumer demand for remote health care services, the amount, and use of, telehealth services has grown rapidly as a result. Widespread patient satisfaction with telehealth during the pandemic<sup>3</sup> suggests that many physician practices will continue to offer telehealth services

This paper, in its entirety, can be found at http://report.heritage.org/bg3510

The Heritage Foundation | 214 Massachusetts Avenue, NE | Washington, DC 20002 | (202) 546-4400 | heritage.org

Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.

beyond the pandemic. Continued reforms can build on this successful telehealth model and expand its potential for enhancing health care options through sustained innovation.

Telehealth is adjusting the focus of health care delivery in the U.S. to be more patient-centered, allowing patients to talk to doctors where and when they want to—supplemented by medical devices from home. Telehealth allows patients to get care from medical professionals remotely by phone or video, and to use medical tools at home, such as personal electrocardiogram (EKG) devices that connect to mobile phones.<sup>4</sup> Telehealth helps patients to avoid crowded waiting rooms, where they may be needlessly exposed to other sick people. These features have made it an essential aspect of health care provision in the midst of the COVID-19 outbreak. Beyond the pandemic, telehealth can offer patients benefits over traditional care delivery methods: It allows patients to avoid taking the time to travel to and wait in a physical office; increases access to health care (especially helpful in locations with a shortage of physicians or specialists); and facilitates more routine monitoring of chronic health conditions.

Policymakers should build on these initial successes with further action to remove additional barriers to the adoption of telehealth services and continued innovation. Such actions should focus on freeing physicians to deliver care, and freeing patients to seek care remotely—with flexibility to use the most innovative technologies as they evolve, when clinically appropriate. Specifically, federal and state policymakers should foster continued adoption and lay the conditions for continued innovation in telehealth by:

- Making regulatory relief provided during COVID-19 permanent;<sup>5</sup>
- Updating payment reimbursement policies to emphasize flexibility over parity with traditionally delivered care;
- Encouraging both adoption and future innovation of telehealth by defining it in ways that emphasize medical-provider flexibility and discretion;
- Enabling patients to use telehealth easily by removing state and federal barriers that limit where patients can receive care; and
- Examining whether there is a need to update patient-data-privacy protections.<sup>6</sup>

### Telehealth on the Rise before COVID-19

Prior to COVID-19, telehealth use and interest had been growing for several years. Use in non-hospital settings has surged in popularity, increasing by 1,393 percent from 2014 to 2018.<sup>7</sup> The demand for care on the patient's terms, particularly outside of hospitals with a reduced risk of exposure to harmful bacteria and viruses, is strong.

This growth is tied to benefits for both patients and doctors. According to the 9th Annual Vitals Wait Time Report, over half of patients reporting limited access to medical care responded that they have left a doctor's office due to long wait times, a phenomenon that leads to lower patient-satisfaction with providers.<sup>8</sup> Telehealth can address this problem by reducing the time that patients spend traveling to, and waiting in, a doctor's office while reducing the time that providers spend collecting patient records<sup>9</sup> and preparing rooms between patient visits. According to a survey by Penn Medicine of almost 800 gastroenterology and hepatology patients, 67 percent of patients felt that their telemedicine appointment was "good/better" than traditional visits, with 96 percent saying they were "satisfied/very satisfied with medical care."<sup>10</sup>

In response to this demand, providers and insurers are adapting. As of 2019, over 90 percent of mid-size to large-size employers intend to offer, by the end of 2020, telemedicine in their employee health plans.<sup>11</sup> Seventy-six percent of hospitals are already offering at least one type of telehealth service.<sup>12</sup> With growing interest in the remote delivery of health care services, it is no surprise that 69 percent of physicians surveyed in the *Telehealth Index: 2019 Physician Survey* reported a willingness to use telehealth.<sup>13</sup>

The growth in use of telemedicine also was facilitated by policymakers who removed regulatory barriers to its adoption. In 2019, for example, 35 states finalized 54 regulations and passed 113 bills.<sup>14</sup> Twenty-three states<sup>15</sup> took the critical step of addressing medical-licensing regulations that limited patients to seeing only those doctors who were licensed to practice medicine in the state in which in which the patient is located<sup>16</sup> (a clear relic of the pre-Internet era, made obsolete by technology that allows patients to meet with doctors remotely, regardless of location).

#### **Telehealth and the COVID-19 Pandemic**

The value of telehealth services during a pandemic is clear. They enable patients to seek care and use clinical-grade tools at home, such as remote EKGs or diabetes monitors, facilitating social distancing and avoiding unnecessary visits by tracking and treating symptoms remotely—all of which reduce the risk of viral transmission for patients and medical staff and conserve masks and other personal protective equipment.

Patient use of telehealth services has grown rapidly during the pandemic at a wide range of facilities, with further growth expected. The number of Medicare beneficiaries using telehealth services during the pandemic increased 11,718 percent in just a month and a half.<sup>17</sup> The *Harvard Business Review* reported that Boston Children's Hospital "was doing more telemedicine visits during any given day in late March than it had during the entire previous year."<sup>18</sup> From March 25 to April 20, the Cancer Treatment Centers of America found an 80-fold increase in telehealth visits, and scheduled over 7,000 telehealth visits into June.<sup>19</sup> Some providers and patients, especially in rural areas, do not have reliable Internet access, so they consult primarily by phone, without video. Use of remote glucose-monitoring devices saw significant growth, with analysts expecting market growth for the devices alone to reach mid-double-digits this year,<sup>20</sup> with the telehealth market as a whole expected to grow over 80 percent year over year.<sup>21</sup>

While many doctors are hearing positive feedback from patients,<sup>22</sup> others are still adjusting to the new surge in demand. Providers are limited by the technology that they or their patients have available for use. Some patients do not have access to video calls, so some providers are conducting consultations primarily by phone.<sup>23</sup>

Given this variation, policymakers would be wise to ensure that regulations provide medical providers maximum flexibility to use tools the provider thinks will serve their patients.

# Policy Changes Enabling Telehealth Adoption as Part of the COVID-19 Response

As part of the response to the pandemic, policymakers moved to "clear out as many regulatory barriers standing in the way of access to telemedicine as possible."<sup>24</sup> Key issues addressed include allowing patients to see doctors across state lines and from their homes, removing barriers to paying or reimbursing medical professionals who practice telehealth, and making it easier to access telehealth tools, such as those to monitor glucose levels remotely.<sup>25</sup>

Making It Easier for Patients to See Doctors from Home and Across State Lines. Both federal and state policymakers took steps to remove regulatory barriers that made it harder for patients to see their doctors of choice from their homes. Congress allowed<sup>26</sup> the Centers for Medicare and Medicaid Services (CMS) to temporarily lift the restriction that limits the delivery of telehealth to Medicare patients residing in rural communities, allowing Medicare patients across the country to receive telehealth services at home during the pandemic.<sup>27</sup> The CMS waived Medicare rules that prevented physicians who are licensed in one state from practicing telemedicine in another.<sup>28</sup> The agency lifted location requirements for telehealth reimbursement that required that the patient reside in a rural area and receive care at a specific health care facility. The CMS also encouraged states to reimburse medical professionals for telehealth services in their Medicaid programs, and noted the changes that states can make without obtaining federal approval.<sup>29</sup>

All 50 states and the District of Columbia expanded access to telehealth services for either, or both, Medicaid and privately insured patients for the duration of the emergency, implementing changes to facilitate the ability of insurers to implement more widespread use of telehealth services among privately insured patients.<sup>30</sup> In one example, Minnesota's legislature passed an emergency bill amending the state's definition of telemedicine to categorize a patient's home as an authorized "originating site" through February 1, 2021.<sup>31</sup> Kansas, Florida, Missouri, Tennessee, and Vermont permitted physicians who are licensed out of state to offer remote services for Medicaid patients,<sup>32</sup> while New Jersey expedited licensing for out-of-state providers.<sup>33</sup>

**Removing Barriers to Payment.** Both private companies and policymakers made it easier to access telemedicine via private coverage, Medicare, and Medicaid.

*Private Coverage.* Private insurers expanded telemedicine services and provider networks for their beneficiaries, by waiving cost-sharing for visits conducted using specific telemedicine platforms. Congress, too, helped by amending the Internal Revenue Code to permit a "high-deductible health plan (HDHP) with a health savings account (HSA) to cover telehealth services prior to a patient reaching the deductible."<sup>34</sup> Under current law, an individual can only make tax-free contributions to an HSA if he or she is: (1) covered by a qualified HDHP and (2) does not have other insurance that pays for expenses below the HDHP's deductible. The CARES Act clarifies that those restrictions do not apply to instances where the HDHP, or other coverage, reimburses telehealth services before the enrollee reaches the HDHP's deductible.<sup>35</sup>

*Medicare*. The CMS issued several temporary reforms to expand telehealth access in Medicare, including by temporarily reducing or waiving cost-sharing for telehealth visits paid by federal health care programs. First, the CMS repeatedly updated the definitions of providers and services<sup>36</sup> that can offer telehealth services,<sup>37</sup> and announced that it is "changing its process [for adding

new services to the telehealth Medicare service list] during the emergency, and will add new telehealth services on a sub-regulatory basis, considering requests by practitioners now learning to use telehealth as broadly as possible."<sup>38</sup>

Second, the U.S. Department of Health and Human Services (HHS) changed its policies. Key steps here include authorizing Medicare to reimburse telehealth visits in lieu of in-person office, hospital, and other types of visits with a wide range of providers.<sup>39</sup> The CMS also decided to reimburse telehealth "at the same rate as regular, in-person visits,"<sup>40</sup> bundle payment for telemedicine services into pre-existing Medicare CPT codes for over 80 different medical services,<sup>41</sup> and—based on reports from multiple medical organizations explaining that "[m]any patients, especially seniors, have access to phones but not video-enabled telehealth apps"—increased reimbursement rates for audio-only visits. Finally, the CMS stated that, for services performed during the pandemic, it will not audit reimbursement claims to ensure that a prior relationship existed between the provider and patient, a requirement during non-pandemic times.

Further, the HHS said that it will exercise its enforcement discretion and waive potential penalties for violations of federal patient privacy laws against health care providers that service patients through "widely available communications apps, such as FaceTime or Skype, when used in good faith for any telehealth treatment or diagnostic purpose, regardless of whether the telehealth service is directly related to COVID-19"<sup>42</sup>—which allows providers to treat patients remotely using generally available software.

*Medicaid*. All 50 states and the District of Columbia issued temporary policy updates related to telehealth for Medicaid patients.<sup>43</sup> As of May 7, 2020, 48 states and the District of Columbia "issued guidance related to the expansion or reimbursement of telehealth services in Medicaid" while 38 states and the District of Columbia included guidance for audio-only Medicaid telehealth services.<sup>44</sup> Also as of May 7, 38 states and the District of Columbia are mandating payment parity for Medicaid telehealth services.<sup>45</sup> Washington State purchased a limited number of Zoom software licenses to allow physicians to help Medicaid patients access telehealth visits.<sup>46</sup>

Other states took a narrower approach to temporary relief. For example, Indiana limits telemedicine for Medicaid patients to live video-only communication.<sup>47</sup> Maine requires that services be conducted in real time, and allows use of phone calls only when a video call is not possible.<sup>48</sup> Arkansas permits only live video and phone calls, and requires that physicians have access to a Medicaid patient's personal health record.<sup>49</sup> These narrower approaches can limit a patient's ability to see doctors in ways that work for both the patient and the doctor. **Enabling More Use of Remote Monitoring Devices.** The U.S. Food and Drug Administration (FDA) issued guidance to manufacturers suspending the requirement that they obtain prior approval for hardware or software modifications that enhance the remote-monitoring capabilities of various non-invasive patient-monitoring devices. The guidance also allows manufacturers to market for home use some monitoring devices previously approved only for use in hospitals or other health care facilities. This guidance applies to types of devices and types of modifications that do not entail patient safety concerns, and for the duration of the current public health emergency.<sup>50</sup>

#### What Policymakers Can Do Next to Remove Barriers to Long-Adoption and to Support Innovation

Telehealth is adjusting the focus of health care delivery in the U.S. to be more patient-centered, allowing patients to visit doctors where and when they want to—supplemented by medical devices at home. Its impact can improve the delivery of health care in the U.S. after the pandemic passes—if policymakers can get the regulatory conditions right. Absent action, temporary regulatory relief provided during the pandemic will revert to prior law, and patients will have to forego much of the increased telehealth flexibility they experienced during the pandemic. Moreover, the regulatory relief provided to date—while helpful—leaves some barriers in place that also should be removed as soon as possible in order to (1) help with the pandemic response, and (2) facilitate a permanent, clinically reasonable adoption of remote health care delivery.

As policymakers consider next steps, they should make temporary relief permanent, while looking ahead to the future with additional reforms. Policymakers should use flexible regulatory approaches to allow providers and patients to continue to use today's technologies and adopt new ones as innovators create them and doctors and patients find them to add value. Such an approach would be rooted in the recognition that America's medical professionals are among the world's best trained and America's medical device approval process is the world's gold standard. This approach would also facilitate continued innovation in telehealth, allowing greater adoption of existing tools that supplement a remote clinical visit by allowing patients who need chronic care to use devices at home to supplement remote visits. One can imagine, for example, a mother who fits a camera device to her phone to allow a doctor to see inside her child's ear remotely to check on an ear infection. The potential uses are wide ranging and will emerge over time as patients and doctors work together to deliver care via telemedicine. No one can enumerate all of the possible uses at this time, and it is wise for policymakers to build flexibility into regulatory definitions of telehealth to allow health care providers to adopt new technologies as they become available and, in the case of devices, the FDA approves their use.

To advance these principles, federal and state policymakers should:

**Update Reimbursement Policies and Allow Reimbursement-Rate Flexibility for Telehealth.** Since telehealth is a rapidly evolving field with constant innovation in the development of new and better software, devices, processes, and clinical applications, the economics of telehealth will also be shifting at a rapid pace, and in ways that are currently unknowable for the foreseeable future. Consequently, policymakers need to ensure that providers and payers have sufficient flexibility to continually revise and update payment arrangements in response.

During the pandemic, the CMS has temporarily instituted reimbursement for telehealth "at the same rate as regular, in-person visits."<sup>51</sup> Multiple states have temporarily required equal reimbursement rates for telehealth services rendered to Medicaid and privately insured patients.

While payment parity for telehealth certainly incentivizes wider and quicker adoption, going forward, policymakers should take a more flexible approach to revising and updating reimbursement rates for telehealth services. Such an approach would take a middle ground between two approaches to this question, one which emphasizes paying less for care delivered via telehealth (on the theory that costs should be less because, for example, a doctor does not have to come into an office) and those that emphasize paying the same for care delivered via telehealth (on the theory that this will promote faster adoption).<sup>52</sup> Policymakers' goal beyond this immediate pandemic response should be to allow the space for health care providers and private payers to sort through these questions over time.

To advance this goal, policymakers could look to a model policy in Utah, which permits certain providers to request reimbursement from health plans covering public employees for "medically appropriate telemedicine services at a commercially reasonable rate."<sup>53</sup> This reimbursement strategy is flex-ible and allows providers and payers to negotiate specific reimbursement amounts for different telehealth services to best serve individual patients.

Encourage Adoption of Existing Telehealth Tools and Future Innovation of New Telehealth Tools by Updating Definitions of "Telehealth." Policymakers should pay particular attention to statutory and regulatory definitions, as the approach taken here will have significant ramifications for adoption and innovation, now and in the future. Definitions continue to vary across states and the federal government, with some using more restrictive or flexible approaches. For example, while the CMS recognizes the form of telemedicine that includes automated diagnostic and management tools, known as asynchronous telemedicine, as an eligible form of care, not every state does—thereby preventing patients and doctors from easily adopting new technology as it emerges.<sup>54</sup>

One such tool, Zipnosis, which includes an asynchronous form of telemedicine in its platform known as an "adaptive interview" that adjusts its diagnostic questions to patient responses in real time, saw a 3,600 percent increase in visits during the first 11 days of the pandemic in the United States. Of these visits, 88.2 percent were asynchronous and required only 1.5 minutes of clinical work per patient.<sup>55</sup> Usage could very well have been higher—with more patients benefitting—if regulations had allowed more people to engage. Other emerging tools that can improve treatment and save money are similarly caught in this regulatory catch-22.<sup>56</sup>

The varied types of available telehealth services demonstrate that there is no one-size-fits-all solution for every patient or every disease. For instance, a virtual check-in consisting of a phone call may not be clinically appropriate or necessary for a certain patient, but a telehealth visit with real-time video and audio might be. Further, not every patient will need, or be suited for using, any given telehealth tool, but those who are should be able to work with their medical care provider to choose appropriate telehealth care treatments.

Rather than requiring that specific types of telehealth be reimbursed, state and federal policymakers should update definitions to be flexible and broad enough to allow physicians to choose options, as the technologies evolve, that will benefit an individual patient over the course of his disease diagnosis, treatment, and management. Such an approach would balance the need to adopt existing tools, while encouraging room for future innovation. Definitions should reinforce the patient–physician relationship to ensure that patients receive appropriate care. Building flexibility into definitions of telehealth would reduce the time that providers and patients have to wait in order to benefit from market-based innovation and competition that delivers the newest technologies with low-cost and high-value potential. Patients and providers should not have to wait for telehealth definitions to be updated, for example, before private and public insurance plans pay for the use of new devices that have obtained FDA approval.

**Remove Barriers That Make It Hard for Patients to Receive Care at their Home or Other Locations of their Choice.** Policymakers should eliminate requirements that prevent patients from receiving telehealth services from the doctor of their choice at home or another place of the patient's choosing. These reforms would increase access to primary and specialty care for patients in both urban and rural areas. Policymakers should start by making the steps taken in this direction during the initial response to the pandemic permanent. Congress should make permanent temporary waivers (by CMS) of location requirements mandating that a Medicare patient be at a designated facility or in a rural area to receive telehealth services, as well as requirements that an in-person physician–patient relationship be established before telemedicine can be practiced by the physician. States also should review their laws and health care programs and permanently address any similar barriers.

**Remove Barriers That Make It Hard for Patients to See Licensed Providers of Their Choice Remotely Across State Lines.** While some steps have been taken to allow patients to see out-of-state providers remotely, federal and state rules governing out-of-state telehealth licensure need to be reformed to improve access and care coordination across state lines. Such reforms have the potential to help patients in areas with a physician shortage access care.<sup>57</sup> Additionally, the National Academy of Medicine found that many community hospitals would benefit from expert telehealth consults to support care for patients during the COVID-19 pandemic.<sup>58</sup>

To start, policymakers should make actions taken during the pandemic permanent. Congress should codify the actions taken by the CMS under emergency authority that permit out-of-state physicians to see Medicare patients remotely. So, too, should the states that waived in-state licensure requirements for out-of-state physicians to practice telehealth.

Beyond this, state policymakers should also permit out-of-state physicians to offer telehealth services to Medicaid patients as well as to all privately and self-insured patients. One example is Georgia's approach, which grants a license to out-of-state telehealth practitioners licensed in other states.<sup>59</sup> Alternatively, Congress might consider permitting federal health care programs to reimburse participating providers for telehealth services in cases where the enrollee does not reside in a state where the provider is licensed.<sup>60</sup>

**Examine Whether There Is a Need to Update Patient Data Privacy Protections.** Every medical provider is covered by federal law, the Health Insurance Portability and Accounting Act (HIPAA), which grants privacy protections to patients in the use of their health data. Written largely before the Internet age began, HIPAA does not explicitly include specific provisions related to telehealth. For the duration of the pandemic, the HHS chose to waive potential penalties for violations of federal patient privacy laws against health care providers who service patients via "widely available communications apps, such as FaceTime or Skype, when used in good faith for any telehealth treatment or diagnostic purpose, regardless of whether the telehealth service is directly related to COVID-19."<sup>61</sup> While these platforms have security features to protect privacy, news reports suggest that providers and Members of Congress question whether these protections are sufficient, raising concerns both over privacy protection and whether providers could face future legal risks using these tools once the pandemic passes.<sup>62</sup> If these concerns continue and escalate, they could jeopardize future use and adoption of telehealth services. Congress and the HHS should consider whether existing patient privacy laws and regulations need to be updated in order to accommodate the growth of telemedicine.

#### Conclusion

Temporary policy reforms implemented during the COVID -19 public health emergency have accelerated the adoption of telehealth. Going forward, federal and state policymakers should approach regulatory and statutory reform surrounding telehealth with the goals of enabling physicians and patients to conduct medical visits remotely, and of doctors using new innovations when clinically appropriate for an individual patient. Such changes will continue to help the U.S. health care system move toward a patient-centered footing—long after the pandemic has ended.

**Marie Fishpaw** is Director of Domestic Policy Studies, of the Institute for Family, Community, and Opportunity, at The Heritage Foundation, at The Heritage Foundation. **Stephanie Zawada** is a former Heritage Foundation Graduate Fellow in Health Policy.

## Endnotes

- Teladoc reported that visits more than doubled by April 15 from early March; Amwell reported a 158 percent increase in app usage nationwide and 650 percent increase in Washington state alone; 98Point6 reported a 200 percent increase in app usage since January, with one-third of all visits being COVID-19-related (according to the company); Zipnosis' telemedicine platform reported a 3,600 percent increase in use during the first 11 days of the outbreak in the U.S.; and NYU Langone reported an increase in urgent and non-urgent telemedicine care by 683 percent and 4,345 percent, respectively. See Heather Landi, "Teladoc Anticipates QI Revenue to Reach \$180M Boosted by Surge in Telehealth Visits," FierceHealthcare, April 15, 2020, https://www.fiercehealthcare.com/tech/teladoc-anticipates-q1-revenue-to-reach-180m-boosted-by-surge-telehealth-visits (accessed July 16, 2020); Alejandra O'Connell-Domenech, "Interest in Telemedicine in New York Grows During Coronavirus Outbreak," amNY, March 27, 2020, https:// www.amny.com/coronavirus/interest-in-telemedicine-in-new-york-grows-during-coronavirus-outbreak/ (accessed July 16, 2020); Kevin J. Ryan, "Telehealth Startups Rake in Money During the Pandemic," Inc., April 17, 2020, https://www.inc.com/kevin-j-ryan/telehealth-companies-venture-capitalfunding-covid-19.html (accessed July 16 2020); Shaina Heberden, "COVID-19 Update: The Numbers Don't Lie," Zipnosis Blog, April 9, 2020, https:// www.zipnosis.com/blog/covid-19-the-numbers-dont-lie/ (accessed July 16, 2020); and NYU Langone Health, "Telemedicine Transforms Responses to COVID-19 Pandemic in Disease Epicenter," April 30, 2020 https://nyulangone.org/news/telemedicine-transforms-response-covid-19-pandemicdisease-epicenter (accessed July 15, 2020).
- 2. For example, the Coronavirus Preparedness and Response Supplemental Appropriations Act, enacted on March 6, 2020, allowed the Centers for Medicare and Medicaid Services (CMS) to temporarily lift the restriction that limits telehealth to Medicare patients residing in rural communities, allowing Medicare patients across the country to receive telemedicine using different tools at home during the pandemic. Through the Coronavirus Aid, Relief, and Economic Security (CARES) Act enacted on March 27, 2020, Congress temporarily allowed individuals with high-deductible health plans (HDHPs) to use health savings account (HSA) funds for telehealth services and other remote care services without first meeting the deductible. Additionally, all 50 states and the District of Columbia expanded access to telemedicine for either or both Medicaid and privately insured patients for the duration of the emergency, implementing similar changes in their Medicaid programs or modifying state laws that restricted the ability of insurers to implement more widespread use of telemedicine among privately insured patients. The Heritage Foundation's fall 2018 Graduate Fellow in Health Policy proposed many of these reforms in December 2018. See Stephanie J. Zawada, "Telemedicine: The Promise and the Performance," Heritage Foundation *Backgrounder* No. 3373, December 17, 2018, https://www.heritage.org/sites/default/files/2018-12/BG3373\_0.pdf (accessed June 25, 2020), including updating telemedicine definitions, reimbursing telemedicine at the same rate as in-person visits, expanding licensing to allow out-of-state physicians to practice across state lines, bundling Common Procedural Technology (CPT) codes to include telemedicine, and allowing patients to use their HSAs for telemedicine before the high deductible is met.
- 3. Upon administering over 3.5 million telemedicine surveys during the pandemic, Press Ganey learned that "clinicians are successfully meeting patients' interpersonal communication needs in this new model." Press Ganey, "The Rapid Transition to Telemedicine: Insights and Early Trends," May 19, 2020, https://www.pressganey.com/about/news/press-ganey-releases-landmark-telemedicine-report-revealing-new-consumer-insights-for-providers-to-meet-patients-evolving-needs (accessed July 11, 2020).
- 4. "Telehealth" and "telemedicine" are technically different but often are used interchangeably. To the extent that differences are drawn, "telehealth" is generally a broader term that encompasses all forms of remotely delivered health care, including, for example, a patient using a medical device such as an EKG connected to his phone, or a doctor remotely monitoring a patient's health data. "Telemedicine" is a form of telehealth that refers to a visit with a health provider for the purpose of seeking health care using means, such as a phone call or video call. This *Backgrounder* uses the broader term "telehealth," consistent with recent U.S. congressional actions, while noting the importance of policymakers using definitions going forward that emphasize flexibility in interpretation rooted in an approach that trusts doctors and patients to work together to decide which treatments are clinically appropriate and desirable.
- A group of 30 Senators from both parties recently asked Majority Leader Mitch McConnell (R-KY) and Minority Leader Chuck Schumer (D-NY) to do just this. See U.S. Senate, letter, June 15, 2020, https://www.schatz.senate.gov/imo/media/doc/Letter%20to%20leadership\_CONNECT%20for%20 Health%20Act\_06.12.20.pdf (accessed June 28, 2020).
- Telehealth tools can be accessed by phone or the Internet. Issues related to Americans' ability to access the Internet are outside the scope of this Backgrounder. For more on these issues, see Klon Kitchen, "Congress Must Act on 5G," The Hill, March 12, 2020, https://www.heritage.org/technology/ commentary/congress-must-act-5g (accessed June 4, 2020).
- 7. FAIR Health, "A Multilayered Analysis of Telehealth," White Paper, July 2019, p. 7, https://s3.amazonaws.com/media2.fairhealth.org/whitepaper/ asset/A%20Multilayered%20Analysis%20of%20Telehealth%20-%20A%20FAIR%20Health%20White%20Paper.pdf (accessed July 16, 2020).
- 8. "9th Annual Vitals Wait Time Report Released," BusinessWire.com, March 22, 2018, https://www.businesswire.com/news/home/20180322005683/ en/9th-Annual-Vitals-Wait-Time-Report-Released (accessed April 7, 2020).
- "8 Ways to Reduce Patient Wait Times," eVisit.com, https://blog.evisit.com/reduce-patient-wait-times (accessed April 15, 2020), and Ron Emerson,
  "How Telemedicine Can Improve the Reputation of the Waiting Room," Arizona Telemedicine Program, August 30, 2018, https://telemedicine.arizona.
  edu/blog/how-telemedicine-can-improve-reputation-waiting-room (accessed July 16, 2020).
- 10. Jackie Drees, "67% of Patients Say Telemedicine Is Better than In-Person Visits, Survey Finds," *Becker's Hospital Review*, June 25, 2020, https://www. beckershospitalreview.com/telehealth/67-of-patients-say-telemedicine-is-better-than-in-person-visits-survey-finds.html (accessed June 25, 2020).

- 11. First Stop Health, "2019 Healthcare Cost Containment Survey Results," https://cdn2.hubspot.net/hubfs/483167/offers/whitepapers/FSH%20Annual%20 Cost%20Containment%20Study%200419.pdf (accessed July 13, 2020).
- 12. American Hospital Association, "Fact Sheet: Telehealth," February 2019, p. 1, https://www.aha.org/system/files/2019-02/fact-sheet-telehealth-2-4-19. pdf (accessed July 16, 2020).
- 13. American Well, *Telehealth Index: 2019 Physician Survey*, 2019, p. 3, https://static.americanwell.com/app/uploads/2019/04/American-Well-Telehealth-Index-2019-Physician-Survey.pdf (accessed July 16, 2020).
- 14. Ray Dizon, "2019 in Review: State and Federal Telehealth Policy—Legislative Roundup," National Consortium of Telehealth Resource Centers, December 18, 2019, https://www.telehealthresourcecenter.org/2019-in-review-state-and-federal-telehealth-policy-legislative-roundup/ (accessed July 16, 2020).
- 15. Ibid.
- 16. News release, "ATA Calls on Governors to Recognize Out of State Licensed Clinicians and Waive Telemedicine Restrictions to Help Combat COVID-19," ATA, March 17, 2020 https://www.americantelemed.org/press-releases/ata-calls-on-governors-to-recognize-out-of-state-licensed-clinicians-andwaive-telemedicine-restrictions-to-help-combat-covid-19/ (accessed July 15, 2020).
- 17. Rebecca Pifer, "Medicare Members Using Telehealth Grew 120 Times in Early Weeks of COVID-10 as Regulations Eased," Healthcare Dive, May 27, 2020 https://www.healthcaredive.com/news/medicare-seniors-telehealth-covid-coronavirus-cms-trump/578685/ (accessed June 28, 2020).
- Robert S. Huckman, "What Will US Health Care Look Like After the Pandemic?" Harvard Business Review, April 7, 2020, https://hbr.org/2020/04/whatwill-u-s-health-care-look-like-after-the-pandemic (accessed June 25, 2020).
- 19. Chevon Rariy, "Rapidly Scaling Oncology Telehealth Services: Lessons Learned from Implementation at a National Oncology Network," *Becker's Hospital Review*, May 1, 2020, https://www.beckershospitalreview.com/oncology/rapidly-scaling-oncology-telehealth-services-lessons-learned-from-implementation-at-a-national-oncology-network.html (accessed June 25, 2020).
- 20. GlobalData Healthcare, "Continous Glucose Monitoring Market Surge During COVID-19 Pandemic," May 11, 2020, https://www.medicaldevice-network. com/comment/continuous-glucose-monitoring-market-surge-covid-19/ (accessed June 25, 2020).
- 21. Business Wire, "US Telehealth Market Sees An Increase in Demand for Telehealth Services Due to COVID-19 Pandemic—ResearchAndMarkets.com," April 27, 2020, https://www.businesswire.com/news/home/20200427005249/en/Telehealth-Market-Sees-Increase-Demand-Telehealth-Services (accessed June 25, 2020).
- 22. Elaine K. Howley, "How to Get the Most out of a Virtual Doctor's Appointment," U.S. News & World Report, April 6, 2020, https://health.usnews.com/ conditions/articles/how-to-prepare-for-a-virtual-doctors-visit (accessed June 25, 2020).
- Regina Garcia Cano and Tom Murphy, "Pandemic Forces Some Patients to Phone in Doctor Visits," Associated Press, June 25, 2020 https://apnews. com/lc207ecf1558c0580c1f6fc2b0b1c9ff (accessed June 25, 2020).
- 24. News release, "Blackburn Leads the Way on Telehealth," Marsha Blackburn U.S. Senator for Tennessee, March 17, 2020, https://blackburn.senate.gov/ blackburn-leads-way-telehealth/ (accessed June 25, 2020).
- U.S. Food and Drug Administration, "Home-Use Blood Glucose Meters Utilized Within Hospitals During the COVID-10 Pandemic," FAQs, April 13, 2020, https://www.fda.gov/medical-devices/blood-glucose-monitoring-devices/faqs-home-use-blood-glucose-meters-utilized-within-hospitals-duringcovid-19-pandemic (accessed June 25, 2020).
- 26. Via the Coronavirus Preparedness and Response Supplemental Appropriations Act.
- 27. "The Secretary of Health and Human Services may implement the amendments made by this subsection by program instruction or otherwise." See Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020, Public Law No. 116–123, Sec. 102(a)(3), 116th Cong., March 6, 2020, https://www.congress.gov/bill/116th-congress/house-bill/6201 (accessed June 25, 2020).
- 28. Centers for Medicare and Medicaid Services, "Physicians and Other Clinicians: CMS Flexibilities to Fight COVID-19," April 29, 2020, https://www.cms. gov/files/document/covid-19-physicians-and-practitioners.pdf/ (accessed June 25, 2020).
- 29. Medicaid.gov, "Telemedicine," https://www.medicaid.gov/medicaid/benefits/telemedicine/index.html (accessed July 13, 2020).
- 30. Center for Connected Health Policy, "COVID-19 Related State Actions," May 13, 2020, https://www.cchpca.org/resources/covid-19-related-state-actions (accessed June 25, 2020).
- 31. This applies to private patients and Medicaid patients; Minnesota S.F. 4334 (2020).
- 32. State of Kansas Office of the Governor, "Executive Order No. 20-08," March 20, 2020, https://www.cchpca.org/sites/default/files/2020-03/Kansas%20 E.O.-20-08%20%28002%29.pdf (accessed June 25, 2020); State of Florida Department of Health, "Emergency Order," March 16, 2020, http://www. flhealthsource.gov/pdf/emergencyorder-20-002.pdf (accessed June 25, 2020); Missouri Department of Social Services, "COVID-19: Telehealth," March 23, 2020, https://dss.mo.gov/mhd/providers/pages/provtips.htm#200326telehealth (accessed June 25, 2020); State of Vermont Office of the Secretary of State, "COVID-19 Guidance," March 20, 2020, https://www.cchpca.org/sites/default/files/2020-04/Vermont%20H742%200ff%20 of%20Prof%20Reg%20Telehealth%20and%20COVID-19%20Guidance.pdf (accessed June 25, 2020); and State of Tennessee Office of the Governor, "Executive Order," March 19, 2020, https://publications.tnsosfiles.com/pub/execorders/exec-orders-lee15.pdf (accessed June 25, 2020).

- News release, "Governor Murphy Signs Legislation to Expand Telehealth Access and Expedite Licensure of Out-of-State Professionals," New Jersey Governor Phil Murphy, March 19, 2020, https://www.nj.gov/governor/news/562020/20200319e.shtml (accessed June 25, 2020).
- 34. Specifically, "In the case of plan years beginning on or before December 31, 2021, a plan shall not fail to be treated as a high deductible health plan by reason of failing to have a deductible for telehealth and other remote care service." See CARES Act, 2020, Public Law No. 116–136, Sec. 3701(a)(E), 116th Cong., March 27, 2020, https://www.congress.gov/bill/116th-congress/house-bill/748 (accessed April 1, 2020).
- 35. This reform is temporary, however, applying only to plan years beginning before January 1, 2022. U.S. CARES Act, 2020, Public Law No. 116–136.
- 36. The CMS expanded the list of Medicare telehealth providers beyond doctors, nurse practitioners, and physician assistants to include physical and occupational therapists and speech language pathologists. News release, "Trump Administration Issues Second Round of Sweeping Changes to Support U.S. Healthcare System During COVID-19 Pandemic," Centers for Medicare and Medicaid Services, April 30, 2020, https://www.cms.gov/newsroom/press-releases/trump-administration-issues-second-round-sweeping-changes-support-us-healthcare-system-during-covid (accessed June 25, 2020).
- 37. According to the CMS, the following services are available: (1) e-visits, defined as patient-initiated communication facilitated via patient-health-record portals; (2) virtual check-ins, which can include audio-only assessments or text messaging; (3) remote evaluation of recorded video or images sent from the patient to the physician; and (4) telehealth visits, which consist of real-time audio and video communication between a Medicare patient and a remote provider. Centers for Medicare and Medicaid Services, "Medicare Telemedicine Health Care Provider Fact Sheet," March 17, 2020, https://www.cms.gov/newsroom/fact-sheets/medicare-telemedicine-health-care-provider-fact-sheet (accessed June 25, 2020).
- 38. News release, "Trump Administration Issues Second Round of Sweeping Changes to Support U.S. Healthcare System During COVID-19."
- 39. Centers for Medicare and Medicaid Services, "Medicare Telemedicine Health Care Provider Fact Sheet."
- 40. Ibid.
- 41. Ibid., and Centers for Medicare and Medicaid Services, "Telehealth Codes," https://www.cms.gov/Medicare/Medicare-General-Information/Telehealth/ Telehealth-Codes (accessed April 3, 2020).
- 42. News release, "OCR Announces Notification of Enforcement Discretion for Telehealth Remote Communications During the COVID-19 Nationwide Public Health Emergency," Department of Health and Human Services, March 17, 2020, https://www.hhs.gov/about/news/2020/03/17/ocr-announcesnotification-of-enforcement-discretion-for-telehealth-remote-communications-during-the-covid-19.html (accessed June 28, 2020).
- 43. Center for Connected Health Policy, "COVID-19-Related State Actions," April 6, 2020, https://www.cchpca.org/resources/covid-19-related-state-actions (accessed June 25, 2020).
- 44. Jared Augenstein et al., "Executive Summary: Tracking Telehealth Changes State-by-State in Response to COVID-19 (Updated)," JDSupra, May 14, 2020, https://jdsupra.com/legalnews/executive-summary-tracking-telehealth-82023/ (accessed May 15, 2020).
- 45. Ibid.
- 46. Washington State Health Care Authority, "HCA Offers Limited Number of No-Cost Telehealth Technology Licenses for Providers," March 30, 2020, https://hca.wa.gov/hca-offers-limited-number-no-cost-telehealth-technology-licenses-providers (accessed June 25, 2020).
- 47. Indiana Health Coverage Programs, "IHCP Issues Telemedicine Billing Guidance for Providers During COVID-19 Outbreak," *IHCP Bulletin*, March 19, 2020, http://provider.indianamedicaid.com/ihcp/Bulletins/BT202022.pdf (accessed June 25, 2020).
- 48. "MaineCare Guidance Relating to Telehealth and Telephone Services During COVID-19 Emergency Period," Maine Department of Health and Human Services, March 24, 2020, https://www.maine.gov/dhhs/oms/pdfs\_doc/COVID-19/03232020-Telehealth-Guidance.pdf (accessed June 25, 2020).
- 49. "Memorandum DMS-01 Physician Telemedicine," Arkansas Department of Human Services, March 18, 2020, https://medicaid.mmis.arkansas.gov/ Download/provider/provdocs/Memos/MemoDMS-01 Telemed.pdf (accessed July 16, 2020).
- 50. U.S. Food and Drug Administration, "Enforcement Policy for Non-Invasive Remote Monitoring Devices Used to Support Patient Monitoring During the Coronavirus Disease 2019 (COVID-19) Public Health Emergency (Revised)," June 2020, https://www.fda.gov/media/136290/download (accessed July 15, 2020); U.S. Food and Drug Administration, "Enforcement Policy for Remote Ophthalmic Assessment and Monitoring Devices During the Coronavirus Disease 2019 (COVID-19) Public Health Emergency," April 2020, https://www.fda.gov/media/136733/download (accessed July 15, 2020); and U.S. Food and Drug Administration, "Enforcement Policy for Digital Health Devices For Treating Psychiatric Disorders During the Coronavirus Disease 2019 (COVID-19) Public Health Emergency," April 2020, https://www.fda.gov/media/136939/download (accessed July 25, 2020); and U.S. Food and Drug Administration, "Enforcement Policy for Digital Health Devices For Treating Psychiatric Disorders During the Coronavirus Disease 2019 (COVID-19) Public Health Emergency," April 2020, https://www.fda.gov/media/136939/download (accessed July 25, 2020).
- 51. Centers for Medicare and Medicaid Services, "Medicare Telemedicine Health Care Provider Fact Sheet."
- 52. However, some analysts suggest that "coverage parity laws may also have unintended consequences for telemedicine adoption. Effective telehealth initiatives will have support from the provider, insurer, and patient. By mandating the coverage of telemedicine into health plans, private insurers now face additional regulations that they must factor into their benefit-plan designs. Furthermore, providers may favor slower adoption or trials to test out telehealth initiatives.... [T]he practice of telehealth is consumer-driven by nature. Mandating parity requirements reduces the freedom that insurers and providers have to determine the proper role and payment of telehealth practices." See Nicol Turner Lee, Jack Karsten, and Jordan Roberts, "Removing Regulatory Barriers to Telehealth Before and After COVID-19," The Brookings Institution and John Locke Foundation, May 2020, https:// www.brookings.edu/research/removing-regulatory-barriers-to-telehealth-before-and-after-covid-19/ (accessed June 28, 2020).

- 53. Utah H.B.392 (2019), https://le.utah.gov/~2019/bills/hbillenr/HB0392.pdf (accessed July 16, 2020).
- 54. Manatt, Phelps & Phillips, LLP, "Executive Summary: Tracking Telehealth Changes State-by-State in Response to COVID-19 (Updated)," June 10, 2020, https://www.jdsupra.co m/legalnews/executive-summary-tracking-telehealth-96263/ (accessed June 25, 2020).
- 55. As reported by Zipnosis. See Jon Pearce, "COVID-19 Update: What We're Seeing Across the Country," Zipnosis blog, March 20, 2020, https://www. zipnosis.com/blog/covid-19-update-what-were-seeing-across-the-country/ (accessed April 28, 2020).
- 56. For example, digital therapeutics "deliver evidence-based therapeutic interventions to patients that are driven by high quality software programs to prevent, manage or treat a broad spectrum of physical, mental, and behavioral conditions." Digital Therapeutics Alliance, "Industry Overview," https:// dtxalliance.org/dtx-solutions/ (accessed July 16, 2020). Tools include those designed to help patients achieve a specific health goal, such as weight loss or blood-glucose reduction, in coordination with a physician's oversight and care.
- 57. Kevin Pham, "America's Looming Doctor Shortage: What Policymakers Should Do," Heritage Foundation *Backgrounder* No. 3343, September 5, 2018, https://www.heritage.org/sites/default/files/2018-09/BG3343\_1.pdf.
- 58. J. L. Hick et al., "Duty to Plan: Health Care, Crisis Standards of Care, and Novel Coronavirus SARS-CoV-2," National Academy of Medicine, March 5, 2020, https://nam.edu/duty-to-plan-health-care-crisis-standards-of-care-and-novel-coronavirus-sars-cov-2/ (accessed June 25, 2020).
- 59. Georgia Senate Bill 115 (2019), http://www.legis.ga.gov/Legislation/20192020/186993.pdf (accessed July 16, 2020).
- 60. For an example of one federal bill that allows licensed health care providers to treat patients remotely, see Senator Blackburn and Senator Cruz's "Equal Access to Care Act," https://www.cruz.senate.gov/files/documents/Bills/2020.06.17%20-%20Equal%20Access%20to%20Care%20Act.pdf (accessed June 25, 2020).
- 61. News release, "OCR Announces Notification of Enforcement Discretion for Telehealth Remote Communications During the COVID-19 Nationwide Public Health Emergency."
- 62. "Exploring the Post Pandemic Hospice Telehealth Landscape," *Hospice News*, June 22, 2020, https://hospicenews.com/2020/06/22/exploring-the-post-pandemic-hospice-telehealth-landscape/ (accessed June 28, 2020).