

Connecticut's Legislative Commission on Aging

A Nonpartisan Public Policy and Research Office of the Connecticut General Assembly

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Testimony of
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Insurance and Real Estate Committee

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*With 21 volunteer
board members from
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Senators Crisco and Hartley, Representatives Megna and Zoni, and esteemed members of the Insurance and Real Estate Committee, my name is Julia Evans Starr, and I am the Executive Director for Connecticut's Legislative Commission on Aging. I thank you for this opportunity to offer testimony in support of Committee Bill No. 5, An Act Concerning Health Insurance Coverage for Telemedicine Services.

As you know, Connecticut's Legislative Commission on Aging is the non-partisan, public policy and research office of the General Assembly, devoted to preparing Connecticut for a significantly changed demographic and enhancing the lives of the present and future generations of older adults. For more than twenty years, the Legislative Commission on Aging has served as an effective leader in statewide efforts to promote choice, independence and dignity for Connecticut's older adults and persons with disabilities.

Committee Bill No. 5: An Act Concerning Health Insurance Coverage for Telemedicine Services

~Connecticut's Legislative Commission on Aging Supports

As you know, Committee Bill No. 5 would allow health care providers to collect reimbursement from private insurers for telehealth services that mirror in-person services. If the bill became law, Connecticut would join at least 21 states and Washington D.C., which have already enacted telehealth parity laws.¹

The need to increase adoption of telehealth services in Connecticut is more urgent than ever. The Affordable Care Act has in the past year or so expanded health care coverage to approximately 75,000 uninsured residents in Connecticut. Moreover, Connecticut is the 7th oldest state in the nation with the 3rd longest-lived constituency, and between 2010 and 2040, Connecticut's population of people age 65 and older is expected to grow by 57%. The health care needs of this burgeoning population of older adults, combined with the needs of the newly insured

¹ American Telemedicine Association. State Telemedicine Gaps Analysis: Coverage and Reimbursement. September 2014.



population, will rapidly outpace the ability of traditional models of health care delivery to adequately meet those needs.

Telehealth provides an exciting opportunity to address some of health care's greatest rising challenges. In illustration:

- **Access to Care / Health Equity.** Telehealth is a means of ensuring that all individuals can appropriately and more quickly access care, regardless of economic means, age, physical ability or geographic proximity to providers.
- **Quality and Outcomes.** Telehealth can improve health outcomes as measured by improved medication adherence, reduced hospital readmissions, improved public health surveillance and delivery and a variety of other indicators. Its recordable nature also improves documentation and verification.
- **Care Coordination.** Telehealth facilitates collaborative care management when patients, providers and other caregivers are in distant locations. Local providers can also gain support and learn new skills from distant clinicians.
- **Cost-Effective.** Telehealth services typically save patients, providers and payers money, compared with traditional approaches of providing care.
- **Local Economic Health.** Telehealth can help the local economy by keeping the source of medical care local, maintaining health care infrastructure and preserving health care-related jobs.²
- **Patient-Centered.** Offering telehealth services is a patient-centered approach. It empowers consumer choice, allows care to be provided where a patient is located, and provides flexibility. Benefits include better continuity of care, reduction of lost work time and travel costs, and ability to remain within support networks.³
- **Provider Shortages.** Telehealth can be used to optimize providers' time, especially in specialty areas where there are current and projected shortages.

Several national thought leaders on telehealth policy have thoroughly discussed the importance of provisions that seek to optimize the profound potential of any telehealth legislation, including the American Medical Association, the Federation of State Medical Boards, and the Center for Connected Health Policy. Based on our research, among other considerations, we recommend:

- That the term "telemedicine" be updated to "telehealth" and its definition broadened. Telehealth is a term that includes telemedicine but also includes the use of technology beyond health care settings, such as for public health surveillance and delivery, education and support of providers and other

² Center for Connected Health Policy. Advancing California's Leadership in Telehealth Policy: A Telehealth Model Statute and Other Recommendations.

³ *Id.*

caregivers, collaborative care management and other non-medical uses.⁴ Telehealth can also represent a critical component of disaster relief efforts.⁵ Regarding telemedicine, its definition in the bill should be expanded to include not only interactive services but also potential coverage for remote monitoring and store-and-forward.

- That in both Section 1 and Section 2 of the Committee Bill the following limitation be removed: “and provided the use of telemedicine shall be limited to situations where there is a lack of healthcare providers within reasonable travel time and the distance of the insured or the insured is unable to travel to a healthcare provider’s office without undue burden.” Coverage or reimbursement is tied to specific services. Telehealth is simply a means of delivering a given health care service to a patient. When rendering services by telehealth, the location of either patient or provider should not matter with regard to coverage or reimbursement. Moreover, the limitation outlined presents significant administrative challenges, including determining what constitutes reasonable travel or travel without undue burden. Finally, statutory restrictions interfere with the discretion of provider and patient to determine whether services should be rendered via telehealth.
- That the bill clarify that:
 - Patients receiving care through telehealth services have the same choice of provider, same transparency of information (e.g., patient cost-sharing responsibilities) protections and same access to health care practitioner credentials as those receiving care through traditional delivery systems.
 - Telehealth service delivery must abide by laws addressing privacy and security of patient information.
- That the bill recognize that telehealth is evolving and dynamic, and that bill language allow flexibility to integrate new technologies, going forward, into health care delivery and payment mechanisms.
- That the bill require telehealth equipment and software vendors who contract with the State of Connecticut to meet current telehealth industry interoperability, to avoid uncertainties in compatibility.

Thank you for opportunity to provide comment today. We are thankful to this committee for raising this important bill and would welcome the opportunity to work with members of this committee, and other valued partners to help ensure its passage.

⁴ Center for Connected Health Policy. Advancing California’s Leadership in Telehealth Policy: A Telehealth Model Statute and Other Policy Recommendations. February 2011.

⁵ Connecticut State Office of Rural Health. Telehealth in Connecticut. December 2013.

