



Senate

General Assembly

File No. 161

February Session, 2016

Senate Bill No. 164

Senate, March 23, 2016

The Committee on Aging reported through SEN. FLEXER of the 29th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING MEDICAID COVERAGE OF TELEMONITORING SERVICES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2016*) (a) For purposes of this
2 section:

3 (1) "Department" means the Department of Social Services.

4 (2) "Evidence-based best practices" means the integration of the best
5 available research with clinical expertise in the context of patient
6 characteristics and preferences.

7 (3) "Home health care agency" has the same meaning as provided in
8 section 19a-490 of the general statutes.

9 (4) "Home telemonitoring service" means a health service included
10 in an integrated plan of care written by a treating physician that
11 requires (A) scheduled remote monitoring of data related to a patient's
12 health, including, but not limited to, monitoring of the patient's blood

13 pressure, heart rate, weight and oxygen level, (B) interpretation of
14 transmitted data by a home health care agency, (C) dissemination of
15 such data by such home health care agency to a treating physician, and
16 (D) follow-up by a health care professional in the home or referrals for
17 care as determined medically necessary by a treating physician.

18 (b) To the extent permissible under federal law, the department
19 shall provide Medicaid coverage for services performed by a home
20 health care agency using a home telemonitoring service for a Medicaid
21 beneficiary with (1) serious or chronic medical conditions that may
22 result in frequent or recurrent hospitalizations and emergency room
23 admissions, (2) a documented history of poor adherence to ordered
24 medication regimes, (3) a documented history of falls in the six-month
25 period prior to evaluation of the need for home telemonitoring
26 services, (4) limited or absent informal support systems, (5) a
27 documented history of challenges with access to care, or (6) a history of
28 living alone or being home alone for extended periods of time. The
29 department shall establish coverage criteria for home telemonitoring
30 services based on evidence-based best practices.

31 (c) The department shall ensure that clinical information gathered
32 by a home health care agency while providing home telemonitoring
33 services is shared with the patient's treating physician and may impose
34 other reasonable requirements on the use of home telemonitoring
35 services. The Commissioner of Social Services shall adopt regulations,
36 in accordance with the provisions of chapter 54 of the general statutes,
37 to implement the provisions of this section.

38 (d) The Commissioner of Social Services may seek a waiver from
39 federal Medicaid requirements or an amendment to the Medicaid state
40 plan, pursuant to section 17b-8 of the general statutes, if necessary to
41 implement the provisions of this section.

42 (e) The transmission, storage and dissemination of data and records
43 related to home telemonitoring services shall be in accordance with
44 federal and state laws and regulations concerning the privacy, security,
45 confidentiality and safeguarding of individually identifiable

46 information.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2016</i>	New section

AGE *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 17 \$	FY 18 \$
Social Services, Dept.	GF - Uncertain	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

There will be a fiscal impact to the Department of Social Services (DSS) to provide Medicaid coverage for telemonitoring services provided by a home health agency to certain Medicaid beneficiaries. The state's Medicaid program does not currently provide telemonitoring services or have a telemonitoring reimbursement policy. The impact will depend on (1) the extent to which telemonitoring will be utilized by eligible clients, (2) the impact of telemedicine on total overall utilization of services covered by Medicaid for eligible clients, and (3) patient outcomes.¹

Various case studies have suggested net health care savings from telemonitoring, primarily resulting from reduced hospital readmission, particularly for individuals with chronic diseases. It is important to note, it is uncertain from the following case studies what the upfront technology and personnel costs were and the time lag before a return on investment was realized through a reduction in overall health care costs.

Case 1: The Partners HealthCare program out of the Center for Connected Health did a study on their telehealth/telemonitoring

¹ The State Innovation Model (SIM), which includes Medicaid, is reviewing telemedicine.

program for individuals with cardiac disease and reported net savings over a seven year period of approximately \$10 million for 1,265 patients (net savings per patient of \$8,155).² The Partners' program savings included participants predominately enrolled in public programs (e.g. Medicare, Medicaid and the state's safety net program).

Case 2: The Veterans Health Administration (VHA) started its telehealth program as a multisite pilot program and as of 2010 had over 300,000 lives in its Care Coordination/Home Telehealth Program.³ The VHA reported cumulative net benefits of \$3 billion since the program's inception in 1990. Savings are attributable to a reduction in redundant services and improved quality and health outcomes. The VHA program provides biometric information to remote monitoring care coordinators for individuals with various conditions, including heart failure, diabetes and Post Traumatic Stress Disorder (PTSD). The VHA reports annual costs per patient of \$1,600.

The Out Years

There may be savings to the state in the future depending on the health outcomes of participants and any changes in the utilization of services.

²Source: Broderick, A., (2013). *Partners HealthCare: Connecting Heart Failure Patients to Providers Through Remote Monitoring*. Case Studies in Telehealth and Adoption; The Commonwealth Fund.

³ Source: Broderick, A., (2013). *The Veterans Health Administration: Taking Home Telehealth to Scale Nationally*. Case Studies in Telehealth and Adoption; The Commonwealth Fund.

OLR Bill Analysis**SB 164****AN ACT CONCERNING MEDICAID COVERAGE OF
TELEMONITORING SERVICES.****SUMMARY:**

This bill requires the Department of Social Services (DSS), to the extent federal law allows, to provide Medicaid coverage for home telemonitoring services performed by a home health care agency for a Medicaid beneficiary in certain circumstances or with certain health conditions.

The bill (1) allows DSS to seek a waiver from federal Medicaid requirements or a Medicaid state plan amendment if needed to provide such coverage and (2) requires DSS to adopt regulations, in accordance with the Uniform Administrative Procedures Act, to implement the bill.

EFFECTIVE DATE: July 1, 2016

HOME TELEMONITORING SERVICE***Definitions***

The bill defines “home telemonitoring service” as a health service included in an integrated care plan written by a treating physician. The plan must require:

1. scheduled remote monitoring of a patient's health data, including blood pressure, heart rate, weight, and oxygen level;
2. a licensed home health care agency to interpret the transmitted data and send the data to a treating physician; and
3. health care professional to follow-up in the home or the treating physician to refer the patient for care as determined medically

necessary.

The bill defines a “home health care agency” as a public or private organization, or such an organization's subdivision, that provides professional nursing services and certain other services 24 hours per day in the patient's home or a substantially equivalent environment. The agency must (1) provide professional nursing services and at least one additional service directly and all other services directly or through contract and (2) be available to enroll new patients seven days a week, 24 hours per day.

Eligible Beneficiaries

Under the bill, home telemonitoring services may be used for a Medicaid beneficiary with:

1. serious or chronic medical conditions that may result in frequent or recurrent hospitalizations and emergency room admissions;
2. a documented history of (a) poor adherence to ordered medication regimes, (b) falls in the six-month period before evaluation for the services, or (c) challenges with access to care;
3. limited or absent informal support systems; and
4. a history of living alone or being home alone for extended periods.

The bill requires DSS to establish coverage criteria for home telemonitoring services based on evidence-based best practices (i.e., the integration of the best available research with clinical expertise in the context of patient characteristics and preferences).

Data Sharing and Protection

Under the bill, DSS must ensure that the information the home health care agency gathers while providing home telemonitoring services is shared with the patient's physician. The bill allows the department to impose other reasonable requirements on the use of

such services.

Additionally, the bill requires the transmission, storage, and dissemination of data and home telemonitoring records to comply with federal and state laws and regulations on privacy, security, confidentiality, and safeguarding of individually identifiable information. (The bill does not specify which entity is responsible for storing the data.)

BACKGROUND

Related Bill

SB 115, favorably reported by the Human Services Committee, allows DSS to provide coverage for telemonitoring services to Medicaid recipients in the Money Follows the Person federal demonstration program.

COMMITTEE ACTION

Aging Committee

Joint Favorable

Yea 13 Nay 0 (03/08/2016)