

Key Facts:

- Telemedicine is a set of health care services delivered through a range of online, video, and telephone communications between patients and their care providers.
- Evidence indicates that certain telemedicine services enhance access to care, improve quality and reduce costs for chronically ill beneficiaries.
- The Bipartisan Budget Act of 2018 expanded coverage of telehealth in Medicare Advantage permitting some telehealth services as part of the basic benefit package.
- Utilization of telehealth in Medicare increased by 79% between 2014 and 2016.

BMA Policy Recommendations

Policymakers and researchers should continue to examine the use and effectiveness of telemedicine services. Additional research, dissemination of evidence to plans and providers, as well as greater use of telemedicine would enhance patient access, reduce costs and improve health outcomes for beneficiaries.

Telemedicine is offering new and potentially transformative options for the delivery of health care. Medicare Advantage is well suited to use these innovations to enhance patient access, reduce costs, and improve health for beneficiaries.

Telemedicine Services

- Telemedicine is a set of health care services delivered through a range of online, video, and telephone communication between patients and their health care providers.
- Telemedicine includes: basic medical care between a patient at home and distant provider; consultation between two distant providers; remote patient monitoring in a hospital or at home; and secure electronic transfer of patient information to a provider.

Benefits of Telemedicine

- Greater use of technology to connect patients and doctors offers more timely and efficient use of resources and creates new opportunities to improve care delivery and health outcomes.
- The Medicare Payment Advisory Commission (MedPAC) has found that certain telemedicine services can create greater convenience and broaden access to care for patients. In particular, telemedicine can improve patient access to specialty care in rural areas that have difficulty staffing full-service hospitals.
- Telemedicine services have shown positive quality and cost results for chronically ill patients, particularly for stroke patients.

Current Telemedicine Requirements

- Traditional Fee-for-Service (FFS) Medicare covers certain services for Part B beneficiaries when they are conducted via telemedicine. The number of these covered telemedicine services has increased in recent years. However, under current law, this coverage is limited to beneficiaries with certain conditions, to beneficiaries in rural areas, to beneficiaries receiving care inside medical facilities, and when the service is conducted via two-way audio-video communication.
- Previously, Medicare Advantage plans were required to offer the same basic telemedicine services as those provided through FFS but offered additional telehealth benefits through supplemental benefits.
- The Bipartisan Budget Act of 2018 (BBA 2018) expanded coverage of telehealth in Medicare Advantage, permitting Medicare Advantage plans to include some telehealth services as part of the basic benefit package.

The Future of Telemedicine for Medicare Advantage

- MedPAC reports that utilization of telemedicine services in Medicare is low, but has grown rapidly in recent years. Telemedicine visits increased by 79 percent between 2014 and 2016.
- Telehealth utilization increased substantially during the novel coronavirus (COVID-19) pandemic. The Department of Health and Human Services (HHS) reports that under Traditional FFS Medicare, nearly half (43.5%) of Medicare primary care visits were provided via telehealth in April 2020, compared with less than one percent before the PHE in February 2020 (0.1%).
- Medicare Advantage plans and providers would benefit from more education on effective use of telemedicine services, as well as additional incentives for reimbursement of these services.