Commercial Insurers Urge Congressional Budget Office to Consider their Telemedicine Data

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In hopes of expanding reimbursement opportunities for telemedicine services in the Medicare program, representatives of eleven payers, including Aetna, Anthem, Blue Cross Blue Shield of Tennessee, Cambia Health Solutions and Humana, asked CBO director Keith Hall in a public letter to consider their data when evaluating the impact of Medicare coverage of telemedicine services.

Medicare reimbursement for telemedicine is currently limited to very narrow set of circumstances. Section 1834(m) of the Social Security Act provides that telehealth services are covered only if the Medicare patient is seen: (a) at an approved "originating site" (*e.g.*, physician offices, hospitals, skilled nursing facilities) that is located within a rural Health Professional Shortage Area (HPSA) that is either outside of a Metropolitan Statistical Area (MSA) or in a rural census tract, or a county outside of a MSA; (b) by an approved provider (*e.g.*, physicians, nurse practitioners, clinical psychologists); (c) for a defined set of services, including consultations, office visits, pharmacological management, and individual and group diabetes self-management training services; and (d) using certain telecommunications technologies.

There are bipartisan efforts currently underway to expand Medicare reimbursement for telemedicine services by easing or eliminating some of these requirements. One example is the <u>CONNECT for</u> <u>Health Act</u>. Because coverage of telemedicine services in Medicare's fee-for-service program is limited, there is limited Medicare data available for the CBO to consider when reviewing the potential financial impact of such legislation. In light of this lack of data, the insurers advise that the CBO should consider the effects that telemedicine's expansion in the commercial market. The insurers' letter to the CBO also points out that new alternative, quality-based payment models rely upon telemedicine as a means of meeting certain performance measures, and other government agencies, such as the US Department of Defense and the Veterans Administration, are using telemedicine services to provide better quality care.

Earlier this year, the CBO and MedPAC received a letter from over 20 different health care providers similarly urging it to consider alternative data sources, such as data from the commercial sector, when analyzing the costs and benefits associated with the use of telemedicine in the Medicare program.

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National Law Review, Volume VI, Number 302

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