

CBO Greenlights Telehealth Provisions in Senate's CHRONIC Care Act

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Last week, the Congressional Budget Office (CBO) concluded that a key piece of telehealth legislation, the **CHRONIC Care Act of 2017**, would not, overall, increase or decrease Medicare spending. This score is significant as it marks the first time that CBO has concluded that providing enhanced Medicare coverage for telehealth services would be budget neutral and clears the path for Congress to pass the legislation in a tough political climate.

The CHRONIC Care Act was **developed** by the Senate Finance Committee's Bipartisan Chronic Care Working Group. If enacted, the bill would expand Medicare coverage of telehealth services in four ways:

- **Nationwide Coverage for Telestroke** – Currently, Medicare will pay a physician for consulting on a patient experiencing acute stroke symptoms via telehealth only if the hospital where the patient is located is in a rural Health Professional Shortage Area (**HPSA**) or a county outside a Metropolitan Statistical Area (**MSA**). Under the CHRONIC Care Act, beginning in 2019, the geographic restriction would be eliminated and physicians would receive payment for telestroke consultations regardless of the hospital location.
- **Home Remote Patient Monitoring for Dialysis Therapy** – Medicare requires that beneficiaries receiving home dialysis treatments have a monthly clinical assessment from their health care provider. Under current law, beneficiaries can only use telehealth to satisfy the clinical assessment requirement if the patient is at an authorized originating site (e.g., a physician office) located in a rural HPSA or a county outside an MSA. Beginning in 2019, beneficiaries could receive the required monthly clinical assessment from a freestanding dialysis facility or the patient's home without geographic restriction.
- **Enhanced Telehealth Coverage for ACOs** – The CHRONIC Care Act would apply the Next Generation ACO telehealth waiver criterion to the Medicare Shared Savings Program (**MSSP**) Track II, MSSP Track III, and the Pioneer ACO program. Specifically, the legislation would (i) eliminate the geographic component of the originating site requirement, and (ii) allow beneficiaries assigned to the approved MSSP and ACO programs to receive telehealth services in the home.
- **Increased Flexibility for Telehealth Coverage under Medicare Advantage Plans** – Under current law, a Medicare Advantage (MA) plan may provide telehealth benefits beyond those that are currently reimbursed by Medicare. However, these enhanced telehealth services are not separately paid for by Medicare and MA plans must use their rebate dollars to pay for those services as a supplemental benefit. The CHRONIC Care Act would allow an MA plan to offer additional, clinically appropriate, telehealth benefits in its annual bid amount beginning in 2020.

The CHRONIC Care Act has been widely heralded by health care providers as a first step in removing barriers to providing telehealth services to Medicare beneficiaries. In a recent Senate Finance Committee hearing, health care providers voiced their support for greater coverage of telemedicine services. The Senate Finance Committee is in the process of marking up the bill.

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