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RECOGNIZE TELEHOMECARE INTERACTIONS AS BONA FIDE MEDICARE SERVICES

ISSUE: Over the past decade, significant progress has been made in telehomecare technology and its use in providing home health care. In 1995, there were only three telehomecare nursing projects. In a 2009 NAHC-sponsored study [“The Blackberry Report: The National State of the Home Care Industry”, conducted by Fazzi Associates], 23 percent of HHAs report using telehealth systems, up from 17.1 percent in 2006.

Patient satisfaction of those involved with telehomecare remain high, and many other positive results have been realized. Through the use of telehomecare, the Veterans Administration recently realized a 25 percent reduction in the number of bed days of care, a 19 percent reduction in hospital admissions, and an 86 percent satisfaction rate of veterans being seen in their home.

The integration of telehomecare technology into practice is accelerating a vision of technology-integrated, “connected health” initiatives. Within an industry challenged by constricted resources and expanded expectations for quality care delivery, the use of technology to deliver home health care is increasingly being recognized as an invaluable tool. However, barriers of the perception of cost and adoption have slowed the integration of telehomecare into agency practice.

Telehomecare technology provides the nurse at the HHA’s base station and patients in their own homes with the capability of near real time monitoring the patient’s health status, using options of interactive audio-visual communication and remote monitoring. Through the use of technology, a number of home health care activities can be implemented, including health status assessments, monitoring vital signs, medication supervision, monitoring heart and lung sounds, and patient education. Additional devices can be added as needed to perform more in-depth patient tests, such as blood coagulation checks, electrocardiograms, scales, and pulse oximetry. These interactive connections can also be used for remote supervision of home care personnel.

Unfortunately, the Centers for Medicare & Medicaid Services (CMS) does not recognize telehomecare technology and visit costs as reimbursable by the Medicare program. CMS maintains that telehealth visits do not meet the Social Security Act definition of home health services “provided on a visiting basis in a place of residence.” CMS regulations (42 CFR 484.48(c)) define a home health “visit” as “an episode of personal contact with the beneficiary by staff of the HHA [home health agency].”

Congress has taken steps to expand technology into the delivery of home health care. In 1999, the Congress directed the Secretary of Health and Human Services to

consider new technologies within home health services in order to improve health outcomes (House Report 106-479). Specifically, HHS was directed to “consider what changes would be necessary to provide HHAs with the flexibility to adopt new market innovations and new technologies that can improve health outcomes while maintaining the goals of quality of care and cost containment.” Telehomecare services is one innovative technology that can assist HHAs in improving health outcomes while at the same time maintaining quality patient care and containing costs.

In 2000, the Congress provided further clarification on the use of telehomecare services. Public Law 106-554 states that nothing prevents a home care agency from delivering services via telehealth, but specified the services “do not substitute for in-person home health services ordered as part of a plan of care certified by a physician and are not considered a home health visit for purposes of eligibility or payment.”

Telehomecare congressional advocates have consistently introduced legislation to expand the access of technology in the delivery of home care. In 2005, then-Rep. Jim Ramstad (R-MN) introduced H.R. 3588, the “Medicare Home Health Telehealth Access Act of 2005”, which would have allowed certain home telehealth interactions to count as visits under Medicare and established a pilot program with coverage for cost-effective home telehealth interventions that result in savings to the Medicare program.

In each Congress since 2005, the recognition of telehealth interactions as bona fide Medicare home health services was addressed by Senator John Thune (R-SD) who introduced the “Fostering Independence Through Technology (FITT) Act.” The bill mandates that the Secretary of Health and Human Services (HHS) establishes pilot projects under the Medicare program to provide monetary incentives for HHAs to utilize home monitoring and communications technologies. The FITT Act provides for incentive payments to participating home care agencies that are equal to a portion of the Medicare savings realized by meeting certain performance targets and are in addition to the payments from Medicare that a HHA would otherwise receive under title XVIII of the Social Security Act for the provision of home health services. In 2009, a companion bill was introduced in the House of Representatives by Rep. Tim Walz (D-MN). Also, the FITT Act was included in many of the telehealth-related bills introduced in the House and Senate since 2005, including the Craig Thomas Rural Hospital and Provider Equity Act of 2008 (S. 1605), The Rural Hospital and Provider Equity (HOPE) Act of 2006 (S. 3500), and the Health Care Access and Rural Equity Act of 2007 (H.R. 2860).

In 2008, and again in 2009, Representative Mike Thompson (D-CA) introduced The Medicare Telehealth Enhancement Act. The bill provides for a number of provisions that are important to addressing the need for enhanced telehealth services, as well as includes, for Medicare’s purposes, reimbursement for home health telehomecare visits by home health agencies, coverage of remote patient management services including home health remote monitoring, and establishment of a demonstration project to evaluate the impact and benefits of including remote patient management services for certain chronic health conditions.

Should the health care reform bill under Congressional consideration be signed into law, Congressional remote monitoring allies will coordinate a Congressional letter to the Center for Medicare and Medicaid Services (CMS). The letter will convey their support for the Innovation Center created by the bill and recommend the Fostering Independence Through Technology (FITT) remote monitoring model as one of the pilot

projects the Center should implement.

RECOMMENDATION: Congress should clarify legislatively that telehomecare “constitutes a service(s) ... provided on a visiting basis in a place of residence used as an individual’s home” as defined in §1861m of the Social Security Act, and Medicare should provide appropriate reimbursement for technology costs to HHAs. The Health Care Reform is expected to establish a Center for Medicare and Medicaid Innovation within CMS. The Center should approve demonstration projects that would allow for new ways to use technology to monitor patients and avoid more costly health care interventions, such as the concepts embodied in the FITT Act. Finally, Congress should ensure that all health care providers, including HHAs, have access to appropriate bandwidth so that they can take full advantage of advances in technology appropriate for care of homebound patients.

RATIONALE: Use of technology that results in more efficient and effective delivery of health care services should be encouraged and recognized as covered Medicare expenditures. Studies indicate that over half of all activities performed by a home health nurse could be done remotely through telehomecare. Evidence from these studies has shown that the total cost of providing service electronically is less than half the cost of on-site nursing visits. Furthermore, quality of care and patient satisfaction has been maintained. Given the financial constraints on agencies under the prospective payment system (PPS), providers of care should be granted maximum flexibility to utilize cost-effective means for providing care, including non-traditional services such as telehomecare that have been proven to result in high-quality outcomes and patient satisfaction. These innovative approaches to care are of benefit to the entire Medicare program, frequently helping to reduce acute care episodes and the need for hospitalizations.

Currently, some health maintenance organizations and some state Medicaid programs reimburse for telehomecare services. The Medicare program must keep pace with these programs.