

## 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.
- Medicare Advantage plans are limited to offering basic telemedicine services, use rebates, or charge beneficiaries for this innovative care.
- CMS should enable Medicare Advantage plans to offer additional telemedicine services in their supplemental benefits.

## BMA Policy Recommendations

Policymakers and researchers should continue to examine the use and effectiveness of telemedicine services. Further, CMS should encourage the use of telemedicine innovations in Medicare Advantage by allowing plans to offer these services in supplemental benefits. 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 provider; 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 speciality 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 Restrictions in Medicare Advantage

- Traditional Fee-for-Service (FFS) Medicare covers certain telemedicine services for Part B beneficiaries, but only for beneficiaries with certain conditions and only in rural areas and in certain sites of care (i.e., a doctor's office, hospital).
- FFS telemedicine services are limited to basic services like telemonitoring and web-based and telephone consultations.
- Under current law, Medicare Advantage plans must cover the same basic telemedicine services as those provided through FFS, but they also may use rebate dollars to offer additional telemedicine services.
- Medicare Advantage plans must receive approval from the Centers for Medicare & Medicaid Services (CMS) to offer additional telemedicine services beyond those covered under basic benefits, consistent with FFS Medicare.
- Both FFS Medicare and Medicare Advantage may charge for telemedicine services that are not covered under Medicare basic benefits.

## 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 more than 500% from 2008 to 2014. Interest in using telemedicine in Medicare is growing, with increasing legislative interest and proposals to broaden its use, particularly in Medicare Advantage.
- 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.