

105TH CONGRESS  
1ST SESSION

# S. 848

To direct the Secretary of Health and Human Services, through the Health Care Financing Administration, to expand and strengthen the demonstration project known as the Medicare telemedicine demonstration program.

---

## IN THE SENATE OF THE UNITED STATES

JUNE 5, 1997

Mr. MURKOWSKI (for himself and Mr. BAUCUS) introduced the following bill;  
which was read twice and referred to the Committee on Finance

---

## A BILL

To direct the Secretary of Health and Human Services, through the Health Care Financing Administration, to expand and strengthen the demonstration project known as the Medicare telemedicine demonstration program.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Rural Telemedicine  
5       Demonstration Act of 1997”.

6       **SEC. 2. FINDINGS.**

7       Congress makes the following findings:

1           (1) Access to health care providers is critically  
2           important to improving the health of individuals re-  
3           siding in rural areas.

4           (2) Individuals residing in the rural areas of the  
5           Western United States are severely underserved by  
6           both primary and specialty health care providers.

7           (3) Telecommunications technology has made it  
8           possible to provide a wide range of vital health care  
9           services to individuals residing in remote locations  
10          and over vast distances at a fraction of the costs as-  
11          sociated with the provision of such services without  
12          such technology.

13          (4) On February 17, 1997, the General Ac-  
14          counting Office reported that Federal involvement in  
15          telehealth systems is needed for the success of such  
16          systems.

17          (5) In order for telehealth systems to continue  
18          to benefit rural communities, the medicare program  
19          under title XVIII of the Social Security Act (42  
20          U.S.C. 1395 et seq.) must eventually reimburse the  
21          provision of health care services to remote locations  
22          via telecommunication.

23          (6) The current Medicare telemedicine dem-  
24          onstration program conducted by the Secretary of  
25          Health and Human Services, through the Health

1 Care Financing Administration, does not include any  
2 sites in rural areas of the Western United States.  
3 Without such sites, such demonstration program will  
4 not provide accurate indicators of the success of tele-  
5 medicine.

6 (7)(A) The fragmented nature of Alaska's  
7 transportation infrastructure, as well as extremes in  
8 geography, climates, and ethnography create severe  
9 problems for health care providers to provide health  
10 care services to the individuals residing in Alaska.

11 (B) The Alaska Telemedicine Project is a state-  
12 wide telehealth project which overcomes infrastruc-  
13 ture problems within Alaska by uniting 40 public  
14 and private health care providers across Alaska  
15 to provide health care services to the residents of  
16 Alaska.

17 (8)(A) Health care providers in Montana also  
18 experience significant difficulties in providing health  
19 care services in rural areas. Five independent tele-  
20 medicine networks in Montana have formed the  
21 Montana Healthcare Telecommunications Alliance  
22 (MHTA), an association of telemedicine service pro-  
23 viders representing not-for-profit and public medical  
24 and mental health facilities throughout the State.

1           (B) The goal of the MHTA is to promote cost  
 2           effective statewide deployment of telemedicine serv-  
 3           ices thereby supporting public and private health  
 4           care providers and improving access to quality medi-  
 5           cal and mental health services for all individuals re-  
 6           siding in Montana.

7   **SEC. 3. EXPANSION OF DEMONSTRATION PROJECT.**

8           (a) IN GENERAL.—The Secretary, through the  
 9           Health Care Financing Administration, shall expand the  
 10          demonstration project known as the Medicare telemedicine  
 11          demonstration program to include within such demonstra-  
 12          tion program the Alaska Telemedicine Project (described  
 13          in section 2(7)) and the Montana Healthcare Tele-  
 14          communications Alliance (described in section 2(8)).

15          (b) REPORT TO CONGRESS.—Not later than March  
 16          1 of each year that the demonstration project described  
 17          in subsection (a) is being conducted, the Secretary,  
 18          through the Health Care Financing Administration, shall  
 19          submit a report to Congress that contains—

20               (1) an evaluation of the effectiveness of such  
 21          demonstration project; and

22               (2) any legislative recommendations determined  
 23          appropriate by the Secretary.

24          (c) AUTHORIZATION OF APPROPRIATIONS.—There is  
 25          authorized to be appropriated \$2,000,000 to the Secretary

- 1 of Health and Human Services to carry out the purposes
- 2 of the demonstration project described in subsection (a).

