

109TH CONGRESS
1ST SESSION

H. R. 3588

To amend title XVIII of the Social Security Act to provide for access to telehealth services in the home.

IN THE HOUSE OF REPRESENTATIVES

JULY 28, 2005

Mr. RAMSTAD introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend title XVIII of the Social Security Act to provide for access to telehealth services in the home.

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 “Medicare Home Health
5 Telehealth Access Act of 2005”.

6 **SEC. 2. ACCESS TO TELEHEALTH SERVICES IN THE HOME.**

7 (a) IN GENERAL.—Section 1895(e) of the Social Se-
8 curity Act (42 U.S.C. 1395fff(e)) is amended to read as
9 follows:

1 “(e) COVERAGE OF TELEHEALTH SERVICES.—

2 “(1) IN GENERAL.—The Secretary shall include
3 telehealth services that are furnished via a tele-
4 communication system by a home health agency to
5 an individual receiving home health services under
6 section 1814(a)(2)(C) or 1835(a)(2)(A) as a home
7 health visit for purposes of eligibility and payment
8 under this title if the telehealth services—

9 “(A) are ordered as part of a plan of care
10 certified by a physician pursuant to section
11 1814(a)(2)(C) or 1835(a)(2)(A);

12 “(B) do not substitute for in-person home
13 health services ordered as part of a plan of care
14 certified by a physician pursuant to such re-
15 spective section; and

16 “(C) are considered the equivalent of a
17 visit under criteria developed by the Secretary
18 under paragraph (3).

19 “(2) PHYSICIAN CERTIFICATION.—Nothing in
20 this section shall be construed as waiving the re-
21 quirement for a physician certification under section
22 1814(a)(2)(C) or 1835(a)(2)(A) for the payment for
23 home health services, whether or not furnished via
24 a telecommunication system.

25 “(3) CRITERIA FOR VISIT EQUIVALENCY.—

1 “(A) STANDARDS.—The Secretary shall es-
2 tablish standards and qualifications for catego-
3 rizing and coding under HCPCS codes tele-
4 health services under this subsection as equiva-
5 lent to an in-person visit for purposes of eligi-
6 bility and payment for home health services
7 under this title. In establishing the standards
8 and qualifications, the Secretary may distin-
9 guish between varying modes and modalities of
10 telehealth services and shall consider—

11 “(i) the nature and amount of service
12 time involved; and

13 “(ii) the functions of the telecommuni-
14 cations.

15 “(B) LIMITATION.—A telecommunication
16 that consists solely of a telephone audio con-
17 versation, facsimile, electronic text mail, or con-
18 sultation between two health care practitioners
19 is not considered a visit under this subsection.

20 “(4) TELEHEALTH SERVICE.—

21 “(A) DEFINITION.—For purposes of this
22 section, the term ‘telehealth service’ means
23 technology-based professional consultations, pa-
24 tient monitoring, patient training services, clin-
25 ical observation, assessment, or treatment, and

1 any additional services that utilize technologies
2 specified by the Secretary as HCPCS codes de-
3 veloped under paragraph (3).

4 “(B) UPDATE OF HCPCS CODES.—The
5 Secretary shall establish a process for the up-
6 dating, not less frequently than annually, of
7 HCPCS codes for telehealth services.

8 “(5) CONDITIONS FOR PAYMENT AND COV-
9 ERAGE.—Nothing in this subsection shall be con-
10 strued as waiving any condition of payment under
11 sections 1814(a)(2)(C) or 1835(a)(2)(A) or exclu-
12 sion of coverage under section 1862(a)(1).

13 “(6) COST REPORTING.—Notwithstanding any
14 provision to the contrary, the Secretary shall provide
15 that the costs of telehealth services under this sub-
16 section shall be reported as a reimbursable cost cen-
17 ter on any cost report submitted by a home health
18 agency to the Secretary.”.

19 (b) EFFECTIVE DATE.—

20 (1) The amendment made by subsection (a)
21 shall apply to telehealth services furnished on or
22 after October 1, 2006. The Secretary of Health and
23 Human Services shall develop and implement cri-
24 teria and standards under section 1895(e)(3) of the

1 Social Security Act, as amended by subsection (a),
2 by no later than July 1, 2006.

3 (2) In the event that the Secretary has not
4 complied with these deadlines, beginning October 1,
5 2006, a home health visit for purpose of eligibility
6 and payment under title XVIII of the Social Secu-
7 rity Act shall include telehealth services under sec-
8 tion 1895(e) of such Act with the aggregate of tele-
9 communication encounters in a 24-hour period con-
10 sidered the equivalent of one in-person visit.

11 **SEC. 3. REMOTE MONITORING PILOT PROJECTS.**

12 (a) PILOT PROGRAM AUTHORIZED.—The Secretary
13 of Health and Human Services (in this section referred
14 to as the “Secretary”) shall initiate and carry out pilot
15 projects (each in this section referred to as a “pilot
16 project”) in a variety of geographic locations that provide
17 incentives to home health agencies to utilize home moni-
18 toring and communications technologies that will—

19 (1) enhance health outcomes for individuals en-
20 rolled under parts A and B of title XVIII of the So-
21 cial Security Act; and

22 (2) reduce part A and B program expenditures
23 for institutional and other providers, practitioners,
24 and suppliers of health care items and services.

25 (b) INDIVIDUALS WITHIN THE SCOPE OF PILOT.—

1 (1) IN GENERAL.—The Secretary shall specify,
2 in accordance with this subsection, the criteria for
3 identifying those individuals who shall be considered
4 within the scope of the pilot projects under this sec-
5 tion for purposes of the incentive payments under
6 subsection (c) and for assessment of the effective-
7 ness of the home health agency in achieving the ob-
8 jectives of the section.

9 (2) PARTICIPATION OF INDIVIDUALS NOT RE-
10 CEIVING HOME HEALTH SERVICES.—Participation in
11 these pilot projects shall not be limited to individuals
12 receiving home health services under part A or part
13 B of title XVIII of the Social Security Act.

14 (c) INCENTIVE PAYMENTS.—

15 (1) IN GENERAL.—Subject to paragraph (2),
16 the Secretary shall pay to each home health agency
17 participating in a pilot project an amount for each
18 year under the pilot project equal to at least 50 per-
19 cent of the reduction in expenditures under such
20 parts realized for such year due to the agency's par-
21 ticipation in the project. The computation of such
22 reduction shall be based on the Secretary's estimate
23 of the amount by which the amount of expenditures
24 under such parts for the individuals under the pilot
25 project is less than the amount that would have been

1 expended under such parts for such individuals if
2 the project were not implemented. In determining
3 the estimate, the Secretary may use estimates for
4 expenditures for individuals who are not partici-
5 pating in the project and who are comparable to in-
6 dividuals participating in the project.

7 (2) LIMITATION ON EXPENDITURES.—The Sec-
8 retary shall limit incentive payments under this sub-
9 section as necessary to ensure that the aggregate ex-
10 penditures under title XVIII of the Social Security
11 Act (inclusive of such incentive payments) with re-
12 spect to patients within the scope of the pilot
13 projects do not exceed the amount that the Sec-
14 retary estimates would be expended under such title
15 if the pilot projects under this section were not im-
16 plemented.

17 (d) CONSTRUCTION.—Nothing in this section shall
18 limit the amount of payment (other than under subsection
19 (c)) a home health agency may receive for home health
20 services provided to eligible individuals under part A or
21 part B of title XVIII of the Social Security Act.

22 (e) IMPLEMENTATION DATE.—The Secretary shall
23 implement the pilot projects authorized by this section no
24 later than nine months after the date of the enactment
25 of this Act.

1 (f) EXPANSION OF THE PILOT PROJECT.—If the Sec-
2 retary determines that any of the pilot projects—

3 (1) result in a decrease in Federal expenditures
4 under title XVIII of the Social Security Act; and

5 (2) maintain or enhance health outcomes for
6 the participating beneficiaries,

7 the Secretary may initiate or extend comparable projects
8 in additional areas.

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