

109TH CONGRESS  
2D SESSION

# S. 2282

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

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IN THE SENATE OF THE UNITED STATES

FEBRUARY 14, 2006

Mr. SANTORUM introduced the following bill; which was read twice and referred to the Committee on Finance

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## 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 2006”.

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:

10 “(e) COVERAGE OF TELEHEALTH SERVICES.—

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

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

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

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

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

24          “(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

any additional services that utilize technologies specified by the Secretary as HCPCS codes developed under paragraph (3).

“(B) UPDATE OF HCPCS CODES.—The Secretary shall establish a process for the updating, not less frequently than annually, of HCPCS codes for telehealth services.

“(5) CONDITIONS FOR PAYMENT AND COVERAGE.—Nothing in this subsection shall be construed as waiving any condition of payment under sections 1814(a)(2)(C) or 1835(a)(2)(A) or exclusion of coverage under section 1862(a)(1).

“(6) COST REPORTING.—Notwithstanding any provision to the contrary, the Secretary shall provide that the costs of telehealth services under this subsection shall be reported as a reimbursable cost center on any cost report submitted by a home health agency to the Secretary.”.

(b) EFFECTIVE DATE.—

(1) The amendment made by subsection (a) shall apply to telehealth services furnished on or after October 1, 2006. The Secretary of Health and Human Services shall develop and implement criteria 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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