CAPITOL STREET

April 15, 2024

Telehealth Likely Extended Beyond 4Q 2024

Permanence Sought But 1-2 Years May Be More Likely

Relevant Companies



>>> Our Take & Next Up

Last week, the Subcommittee on Health of the House Energy and Commerce Committee (Chair Brett Guthrie, R-KY) met to discuss telehealth. Opening statements from Congress officials highlighted the importance of telehealth during the COVID-19 pandemic and how it has continued to be beneficial to the Medicare populations and those in rural and underserved populations today. MedPAC (separately) took up the topic last Thursday (see link here) & commissioners were more cautious – citing location of care, behavioral versus physical healthcare differences as they pertain to telehealth, audio-only televisits.

>>> Key Points

The House Subcommittee on Health (<u>here</u>) discussed but did not vote on a handful of telehealth bills that are expiring at the end of the year. The Dec 31 deadline is pushing Congress to reassess 15 bills (<u>here</u>).

Five witnesses appeared before Congress, ranging from beneficiaries to advocates to specialized doctors. We took away the following key themes.

- If Congress lets these bills expire, chaos will ensue in systems across the country. Dr. Eve
 Cunningham (testimony here, bio here), Providence Health System, claims that if the system does not
 provide continued telehealth services, they would be forces to transport patients to larger hospitals,
 thereby delaying care.
- Quality and value of telehealth services are critical to monitor. Ranking Member Pallone (D-NJ)
 asked what steps should be taken to improve quality. Witnesses said that groups, like CMS, must monitor
 the quality of care.
- Telehealth is essential for mental & behavioral health. According to witness Dr. Eve Cunningham, it is estimated that 65% of non-metro areas do not have a psychiatrist living in the community. Without telehealth, the mental health crisis would become unmanageable.

A more permanent telehealth policy is preferred. It would lead to hospitals and other providers making
investments into telehealth infrastructure because they will have certainty of reimbursement.

We believe that telehealth will be extended, with 1-2 years most likely. Witnesses support a permanent extension, but the cost may not make that effort realistic.

There are several House bills that focus on the critical role of telehealth in behavioral and mental health treatment. These bills are widely supported by both Democrats and Republicans in both the House & the Senate (i.e., bipartisan & bicameral).

- HR. 4040, Advancing Telehealth Beyond COVID-19 Act of 2021, sponsored by Rep. Liz Cheney (R-WY) "modifies the extension of specific Medicare telehealth flexibilities after the end of the COVID-19 public health emergency; additionally, the bill delays implementation of certain in-person evaluation requirements for mental health telehealth services until Jan. 1, 2025" (here).
- HR. 3432, Telemental Health Care Access Act of 2023, sponsored by Rep. Matsui (D-CA), which eliminates particular relating to Medicare coverage of mental health services that are provided through telehealth (here).
- HR. 7858- Telehealth Enhancement for Mental Health Act, sponsored by Rep. James (R-MI) This bill will
 help improve Medicare's delivery of critical tele-behavioral health care services, which played a significant
 role throughout the pandemic to help seniors cope with social isolation and substance use disorder (here).

Ipsita Smolinski Managing Director I Capitol Street

ipsita@capitol-street.com

202.250.3741 I www.capitol-street.com

900 19th St NW 6th FI Washington, D.C. 20006

CAPITOL STREET

Copyright 2024 Capitol Street.

This communication, including this broadcast and any attachments hereto, is intended solely for the original recipient(s) and may not be redistributed without the written consent of Capitol Street. This communication is for informational purposes only and is not intended as an offer or solicitation for the purchase or sale of any financial instruments, nor is it intended as advice to purchase or sell such instruments