

## 2023 NCHA Legislative Brief

# Telehealth

**North Carolina's hospitals and health systems support further protecting patients' rights for telehealth coverage and expansion of broadband access to bring healthcare to every community.**



### Legislative Priorities

The role of telehealth cannot be overstated in bringing care to communities who would otherwise be cut off from care; telehealth proved a critical component of healthcare during the COVID-19 response and has continued to be essential. In order to bring healthcare to every North Carolina community, NCHA supports:

- Protecting patients' rights for telehealth access and coverage by their insurer
- Expansion of affordable broadband connectivity for all North Carolinians
- Interstate licensure compacts to address healthcare workforce shortages
- Make permanent the federal temporary flexibilities to improve access to telehealth

### Context & Insights

From emergency department care, to remote patient monitoring for chronic care management and access to care from specialists, telehealth is changing the way health care is provided — both expanding patient access to routine and specialty care, while improving patient satisfaction and outcomes. For these and a variety of other reasons, it is imperative that North Carolina promote the expansion and adoption of telehealth services.

However, broadband infrastructure remains a major barrier to accessing telehealth services, particularly among those who would benefit the most from accessing such services. Nearly 8 percent of Americans have no internet access at home. These numbers are higher among seniors and Americans living in poverty—one in five of whom do not have home internet access—and rural Americans, who are twice as likely to lack internet access than their urban counterparts.<sup>14</sup> Investing in broadband infrastructure would expand access to vital telehealth services to millions of Americans, including hundreds of thousands of North Carolinians.

### State Priorities

North Carolina is a national leader in information technology and high-tech, but still lags behind in telehealth policy and innovation, according to the American Telemedicine Association.<sup>1</sup> For our citizens to take full advantage of this emerging health benefit, North Carolina must remove any and all barriers to its full implementation by improving coverage and payment parity for telehealth services. North Carolina does not currently require insurers to cover and reimburse telehealth services consistently. For the limited telehealth services providers are currently delivering, more than 50 percent of the claims are denied payment without justification. Because North Carolina is one of only a handful of states that have no parity laws for

telehealth, healthcare providers are inhibited from expanding their current telehealth service offerings knowing that they may not be reimbursed.

Expanding telehealth can help alleviate the severe workforce shortage our state is currently experiencing across many health care occupations, particularly in rural areas where providers are not always available. In addition, expanding telehealth services would help rural hospitals keep their patients in their communities, help eliminate healthcare provider burnout, as well as be used to address the current mental health crisis and opioid crisis more effectively in our state.

The Senate passed a revised version of [HB 149](#) (renamed ‘Expanding Access to Healthcare’) in the 2022 legislative session which served as an omnibus of healthcare policies, including expanding Medicaid, implementing the Healthcare Access and Stabilization Program (HASP), reforming Certificate of Need, and a series of telehealth-related provisions. These provisions omit insurers from requirements to provide coverage for any out-of-network telehealth services and allows insurers flexibility when determining whether to exclude coverage for these services. This language provides strong preference for insurers and prevents patients that depend on telehealth services from receiving the care they need. NCHA will continue to work towards ensuring North Carolina patients can access the care they need without worry of their insurer denying coverage.

## Federal Priorities

This past year, The American Hospital Association (AHA) wrote [a letter](#) to the Centers for Medicare & Medicaid Services (CMS) urging their office to make certain COVID-19 waivers permanent as to improve health care delivery in the United States. Among their requests included expanding access to telehealth. They ask the CMS to continue expanding the list of telehealth services that can be provided and to make permanent both the list of locations that can deliver telehealth services and the practitioners and providers that can bill for telehealth services.

The AHA also [asks](#) Congress to permanently eliminate restrictions on telehealth originating and geographic sites and permanently extend eligibility for certain practitioners to provide telehealth services. These expansions will improve health outcomes for patients who either lack access to transportation or cannot risk contracting COVID-19 during a hospital visit.<sup>12</sup>

The AHA has supported several bills currently under consideration that if passed would codify these telehealth flexibilities, including:

- The *Telehealth Modernization Act* ([S.368](#) and [H.R. 1332](#)), which extends certain flexibilities authorized during the COVID-19 public health emergency, including allowing distant site privileges to rural health clinics and federally qualified health centers, originating site privileges to the home of the beneficiary, and all types of practitioners to utilize telehealth services;
- The *CONNECT for Health Act* ([S.1512](#) and [H.R. 2903](#)), which would also remove geographic restrictions on originating and distant sites and allow the CMS to waive certain restrictions on technology and coverage; and
- The *Temporary Reciprocity to Ensure Access to Treatment Act* (*TREAT Act*), [S.168](#) and [H.R. 708](#), which authorizes the interstate provision of in-person and telehealth services for at least 180 days after the COVID-19 public health emergency.<sup>13</sup> Passing comprehensive federal legislation on telehealth expansion would have a lasting impact on hospitals and communities across North Carolina. Expanding telehealth can help alleviate the severe workforce shortage our state is currently experiencing across many health care occupations, particularly in rural areas where providers are not always available.

The recent omnibus bill passed by the Biden administration extends Medicare telehealth provisions put in place during the COVID-19 public health emergency for two additional years. This includes delaying the implementation of the in-person screening requirement for Medicare telemental health and extending the program which allows providers to administer acute at-home hospital-level care. NCHA supports making these changes permanent moving

forward.

In addition, expanding telehealth services would help rural hospitals keep their patients in their communities, help eliminate healthcare provider burnout, as well as be used to more effectively address the current mental health crisis and opioid crisis in our state.

## Key Advocacy Messages

**In the wake of telehealth innovation accelerated by the COVID-19 pandemic, now is the time to build on the expansion of services, not curtail access.**

- Under the declared public health emergency, CMS removed the common barriers for telehealth access for Medicare beneficiaries, such as the rural designation and originating site requirements, while expanding services covered under telehealth. Under these new flexibilities, over 9 million beneficiaries received a telehealth service between March – June 2020.<sup>9</sup>
- NC Medicaid has led the way in our state for cementing flexibilities during the pandemic into permanent policies, such as eliminating distant and originating sites and expanding telehealth codes to include patient monitoring and virtual communications.
- Many commercial insurance companies not only expanded what telehealth services could be covered, but also provided payment parity to providers virtually overnight. This further demonstrates that coverage and payment parity is achievable in North Carolina.
- The heightened need for telehealth access amidst the ongoing COVID-19 pandemic affirmed that broadband access and healthcare access are inextricably tied.
- According to the North Carolina Department of Information Technology, over 1.1 million North Carolina households lack access to high-speed internet, cannot afford it, or do not have the necessary skills to operate high-speed internet.<sup>11</sup>
- This has presented a major barrier to individuals

seeking healthcare during the COVID-19 pandemic. UNC Health Southeastern has identified residents in Robeson County lacking access to broadband connectivity in their home as a major barrier to care in their community. Investing in broadband infrastructure would expand access to care throughout rural and low-income communities in North Carolina.

**Given the severe provider shortages throughout North Carolina — in both rural and urban areas — increased telehealth services have a unique capacity to increase access to healthcare for millions of new patients in even the most remote areas of North Carolina, where a large healthcare system is never going to make economic sense.**

- Every county in North Carolina is designated as a health professional shortage area in at least one area of health, with 87 of 100 counties experiencing shortages across primary care, dental health, and behavioral health.<sup>2</sup>
- Additionally, telehealth helps rural hospitals keep their patients close to home, allowing them to deliver specialized healthcare that would otherwise be outsourced to an urban facility.
- Expanding telehealth coverage can alleviate healthcare provider burnout.
- Healthcare provider burnout has reached new heights during the COVID-19 pandemic. With 38% of healthcare workers reporting anxiety or depression, 43% suffering from work overload, and 49% experiencing burnout, many of those in hospital or healthcare settings have reached a boiling point. This can have a severely adverse impact on the quality of services provided. Burnout can also harm doctor-patient relationships and lead to medical errors.<sup>6</sup>
- This same study on stress and burnout among U.S. healthcare workers during the COVID-19 pandemic recommends telehealth options for doctors' visits as one of the many interventions that could improve stress outcomes among healthcare workers.<sup>6</sup>

**Joining the Interstate Medical Licensure Compact can increase care options that patients can access through telehealth services.**

- The temporary, streamlined flexibilities by practice boards to allow out-of-state medical professionals to quickly practice in NC has been a vital outlet for patients to access services during the pandemic. Ensuring that these expansions remain in place beyond the pandemic protects the care that many patients in North Carolina require across state lines.
- The Interstate Medical Licensure Compact is an agreement among 37 states to work together to significantly streamline the licensing process for physicians who want to practice in multiple states. In joining this compact, North Carolina has the potential to increase access to highly skilled healthcare professionals across its underserved and rural communities.

**Telehealth has been shown to reduce the cost of healthcare and increase efficiency through better management of chronic diseases, shared health professional staffing, and fewer or shorter hospital stays. It also encourages better utilization of healthcare services.**

- UNC Health Southeastern's [experience](#) with telehealth services during the COVID-19 pandemic has yielded positive results. These services have proven vital to the residents of Robeson County who live with chronic conditions and can access care from the safety and comfort of their own home. Telehealth services provide flexibility to patients during an inflexible time and limits exposure to COVID-19 from patients and healthcare workers while providing those with chronic illnesses the care they depend on.

**Mississippi is currently leading the nation in providing innovative telehealth services to its neediest populations, with the implementation of its [Diabetes Telehealth Network](#). This network of local and national health technology leaders extends quality care into the state's rural and under-served regions with high rates of chronic illness, employing remote patient monitoring that allows healthcare providers to conduct chronic**

**care management for diabetes patients in the state's Medicaid program. Results among the first 100 patients enrolled in the program include: <sup>3</sup>**

- Total annual savings of nearly \$700,000 due to a reduction in hospital readmissions.
- Projected Medicaid annual savings of \$189 million.
- ZERO hospitalizations or ER visits for patients in the program.
- 1.7% average A1C reduction.
- Monthly cost savings of more than \$28,000 for those 100 patients alone.

**Telehealth services not only provide a more flexible, convenient option for patients, but also provide a profound community health function, cutting down on the number of unnecessary exposures to illness.**

HCA Mission Hospital's Virtual Clinic was especially valuable during North Carolina's [2017-2018 flu season](#), keeping patients out of the ED where they could spread or acquire highly contagious illnesses. Using an adaptive online process to determine what signs and symptoms patients had, and prescribing medications that are sent directly to their pharmacy of choice, patients were treated at home, usually within 30 minutes to an hour.

**Now more than ever, telehealth has a vital role to limit patients' exposure to COVID-19 and receive high-quality healthcare services from home. Telehealth services allow patients to have options in how they receive their healthcare.**

- Among the many remote populations to benefit from video visits are veterans, who often can't or don't want to travel to the nearest VA hospital. A 2014 study found that over a two-year span, veterans using the center's telehealth platform saved the hospital more than \$330,000 in reimbursements simply by cutting more than 770,000 travel miles by veterans. In addition, the overall satisfaction rate among veterans stood at 96%. <sup>4</sup>
- Long wait times have been a persistent issue



for families waiting to see an autism specialist, with waits often exceeding a year. Telehealth reduces wait time and improves care for children living with autism in remote areas. The FDA has approved a new mobile health platform that will help doctors diagnose autism at an earlier age, enabling them to develop more effective and impactful treatment programs and reducing long-term costs.

**Telehealth saves the sometimes significant travel expenses for patients who live in rural areas and must travel long distances for routine follow-up care. Similarly, this may decrease the amount of lost wages for hourly workers or missed days of school for children.**

- More than 80% of U.S. healthcare providers and patients are satisfied with video-based care as a means of reaching people in rural locations, with satisfaction increasing during the COVID-19 pandemic.<sup>5</sup>

**Achieving coverage and payment parity for private insurance customers is essential if we hope to encourage healthcare professionals to provide telehealth services and/or expand their current telehealth offerings.**

- There is inconsistency of telehealth coverage and payment among the private insurers in North Carolina (e.g., BCBSNC, United, Aetna and Cigna).
- 41 states and the District of Columbia have rectified this problem by enacting “parity laws,” which generally require health insurers to cover and pay for services provided via telehealth the same way they would pay for in-person services.<sup>1</sup>

**Achieving payment parity for Medicare patients is essential if we hope to encourage healthcare professionals to provide telehealth services.**

- Medicare payments for telehealth services are restricted by geography, by provider type, and by service type. It is a complicated and confusing system in which some counties that are clearly rural are designated as urban. For example, Gates County is designated as urban by CMS despite being sparsely populated, therefore Medicare

patients in that county are not eligible for telehealth coverage.

- Congress should continue to introduce legislation that expands access to telehealth so that all seniors have the ability to receive care via telehealth. This will better serve the nearly 20% of North Carolina’s population that is age 65 and over.

**Telehealth services are as good as those provided in traditional in-person consultations. In some specialties, particularly in mental health and ICU care, telehealth delivers a superior product, with greater outcomes and patient satisfaction.**

- Duke’s [Telestroke Network](#) gives patients and doctors at five NC and VA hospitals access to Duke stroke specialists 24/7. Using a telestroke robot, Duke neurologists in Durham evaluate stroke patients in emergency rooms miles away via two-way telemedicine video conferencing. The hospitals in the Duke Telestroke Network have improved patient outcomes with this technology, reporting significantly increased the rates at which their patients receive tPA. Nationally, 4% to 8% of all stroke patients get tPA, while Duke is seeing tPA rates as high as 20%.
- 87% of patients seen in the telestroke program remain at their local hospital instead of being transferred to Duke or other centers, which is a tremendous benefit because patients can remain near their loved ones and familiar surroundings. It also leaves more care teams and beds available at Duke for the 10% or so of patients who have extremely serious strokes and need advanced procedures.
- Other states have successfully implemented telehealth services to benefit patients in behavioral health crisis and ensure they get the right care at the right time at the right place. Through a partnership of Behavioral Health Providers and health systems across Minnesota, mental healthcare providers were able to reduce ED admissions by 19%, decrease wait times to 36 minutes, and refer 55% of encounters to outpatient services.

## The state-wide adoption of telehealth services could help North Carolina combat the current behavioral health crisis, especially in our rural areas where the need is the greatest.

- Patients seeking behavioral health services face significant barriers when having to travel to appointments, which can complicate their treatment and add to their already stressful situation. Expanding telehealth coverage allows patients more flexibility in their treatment and cuts down on potential stressors such as transportation or exposure to COVID-19.<sup>7</sup>
- There are several benefits to expanding telehealth coverage for behavioral health patients across North Carolina. Positive outcomes include high patient satisfaction, improved patient convenience, improved patient compliance with therapy, higher attendance rates for telehealth visits, and improved continuity of care.<sup>10</sup>
- Telehealth enables patients to engage in virtual visits with their mental health provider from the comfort and anonymity of their own home, reducing the major role that stigma plays in patients obtaining treatment especially in rural areas. Telehealth enables providers to work with the patient at any time and place, and to see what the patient goes through each day with the possibility of multiple touches.<sup>7</sup>
- North Carolina has an opportunity to reproduce efforts in rural South Carolina where the state's Behavioral Health Services Association acquired a waiver from the DEA for Medication-Assisted Treatment (MAT) practitioners to use opioid-based medications such as Methadone, Naltrexone and Buprenorphine to treat patients going through withdrawal.<sup>8</sup>

## Sources

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## Questions?

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