



House of Representatives

General Assembly

File No. 17

January Session, 2015

House Bill No. 6149

House of Representatives, March 3, 2015

The Committee on Human Services reported through REP. ABERCROMBIE of the 83rd Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING MEDICAID COVERAGE OF TELEMONITORING SERVICES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2015*) (a) For purposes of this
2 section:

3 (1) "Department" means the Department of Social Services.

4 (2) "Evidence-based best practices" means the integration of the best
5 available research with clinical expertise in the context of patient
6 characteristics and preferences.

7 (3) "Home health care agency" has the same meaning as provided in
8 section 19a-490 of the general statutes.

9 (4) "Home telemonitoring service" means a health service included
10 in an integrated plan of care written by a treating physician that
11 requires (A) scheduled remote monitoring of data related to a patient's
12 health, including, but not limited to, monitoring of the patient's blood

13 pressure, heart rate, weight and oxygen level, (B) interpretation of
14 transmitted data by a home health care agency licensed pursuant to
15 chapter 368v of the general statutes, (C) dissemination of such data by
16 such home health care agency to a treating physician, and (D) follow-
17 up by a health care professional in the home or referrals for care as
18 determined medically necessary by a treating physician.

19 (b) To the extent permissible under federal law, the department
20 shall provide Medicaid coverage for services performed by a home
21 health care agency using a home telemonitoring service for a Medicaid
22 beneficiary with (1) serious or chronic medical conditions that may
23 result in frequent or recurrent hospitalizations and emergency room
24 admissions, (2) a documented history of poor adherence to ordered
25 medication regimes, (3) a documented history of falls in the six-month
26 period prior to evaluation of the need for home telemonitoring
27 services, (4) limited or absent informal support systems, (5) a
28 documented history of challenges with access to care, or (6) a history of
29 living alone or being home alone for extended periods of time. The
30 department shall establish coverage criteria for home telemonitoring
31 services based on evidence-based best practices.

32 (c) The department shall ensure that clinical information gathered
33 by a home health care agency while providing home telemonitoring
34 services is shared with the patient's treating physician and may impose
35 other reasonable requirements on the use of home telemonitoring
36 services. The Commissioner of Social Services shall adopt regulations,
37 in accordance with chapter 54 of the general statutes, to implement the
38 provisions of this section.

39 (d) Pursuant to section 17b-8 of the general statutes, the
40 Commissioner of Social Services may seek a waiver from federal
41 Medicaid requirements or an amendment to the Medicaid state plan if
42 necessary to implement the provisions of this section.

43 (e) The transmission, storage and dissemination of data and records
44 related to home telemonitoring services shall be in accordance with
45 federal and state laws and regulations concerning the privacy, security,

46 confidentiality and safeguarding of individually identifiable
47 information.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2015</i>	New section

HS *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 16 \$	FY 17 \$
Social Services, Dept.	GF - Uncertain	See Below	See Below

Municipal Impact: None

Explanation

There may be a fiscal impact to the Department of Social Services (DSS) to provide Medicaid coverage for telemedicine, which is uncertain. The state's Medicaid program does not currently provide telemedicine services or have a telemedicine reimbursement policy. The impact will depend on 1) the extent to which telemedicine will be utilized by home health agencies for Medicaid clients, 2) the impact of telemedicine on total overall utilization of services covered by Medicaid, and 3) patient outcomes.¹

Various case studies have suggested net health care savings from telemonitoring, primarily resulting from reduced hospital readmission, particularly for individuals with chronic diseases. It is important to note, it is uncertain from the following case studies what the upfront technology and personnel costs were and the time lag before a return on investment was realized through a reduction in overall health care costs.

Case 1: The Partners HealthCare program out of the Center for Connected Health did a study on their telehealth/telemonitoring

¹ The State Innovation Model (SIM), which includes Medicaid, is reviewing telemedicine.

program for individuals with cardiac disease and reported net savings over a seven year period of approximately \$10 million for 1,265 patients (net savings per patient of \$8,155).² The Partners' program savings included participants predominately enrolled in public programs (e.g. Medicare, Medicaid and the state's safety net program).

Case 2: The Veterans Health Administration (VHA) started its telehealth program as a multisite pilot program and as of 2010 had over 300,000 lives in its Care Coordination/Home Telehealth Program.³ The VHA reported cumulative net benefits of \$3 billion since the program's inception in 1990. Savings are attributable to a reduction in redundant services and improved quality and health outcomes. The VHA program provides biometric information to remote monitoring care coordinators for individuals with various conditions, including heart failure, diabetes and Post Traumatic Stress Disorder (PTSD). The VHA reports annual costs per patient of \$1,600.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

²Source: Broderick, A., (2013). *Partners HealthCare: Connecting Heart Failure Patients to Providers Through Remote Monitoring*. Case Studies in Telehealth and Adoption; The Commonwealth Fund.

³ Source: Broderick, A., (2013). *The Veterans Health Administration: Taking Home Telehealth to Scale Nationally*. Case Studies in Telehealth and Adoption; The Commonwealth Fund.

OLR Bill Analysis**HB 6149****AN ACT CONCERNING MEDICAID COVERAGE OF
TELEMONITORING SERVICES.****SUMMARY:**

This bill would require the Department of Social Services (DSS), to the extent permissible under federal law, to provide Medicaid coverage for home telemonitoring services performed by a home health care agency for a Medicaid beneficiary in certain circumstances or with certain health conditions.

The bill (1) allows DSS to seek a waiver from federal Medicaid requirements or a Medicaid state plan amendment if needed to provide such coverage and (2) requires DSS to adopt regulations, in accordance with the Uniform Administrative Procedures Act, to implement the bill's provisions.

EFFECTIVE DATE: July 1, 2015

HOME TELEMONITORING SERVICE***Definitions***

The bill defines "home telemonitoring service" as a health service included in an integrated plan of care written by a treating physician. The plan must require:

1. scheduled remote monitoring of a patient's health data, including blood pressure, heart rate, weight, and oxygen level;
2. a licensed home health care agency to interpret the transmitted data and send the data to a treating physician; and
3. a health care professional to follow-up in the home or the treating physician to refer the patient for care as determined

medically necessary.

The bill defines a “home health care agency” as a public or private organization, or such an organization’s subdivision, that provides professional nursing services and certain other services 24 hours per day in the patient’s home or a substantially equivalent environment. The agency must (1) provide professional nursing services and at least one additional service directly and all other services directly or through contract and (2) be available to enroll new patients seven days a week, 24 hours per day.

Eligible Beneficiaries

Under the bill, home telemonitoring services may be used for a Medicaid beneficiary with:

1. serious or chronic medical conditions that may result in frequent or recurrent hospitalizations and emergency room admissions;
2. a documented history of (a) poor adherence to ordered medication regimes, (b) falls in the six-month period before evaluation for the services, or (c) challenges with access to care;
3. limited or absent informal support systems; and
4. a history of living alone or being home alone for extended time periods.

The bill requires DSS to establish coverage criteria for home telemonitoring services based on evidence-based best practices i.e., the integration of the best available research with clinical expertise in the context of patient characteristics and preferences.

Data Sharing and Protection

Under the bill, DSS must ensure that the information the home health care agency gathers while providing home telemonitoring services is shared with the patient’s physician. The bill allows the department to impose other reasonable requirements on the use of such services.

Additionally, the bill requires the transmission, storage, and dissemination of data and home telemonitoring records to comply with federal and state laws and regulations concerning the privacy, security, confidentiality and safeguarding of individually identifiable information. (The bill does not specify which entity is responsible for storing the data.)

COMMITTEE ACTION

Human Services Committee

Joint Favorable

Yea 18 Nay 0 (02/17/2015)