

October 18, 2016

The Honorable Keith Hall
Director, Congressional Budget Office
Ford House Office Building
Washington, DC 20515-6925

Dear Director Hall:

As some of the nation's largest insurers covering millions of Americans, we write to provide our perspective on telemedicine and urge you to consider non-Medicare sources of data in scoring congressional proposals. As you know, there is significant congressional interest in breaking down barriers to telemedicine access in Medicare, and we believe our experience in the commercial market can inform estimates of the impact of policy changes in Medicare.

We view telemedicine as an important tool in increasing consumer access to high quality, affordable healthcare, improving patient satisfaction and reducing costs. Given recent advances in technology, telemedicine gives customers a new way to be more engaged in their care, and save time and money. Additionally, telemedicine contributes to the value-based care goals of patient engagement, expanded hours for primary care, population health management and care coordination. In fact, the Centers for Medicare and Medicaid Services (CMS) has allowed or included coverage of telemedicine in their new innovative payment models, and Congress included telemedicine in clinical improvement activities as part of the Medicare Access and CHIP Reauthorization Act. We also note that other public payers such as state Medicaid agencies, the Department of Defense and the Veterans Administration are all adopting telemedicine.

As you know, actuaries in the insurance industry conduct careful analysis before coverage decisions are made. Available data supports the value proposition of telehealth and shows that there are significant savings to be gained even as it increases access to care. One public actuarial study that examined data from five leading telemedicine platforms found that telehealth services results in savings. The data suggested that, on average, 83% of telehealth visits resolved the clinical issue for which care was being sought via telehealth, requiring no additional follow-up care. Patients therefore have no need to go to urgent care, the ER or the doctor's office.¹ We would be happy to facilitate a meeting between the appropriate CBO staff and representatives

¹ "Assessment of the Feasibility and Cost of Replacing In-Person Care with Acute Care Telehealth Services," Dale Yamamoto, December 2014 (<http://www.connectwithcare.org/wp-content/uploads/2014/12/Medicare-Acute-Care-Telehealth-Feasibility.pdf>)

from our organizations to discuss our experiences with telehealth and share outcomes data we have seen to date in our commercial insurance programs.

While many of us are embracing telemedicine in our offerings outside of Medicare Advantage (MA), we want to clearly note that the barriers in Medicare hamper our ability to offer these services to our MA customers. We have worked closely with CMS to find ways to provide telemedicine through MA plans, but can only do so as a supplemental benefit. Our options are also limited without congressional action to reduce barriers in the Medicare fee-for-service benefit. Congressional action depends, in part, on a budget impact analysis from your office.

We encourage the Congressional Budget Office to look to data available in our commercial programs and other public programs to assist in informing utilization and cost estimates when evaluating potential cost impacts of removing barriers to utilizing telemedicine in Medicare. We believe that in its role as a payer, Medicare, too, could see similar outcomes and improved access and care for millions of our nation's seniors and people with disabilities.

As always, we hope to continue to work with you to help inform your critical work on scoring legislative proposals, and we hope our interest and investment in telehealth can serve as a resource.

Sincerely,

Aetna

Anthem

Blue Cross Blue Shield of Tennessee

Cambia Health Solutions

CareSource

EmblemHealth

HMSA - Blue Cross Blue Shield of Hawaii

Horizon Blue Cross Blue Shield of New Jersey

Humana

Molina Healthcare

MVP Health Care