



# AMERICA'S ESSENTIAL HOSPITALS

July 14, 2020

The Honorable Chuck Grassley  
Chair  
Committee on Finance  
United States Senate  
135 Hart Senate Office Building  
Washington, DC 20510

The Honorable Frank Pallone Jr.  
Chair  
Committee on Energy and Commerce  
United States House of Representatives  
2125 Rayburn House Office Building  
Washington, DC 20515

The Honorable Richard Neal  
Chair  
Committee on Ways and Means  
United States House of Representatives  
1102 Longworth House Office Building  
Washington, DC 20515

The Honorable Ron Wyden  
Ranking Member  
Committee on Finance  
United States Senate  
221 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Greg Walden  
Ranking Member  
Committee on Energy and Commerce  
United States House of Representatives  
2125 Rayburn House Office Building  
Washington, DC 20515

The Honorable Kevin Brady  
Ranking Member  
Committee on Ways and Means  
United States House of Representatives  
1139E Longworth House Office Building  
Washington, DC 20515

Dear Chair Grassley, Chair Pallone, Chair Neal, Ranking Member Wyden, Ranking Member Walden, and Ranking Member Brady:

Thank you for your work to ensure safe, accessible health care for Americans during the COVID-19 pandemic. Congress rightly recognized the necessity of expanding access to telehealth services and included important changes to telehealth policy in recent emergency supplemental legislation. This work greatly facilitated essential hospitals' ability to provide and manage care to patients during this public health emergency.

America's Essential Hospitals represents more than 300 hospitals and health systems nationwide. Essential hospitals are driven by a common mission to provide high-quality care to all, regardless of financial or social status. Our member hospitals care for the most vulnerable patient populations; they serve communities where 23.2 million individuals live below the

poverty line, and three-quarters of essential hospitals' patients are uninsured or covered by Medicaid or Medicare.<sup>1</sup>

Telehealth services are an important tool to expand access to care outside of the hospital walls, meeting underserved patients where they are. The current public health crisis has underscored the need for flexibility to provide patient-centered care that best meets the unique needs and circumstances of individuals and communities. While the COVID-19 pandemic undoubtedly has taken a terrible toll on our nation, it also has illuminated ways in which we can better serve our patients moving forward.

It is important to note patients are highly pleased with the telehealth services they have received during this crisis. According to a recent survey, 75 percent of patients reported they were “very satisfied” with their experience and almost three-quarters indicated they want virtual care to be a standard part of their care in the future.<sup>2</sup> Strikingly, half said they would go so far as to switch providers to ensure their continued access to telemedicine services.<sup>3</sup>

The flexibility provided by both Congress and the Centers for Medicare & Medicaid Services (CMS) has allowed essential providers to rapidly scale up telehealth services. One essential hospital in the Southwest went from zero to 14,000 telehealth visits in only seven weeks to ensure their patients maintained access to vital health services during the pandemic while keeping patients and providers as safe as possible.<sup>4</sup> Essential hospitals have prepared for and invested in telemedicine capabilities for years, but recent changes in telehealth policy have enabled our members to expand access to this critical in-demand service at significant levels.

The majority of telehealth policy changes that have enabled this expansion are legislatively tied to the public health crisis. Congress can, and should, make these changes permanent (explained in detail below):

- lift geographic, originating site, and site-of-service restrictions;
- allow hospitals to bill a facility fee at an adequate rate; and
- allow the use of audio-only equipment for certain evaluation and management (E/M) codes.

**1. Lift the geographic, originating site, and site-of-service restrictions on telehealth services.**

Before the Coronavirus Aid, Relief, and Economic Security (CARES) Act, telehealth services were only reimbursable for beneficiaries located in a qualifying originating site and in a rural area; beneficiaries were not permitted to receive telehealth services in their own home. This is a significant barrier for both providers and patients. Congress appropriately included temporary

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<sup>1</sup> Clark D, Roberson B, Ramiah K. *Essential Data: Our Hospitals, Our Patients—Results of America's Essential Hospitals 2018 Annual Member Characteristics Survey*. America's Essential Hospitals. May 2020. <https://essentialdata.info>. Accessed June 25, 2020.

<sup>2</sup> Kyruus. *Patient Perspectives on Virtual Care*. 2020. <https://www.kyruus.com/hubfs/Whitepapers/Reports/Kyruus%202020%20Patient%20Perspectives%20on%20Virtual%20Care%20Report.pdf>. Accessed July 13, 2020.

<sup>3</sup> Ibid

<sup>4</sup> Summers K, Dunnigan A. *No Turning Back: Telehealth Will Play Major Role After COVID-19*. Essential Insights Blog. America's Essential Hospitals. June 23, 2020. <https://essentialhospitals.org/no-turning-back-telehealth-will-play-major-role-covid-19/>. Accessed July 13, 2020.

telehealth policy changes in the Coronavirus Preparedness and Response Supplemental Appropriations Act to waive the originating site requirement and permit hospitals to bill for certain services provided through telehealth technology. Subsequent CMS guidance clarified that these payments should include an originating site facility fee.

We urge Congress to permanently eliminate the geographic, originating site, and site-of-service restrictions. Large populations in many urban areas face health care deserts and are classified as medically underserved. Drawing a distinction between rural and urban underserved populations artificially restricts access to health care for those who need it most. Further, even those patients located in denser health care service areas often face socioeconomic barriers to care, such as lack of transportation or child care, that impede their access to necessary medical care. The goal should be to increase—not restrict—access to health care, including wellness and preventive care, which we know bends the health care cost curve writ large by decreasing utilization of expensive emergency and inpatient care.

## **2. Allow hospitals to bill a facility fee at an adequate rate.**

Hospitals charge a facility fee to help offset some of the uncompensated care they provide. It is vital that adequate emergency and trauma services are always available, but this is especially critical during public health crises. When a Medicare service is provided in-person, hospitals typically are reimbursed for the facility fee under the Outpatient Prospective Payment System to cover the costs of personnel, equipment, supplies, and other overhead. Though furnishing telehealth services to patients doesn't require the patient's physical presence within the hospital walls, these services nonetheless require significant hospital and staff resources. Hospitals incur substantial costs investing in telehealth technology and maintaining staff and equipment to ensure seamless operation of their platforms. CMS recognized this by allowing hospitals to bill an originating site facility fee for services provided through telehealth as long as the patient is a registered outpatient of the hospital, even if the patient receives the service from their home. Congress should follow CMS' lead and include statutory language allowing hospitals to bill facility fees for telehealth services at an adequate rate.

## **3. Allow the use of audio-only equipment for certain telephone E/M codes.**

Another important provision in the CARES Act waived certain requirements, allowing the use of audio-only equipment to provide services described by the codes for telephone virtual check-ins, certain E/M services, and behavioral health counseling. Allowing the use of audio-only equipment is vital to ensure vulnerable populations have access to these critical primary care and behavior health services. We know racial and ethnic minorities, who often face lower income and education levels, and patients older than 65 are significantly less likely to have access to broadband service.<sup>5</sup>

Broadly, according to the Federal Communications Commission, approximately 19 million Americans lack access to broadband service at threshold speeds. Even in areas where broadband is available, approximately 100 million Americans still do not or cannot subscribe.<sup>6</sup> Arbitrarily

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<sup>5</sup> Internet/Broadband Fact Sheet. Pew Research. June 12, 2019.

<https://www.pewresearch.org/internet/fact-sheet/internet-broadband/>. Accessed July 13, 2020.

<sup>6</sup> Eighth Broadband Progress Report. Federal Communications Commission. <https://www.fcc.gov/reports-research/reports/broadband-progress-reports/eighth-broadband-progress-report>. Accessed July 13, 2020.

requiring video capabilities that require broadband denies access to care for millions of Americans, including many of those most in need. We call on Congress to permanently waive the requirement for audio-video equipment and continue to allow audio-only equipment for certain medically appropriate health care services. The ability to continue to provide services to vulnerable populations via audio-only equipment will be critical to essential hospitals, particularly regarding E/M visits, preventive care, and behavioral health services.

Telehealth is a safe and effective option for patients and allows health systems to operate more efficiently and stretch resources further. We appreciate the opportunity to share the essential hospital perspective. We look forward to working with you to ensure patients continue to have access to these important avenues of care. If you have questions, please contact Vice President of Legislative Affairs Carlos Jackson at 202-585-0112 or [cjackson@essentialhospitals.org](mailto:cjackson@essentialhospitals.org).

Sincerely,

/Bruce Siegel/

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President and CEO  
America's Essential Hospitals