

4/11/18

Rep. Patton Sponsor Testimony HB 546

Chairman Huffman, Ranking Member Antonio and Members of the Committee,

Thank you for the opportunity today to testify on behalf of House Bill 546, legislation that requires a health benefit plan to provide coverage for telemedicine services on the same basis and to the same extent that the plan provides coverage for the provision of in-person health care services. This bill is an opportunity to offer Ohio's patients a promising path to health care delivery in the face of economic, time-related, and geographical barriers.

The Ohio Hospital Association, Ohio State Medical Association, Cleveland Clinic, UC Health, the Ohio Children's Hospital Association, Ohio State Medical Center and other providers all support this legislation. I'm sure you will be hearing from them in the coming weeks during proponent testimony. The medical community can utilize telemedicine as a key tool to improve access to care, especially for patients in medically underserved and rural areas.

This is **not** legislation that requires parity in payment, merely parity in coverage options. This legislation will prohibit health benefit plans from treating telemedicine services differently from in-person health care services solely because they are provided as telemedicine services.

The American Telemedicine Association notes that 35 states currently have some level of parity legislation for private payers. Ohio is not one of those states.

Ensuring telemedicine services are covered, will allow patients across Ohio faster access to care, decreased travel costs, and allow for better and more convenient treatment and monitoring of chronic conditions. Chronic conditions are associated with 75% of all health care spending.

According to the Ohio Hospital Association, one key telehealth service used for chronic conditions, remote patient monitoring, or RPM, uses technology to enable patients to be monitored right in their homes. Incorporating RPM in disease management can significantly reduce the chances of hospital readmissions, duration of hospital stays and post-acute care complications—all of which result in improved care and cost savings.

Telehealth services are particularly important to Ohio's rural counties. According to Health Affairs, the leading journal of health policy thought and research, 20 percent of Americans still live in areas where shortages of physicians and health care specialists exist. Ohio hospitals are investing in services like telestroke and remote patient monitoring to help bring specialized care to patients who otherwise may not have access to these services.

Telemedicine services also save money. Health Affairs states that the use of telemedicine in emergency departments, prisons, nursing home facilities, and physician offices can save the United States \$4.28 billion per year on health care spending.

The potential of telemedicine to improve health outcomes and even save lives cannot be overstated. Increasing use of telepsychiatry, for instance, could help to expand access types of treatment that are in particularly high demand. Patients who pay for health insurance are paying for benefits that include

mental health care and substance use disorders, and telemedicine is simply a different delivery method for that care.

Telemedicine utilization is a way to provide patients who are struggling with addiction or mental illnesses with medical care that they might otherwise find difficult to access. Consequently, increased access through telemedicine could potentially play a pivotal role as we continue to confront the ongoing drug addiction crisis and have a powerful, positive impact on the lives of many Ohioans. We have the technology to help provide many individuals with the care they need. However, we must break down some of the barriers that stand in the way of fully taking advantage of what telemedicine can offer us.

Again, I want to make sure to point out, this legislation does **not** mandate payment parity for telemedicine and will allow for health plans to continue to negotiate rates for these services directly with providers. This legislation simply requires that these services be covered in the same way as in-person visits.

Ohio is fortunate to have some of the best health care in the nation. In order to best support these institutions and providers we need to ensure they can innovate through the best technologies available. There is no reason a state so rich in health care should be one of only 15 states to have no requirement in law for some telemedicine coverage. We are behind the nation on this issue, and Ohio's providers and patients deserve better. Thank you for your consideration, I'd be happy to answer any questions.