

**Statement  
of the  
American Hospital Association  
for the  
Energy and Commerce Subcommittee on Communications and Technology  
of the  
U.S. House of Representatives  
“Realizing the Benefits of Rural Broadband: Challenges and Solutions”**

**July 17, 2018**

On behalf of our nearly 5,000 member hospitals, health systems, and other health care organizations, and our clinician partners – including more than 270,000 affiliated physicians, 2 million nurses and other caregivers – and our 43,000 health care leaders who belong to our professional membership groups, the American Hospital Association (AHA) appreciates the opportunity to provide comments on the benefits of broadband and telehealth and actions Congress could take to increase access for communities across the country, especially in rural areas and vulnerable urban communities.

About 60 million Americans live in rural parts of the United States, and many of them have inadequate or reduced access to health care services. As detailed in AHA’s Task Force on Ensuring Access in Vulnerable Communities Report, lack of access makes it difficult for millions of rural Americans to get preventive health care services, leaving them and their communities susceptible to fragmented, episodic care and poorer health outcomes.<sup>i</sup> Broadband-enabled telehealth solutions can help bridge the rural health care access gap. This is also important for under-served and vulnerable urban communities.

Access to reliable, affordable, and high-bandwidth broadband is essential to the delivery of modern health care. Electronic health records, technology-based patient engagement strategies, health information sharing for coordinated care, and remote-monitoring technologies all require robust broadband connections. Such telehealth technologies can help overcome many of the



obstacles to health care delivery that particularly confront isolated rural communities and vulnerable urban communities. Telehealth offers enormous potential to improve access to certain services and improve patient outcomes through use of new technologies, such as remote patient monitoring (RPM) and access to specialty services, including mental health and addiction services.

We appreciate recent steps Congress has taken to strengthen access to broadband in rural areas, including additional funding for new pilot programs. However, according to the Federal Communications Commission (FCC), tens of millions of Americans still lack access to adequate broadband, and rural communities are more likely to be in need. Additional actions will further enable hospitals and health systems to meet the needs of their patients and communities through use of advanced communications technologies.

### **IMPORTANCE OF FCC'S RURAL HEALTH CARE PROGRAM**

The Rural Health Care (RHC) Program is essential to providing affordable broadband access to rural health care providers and supporting telehealth services that improve health outcomes in rural communities.

The AHA was pleased that the FCC recently voted to increase the program's annual cap to \$571 million after the cap remained static at \$400 million for more than 20 years. The increase represents what the funding level would be today had the cap, which was established in 1997, included an inflation adjustment. Going forward, the cap will be adjusted annually for inflation and allow unused funds from prior years to be carried forward to future years. These changes will enable rural health care providers to expand broadband connections in their communities.

We would encourage the FCC to conduct a systematic review of future needs for funding, given the growing use of health IT across the health care landscape. There are several other modifications that are needed to streamline and greater incentivize program participation. Specifically, the AHA recommends:

- **Allowing remote patient monitoring to be included as an eligible expense.** Remote monitoring enables providers to better manage care for patients with chronic conditions by increasing provider oversight to ensure compliance with treatment plans, pre-empting acute episodes and, for recently-discharged patients, reducing the likelihood of disruption and unnecessary readmissions.
- **Continuing existing policies that encourage provider participation in health care consortia, including non-rural and for-profit hospitals.** Many participants in the Healthcare Connect Fund (HCF) are part of health care provider consortia that facilitate the process of program participation and contracting for broadband services. These consortia serve a valuable role as they connect rural members with specialists who are often located in urban areas and facilitate rural adoption of communications-based trends in health care delivery, such as the move towards electronic health records. The FCC has considered increasing the share of consortia members that must be rural, which risks

making them less effective. The AHA also recommends that Congress act to allow for-profit entities in rural areas to benefit from the program. At a minimum, the FCC also should allow for-profit entities to participate in consortia, even if they cannot receive funding.

- **Addressing concerns over program efficiency and integrity while ensuring that health care providers continue to receive support necessary to meet growing demands.** The AHA supports ensuring that health care providers have the ability and incentives to efficiently select services that meet their connectivity demands at affordable rates. Congress should ensure that the FCC takes steps to identify any unjustified increases in pricing that drive up program costs; however, the FCC’s policy response cannot be to increase the out-of-pocket expenses for health care providers.

**Revising the definition of “rural” to be more inclusive.** The definition used by the FCC to determine whether health care providers are “rural” and, therefore, eligible for support, is quite restrictive. Other federal agencies, such as the Health Resources and Services Administration’s Office of Rural Health Policy, have adopted alternative definitions of rural that may be more inclusive and equitable. The AHA recommends Congress urge the FCC to evaluate the current definition and whether an alternative approach would be more inclusive, equitable and consistent with program objectives. The goal of the program should be to support all health care providers that provide essential health care services to individuals who reside in rural areas, notwithstanding their status according to the census.

- **Streamlining administration of the RHC Program.** The AHA’s members cite administrative burdens among the highest barriers to RHC Program participation. It is important to ensure integrity of the program, but, in doing so, the FCC must not impose unnecessarily onerous administrative burdens. A program that is too administratively burdensome will discourage health care providers from participating. Congress should urge the FCC to streamline and upgrade the RHC Program for those who participate so the available funds can be fully deployed in support of a broadband-connected rural health care system.

We also are pleased that the FCC is considering whether to establish a new \$100 million Connected Care Pilot Program to support telehealth for low-income Americans, especially those living in rural areas and veterans. We support creation of such a program, as long as it is separately funded, and does not compete with the Rural Health Care Program.

## **BROADBAND-ENABLED TELEHEALTH SERVICES IMPROVE HEALTH OUTCOMES FOR UNDERSERVED RURAL AREAS**

It is increasingly vital for health care providers to have reliable and robust broadband connections to manage daily operations and critical telehealth applications. Telehealth connects patients to vital health care services through videoconferencing, remote monitoring, electronic consults and wireless communications. Electronic health records enable efficient exchange of patient and treatment information by allowing providers to access digital copies of patients’

information, improving the continuity of care and reducing redundancies in treatment.<sup>ii</sup> Remote patient monitoring uses electronic communication to collect and transmit personal and medical data to remote health care providers, allowing providers to monitor a patient's health in real time after the patient has left the health care facility. New and innovative mobile health applications enable better patient-provider communications, encourage better patient self-management and health literacy, and promote positive changes in health and lifestyle.<sup>iii</sup> Telemedicine and mHealth are rapidly emerging as cost-effective solutions to overcoming many of the obstacles to health care delivery faced in isolated communities.

### **Challenges Expanding Access to Telehealth and Recommended Solutions**

According to AHA survey data, more than three-fourths of U.S. hospitals are using or implementing solutions to connect with patients and consulting practitioners at a distance through video and other technology. However, there are many barriers to wide use of telehealth. Coverage for telehealth services by public and private payers varies significantly, and whether payers cover and adequately reimburse providers for telehealth services is a complex and evolving issue. Absent adequate reimbursement and revenue streams, providers may face obstacles to investing in these technologies, especially hospitals that serve vulnerable rural and urban communities – where the need for these services may be the greatest. The challenge of cross-state licensure also looms as a major issue.

For example, while recent legislation expanded Medicare coverage for telehealth services for stroke patients, and the Centers for Medicare & Medicaid Services has proposed incremental increases in coverage, Medicare still limits coverage and payment for many telehealth services, lagging behind other payers. Current statute restricts telehealth services to patients located in rural areas and in specific settings (such as a hospital or physician office), covers only a limited number of services, and allows only real-time, two-way video conference capabilities. The AHA urges Congress to remove Medicare's limitations on telehealth by:

- eliminating geographic and setting requirements so patients outside of rural areas can benefit from telehealth;
- expanding the types of technology that can be used, including remote monitoring;
- covering all services that are safe to provide, rather than a small list of approved services; and
- including telehealth in new payment models.

Many hospitals and health systems also find that the infrastructure costs for telehealth – such as video conferencing equipment, adequate and reliable connectivity to other providers and staff training – are significant. Congress has provided funding for rural telehealth programs, but greater support is necessary. Another barrier is the need for physicians to be separately licensed in each state where a patient is located, which can be costly and administratively burdensome if a telehealth program operates in multiple states. To address this challenge, 22 states have signed onto the Interstate Medical Licensure Compact, which expedites cross-licensure among participating states.

Research and experience under the Medicare program suggest that policymakers' concerns about increased access to telehealth leading to increased spending may be overstated, particularly when weighed against the potential benefits in quality, patient experience and efficiency. However, there are insufficient studies on the cost- versus benefits of telehealth outside of a limited number of services, such as telestroke. More and better research is needed for other conditions and newer technologies, such as remote monitoring of patients.

The health care field is quickly moving from fee-for-service to a value-based delivery system. Success in new payment models, such as bundling, accountable care organizations and new physician payment models, will require flexibility to deploy telehealth, particularly as part of care management programs. CMS has shown some willingness to provide waivers, and Congress has expanded the ability of some accountable care organizations to use telehealth, but only in limited circumstances.

## CONCLUSION

Ensuring vulnerable communities in rural and urban areas can take full advantage of the benefits of telehealth solutions requires access to reliable and affordable broadband connections. Telehealth is changing health care delivery. Through videoconferencing, remote monitoring, electronic consultations and wireless communications, telehealth expands patient access to care while improving patient outcomes and satisfaction. Telehealth offers a wide-range of benefits, such as immediate access to care, less expensive and more convenient care options and improved care outcomes. The AHA appreciates the Subcommittee's focus on the importance of expanding broadband connectivity and removing barriers to improved access to health care through technology and telehealth.

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<sup>i</sup> AHA, Task Force on Ensuring Access in Vulnerable Communities (Nov. 29, 2016), <https://www.aha.org/system/files/content/16/ensuring-access-taskforce-report.pdf> (“AHA Vulnerable Communities Report”).

<sup>ii</sup> The Office of the National Coordinator for Health IT reports that nearly five out of every six hospitals have adopted a basic electronic health records system.

<sup>iii</sup> Frequently Asked Questions, HealthIT, <https://www.healthit.gov/providers-professionals/frequently-asked-questions/486#id155> (last accessed Jan. 25, 2018).