

106TH CONGRESS  
2D SESSION

# S. 2505

To amend title XVIII of the Social Security Act to provide increased access to health care for medicare beneficiaries through telemedicine.

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## IN THE SENATE OF THE UNITED STATES

MAY 4, 2000

Mr. JEFFORDS (for himself, Mr. ROCKEFELLER, Mr. GRASSLEY, Mr. BREAUX, Mr. MURKOWSKI, Mr. STEVENS, Mr. BOND, Mr. INOUE, Mr. HARKIN, Mr. ROBERTS, Mr. THOMAS, Mr. BINGAMAN, Mr. CONRAD, Mr. KERREY, and Mr. EDWARDS) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend title XVIII of the Social Security Act to provide increased access to health care for medicare beneficiaries through telemedicine.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

### 3   **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4       (a) **SHORT TITLE.**—This Act may be cited as the  
5       “Telehealth Improvement and Modernization Act of  
6       2000”.

7       (b) **TABLE OF CONTENTS.**—The table of contents of  
8       this Act is as follows:

4       Section 4206(b) of the Balanced Budget Act of 1997  
5       (42 U.S.C. 1395l note) is amended to read as follows:

8                   “(1) IN GENERAL.—The Secretary shall pay  
9           to—

17 “(B) the originating site a facility fee for  
18 facility services furnished in connection with  
19 such item or service.

1           “(2) APPLICATION OF PART B COINSURANCE  
 2           AND DEDUCTIBLE.—Any payment made under this  
 3           section shall be subject to the coinsurance and de-  
 4           ductible requirements under subsections (a)(1) and  
 5           (b) of section 1833 of the Social Security Act (42  
 6           U.S.C. 1395l).

7           “(3) DEFINITIONS.—In this subsection:

8                   “(A) DISTANT SITE.—The term ‘distant  
 9                   site’ means the site at which the physician or  
 10                  practitioner is located at the time the item or  
 11                  service is provided via a telecommunications  
 12                  system.

13                  “(B) FACILITY FEE.—The term ‘facility  
 14                  fee’ means an amount equal to—

15                           “(i) for 2000 and 2001, \$20; and

16                           “(ii) for a subsequent year, the facil-  
 17                           ity fee under this subsection for the pre-  
 18                           vious year increased by the percentage in-  
 19                           crease in the MEI (as defined in section  
 20                           1842(i)(3)) for such subsequent year.

21                  “(C) ORIGINATING SITE.—

22                           “(i) IN GENERAL.—The term ‘origi-  
 23                           nating site’ means the site described in  
 24                           clause (ii) at which the eligible telehealth  
 25                           beneficiary under the medicare program is

located at the time the item or service is  
provided via a telecommunications system.

“(ii) SITES DESCRIBED.—The sites  
described in this paragraph are as follows:

“(I) On or before January 1,  
2002, the office of a physician or a  
practitioner, a critical access hospital,  
a rural health clinic, and a Federally  
qualified health center.

“(II) On or before January 1,  
2003, a hospital, a skilled nursing fa-  
cility, a comprehensive outpatient re-  
habilitation facility, a renal dialysis  
facility, an ambulatory surgical center,  
an Indian Health Service facility, and  
a community mental health center.”.

**SEC. 3. ELIMINATION OF REQUIREMENT FOR TELEPRE-  
SENTER.**

Section 4206 of the Balanced Budget Act of 1997  
(42 U.S.C. 1395l note) is amended—

(1) in subsection (a), by striking “, notwith-  
standing that the individual physician” and all that  
follows before the period at the end; and

(2) by adding at the end the following new sub-  
section:

1       “(e) TELEPRESENTER NOT REQUIRED.—Nothing in  
 2 this section shall be construed as requiring an eligible tele-  
 3 health beneficiary to be presented by a physician or practi-  
 4 tioner for the provision of an item or service via a tele-  
 5 communications system.”.

6 **SEC. 4. REIMBURSEMENT FOR MEDICARE BENEFICIARIES**

7 **WHO DO NOT RESIDE IN A HPSA.**

8       Section 4206(a) of the Balanced Budget Act of 1997  
 9 (42 U.S.C. 1395l note), as amended by section 3, is  
 10 amended—

11           (1) by striking “IN GENERAL.—Not later than”  
 12 and inserting the following: “TELEHEALTH SERV-  
 13 ICES REIMBURSED.—

14           “(1) IN GENERAL.—Not later than”;

15           (2) by striking “furnishing a service for which  
 16 payment” and all that follows before the period and  
 17 inserting “to an eligible telehealth beneficiary”; and

18           (3) by adding at the end the following new  
 19 paragraph:

20           “(2) ELIGIBLE TELEHEALTH BENEFICIARY DE-  
 21 FINED.—In this section, the term ‘eligible telehealth  
 22 beneficiary’ means a beneficiary under the medicare  
 23 program under title XVIII of the Social Security Act  
 24 (42 U.S.C. 1395 et seq.) that resides in—

1           “(A) an area that is designated as a health  
 2           professional shortage area under section  
 3           332(a)(1)(A) of the Public Health Service Act  
 4           (42 U.S.C. 254e(a)(1)(A));

5           “(B) a county that is not included in a  
 6           Metropolitan Statistical Area;

7           “(C) an inner-city area that is medically  
 8           underserved (as defined in section 330(b)(3) of  
 9           the Public Health Service Act (42 U.S.C.  
 10          254b(b)(3))); or

11          “(D) an area in which there is a Federal  
 12          telemedicine demonstration program.”.

13 **SEC. 5. TELEHEALTH COVERAGE FOR DIRECT PATIENT**  
 14 **CARE.**

15          (a) IN GENERAL.—Section 4206 of the Balanced  
 16 Budget Act of 1997 (42 U.S.C. 1395l note), as amended  
 17 by section 4, is amended—

18           (1) in subsection (a)(1), by striking “profes-  
 19           sional consultation via telecommunications systems  
 20           with a physician” and inserting “items and services  
 21           for which payment may be made under such part  
 22           that are furnished via a telecommunications system  
 23           by a physician”; and

24           (2) by adding at the end the following new sub-  
 25           section:

1       “(f) COVERAGE OF ITEMS AND SERVICES.—Payment  
2 for items and services provided pursuant to subsection (a)  
3 shall include payment for professional consultations, office  
4 visits, office psychiatry services, including any service  
5 identified as of July 1, 2000, by HCPCS codes 99241–  
6 99275, 99201–99215, 90804–90815, and 90862, and any  
7 additional item or service specified by the Secretary.”.

8       (b) STUDY AND REPORT REGARDING ADDITIONAL  
9 ITEMS AND SERVICES.—

10           (1) STUDY.—The Secretary of Health and  
11 Human Services shall conduct a study to identify  
12 items and services in addition to those described in  
13 section 4206(f) of the Balanced Budget Act of 1997  
14 (as added by subsection (a)) that would be appro-  
15 priate to provide payment under title XVIII of the  
16 Social Security Act (42 U.S.C. 1395 et seq.).

17           (2) REPORT.—Not later than 2 years after the  
18 date of enactment of this Act, the Secretary shall  
19 submit a report to Congress on the study conducted  
20 under paragraph (1) together with such rec-  
21 ommendations for legislation that the Secretary de-  
22 termines are appropriate.

1 **SEC. 6. ALL PHYSICIANS AND PRACTITIONERS ELIGIBLE**  
 2 **FOR TELEHEALTH REIMBURSEMENT.**

3 Section 4206(a) of the Balanced Budget Act of 1997  
 4 (42 U.S.C. 1395l note), as amended by section 5, is  
 5 amended—

6 (1) in paragraph (1), by striking “(described in  
 7 section 1842(b)(18)(C) of such Act (42 U.S.C.  
 8 1395u(b)(18)(C))”; and

9 (2) by adding at the end the following new  
 10 paragraph:

11 “(3) PRACTITIONER DEFINED.—For purposes  
 12 of paragraph (1), the term ‘practitioner’ includes—

13 “(A) a practitioner described in section  
 14 1842(b)(18)(C) of the Social Security Act (42  
 15 U.S.C. 1395u(b)(18)(C)); and

16 “(B) a physical, occupational, or speech  
 17 therapist.”.

18 **SEC. 7. TELEHEALTH SERVICES PROVIDED USING STORE-**  
 19 **AND-FORWARD TECHNOLOGIES.**

20 Section 4206(a)(1) of the Balanced Budget Act of  
 21 1997 (42 U.S.C. 1395l note), as amended by section 6,  
 22 is amended by adding at the end the following new para-  
 23 graph:

24 “(4) USE OF STORE-AND-FORWARD TECH-  
 25 NOLOGIES.—For purposes of paragraph (1), in the  
 26 case of any Federal telemedicine demonstration pro-



1       gram in Alaska or Hawaii, the term ‘telecommuni-  
 2       cations system’ includes store-and-forward tech-  
 3       nologies that provide for the asynchronous trans-  
 4       mission of health care information in single or multi-  
 5       media formats.”.

6   **SEC. 8. CONSTRUCTION RELATING TO HOME HEALTH**  
 7       **SERVICES.**

8       Section 4206(a) of the Balanced Budget Act of 1997  
 9   (42 U.S.C. 1395l note), as amended by section 7, is  
 10   amended by adding at the end the following new para-  
 11   graph:

12           “(5) CONSTRUCTION RELATING TO HOME  
 13   HEALTH SERVICES.—

14           “(A) IN GENERAL.—Nothing in this sec-  
 15   tion or in section 1895 of the Social Security  
 16   Act (42 U.S.C. 1395fff) shall be construed as  
 17   preventing a home health agency that is receiv-  
 18   ing payment under the prospective payment  
 19   system described in such section from fur-  
 20   nishing a home health service via a tele-  
 21   communications system.

22           “(B) LIMITATION.—The Secretary shall  
 23   not consider a home health service provided in  
 24   the manner described in subparagraph (A) to  
 25   be a home health visit for purposes of—

1 “(i) determining the amount of pay-  
2 ment to be made under the prospective  
3 payment system established under section  
4 1895 of the Social Security Act (42 U.S.C.  
5 1395fff); or

6 “(ii) any requirement relating to the  
7 certification of a physician required under  
8 section 1814(a)(2)(C) of such Act (42  
9 U.S.C. 1395f(a)(2)(C)).”.

10 **SEC. 9. EFFECTIVE DATE.**

11 The amendments made by this Act shall apply to  
12 items and services provided on or after the date of enact-  
13 ment of this Act.

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