

108TH CONGRESS
2D SESSION

S. 2325

To strengthen telehealth programs.

IN THE SENATE OF THE UNITED STATES

APRIL 21, 2004

Mr. EDWARDS introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To strengthen telehealth programs.

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.**

4 This Act may be cited as the “Telehealth Improve-
5 ment Act of 2004”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

8 (1) 36,000,000 people of the United States lack
9 access to doctors who are willing or able to care for
10 them.

11 (2) Many individuals lack access to treatment
12 because appropriate transportation is too expensive

1 or limited by weather factors, or because the patient
2 involved is too sick to use the options that are avail-
3 able.

4 (3) Telehealth services can improve access to
5 quality health care and can help control skyrocketing
6 medical costs.

7 (4) Sophisticated audio and video telehealth
8 services link physicians and nurses with patients for
9 checkups and diagnoses. Those services give patients
10 access to quality health care without having to travel
11 to a hospital or doctor’s office, which is critical for
12 patients in rural and underserved urban areas and
13 for patients who have difficulty leaving their homes.

14 (5) Telehealth services have also been pivotal in
15 protecting lives during emergency situations, includ-
16 ing large-scale natural disasters.

17 (6) The Department of Commerce found that
18 the United States maintains a “competitive advan-
19 tage for exporting telehealth technologies and serv-
20 ices”, yet the “international market for telehealth
21 technologies and major projects has been largely
22 overlooked by U.S. industry”. A 2003 report by the
23 Department of Commerce stated that “with effective
24 marketing and responsiveness to sales opportunities,

1 American firms can also lead in world market
2 share”.

3 **SEC. 3. INCREASING TYPES OF ORIGINATING TELEHEALTH**
4 **SITES AND FACILITATING THE PROVISION OF**
5 **TELEHEALTH SERVICES ACROSS STATE**
6 **LINES.**

7 (a) INCREASING TYPES OF ORIGINATING SITES.—
8 Section 1834(m)(4)(C)(ii) of the Social Security Act (42
9 U.S.C. 1395m(m)(4)(C)(ii)) is amended by adding at the
10 end the following:

11 “(VI) A skilled nursing facility
12 (as defined in section 1819(a)).

13 “(VII) An assisted-living facility
14 (as defined by the Secretary).

15 “(VIII) A board-and-care home
16 (as defined by the Secretary).

17 “(IX) A county or community
18 health clinic (as defined by the Sec-
19 retary).

20 “(X) A community mental health
21 center (as described in section
22 1861(ff)(2)(B)).

23 “(XI) A facility operated by the
24 Indian Health Service or by an Indian
25 tribe, tribal organization, or an urban

1 Indian organization (as such terms
 2 are defined in section 4 of the Indian
 3 Health Care Improvement Act (25
 4 U.S.C. 1603)) directly, or under con-
 5 tract or other arrangement.

6 “(XII) A site in a State in which
 7 the respective State medical board has
 8 adopted a formal policy regarding li-
 9 censing or certification requirements
 10 for providers at distant sites who do
 11 not have a license to practice medicine
 12 at the originating site.”.

13 (b) EXPANDING ELIGIBILITY FOR REIMBURSE-
 14 MENT.—Section 1834(m)(4)(C)(i)(I) of the Social Secu-
 15 rity Act (42 U.S.C. 1395m(m)(4)(C)(i)(I)) is amended by
 16 striking “rural”.

17 **SEC. 4. STRENGTHENING TELEHEALTH SERVICES IN**
 18 **RURAL AND UNDERSERVED URBAN AMERICA.**

19 Subpart I of part D of title III of the Public Health
 20 Service Act (42 U.S.C. 254b et seq.) is amended—

21 (1) in section 330L—

22 (A) by redesignating subsection (b) as sub-
 23 section (c); and

24 (B) by inserting after subsection (a) the
 25 following:

1 “(b) CONFERENCE.—Within 1 year of the date of en-
2 actment of the Telehealth Improvement Act of 2004, the
3 Secretary shall convene a conference of State licensing
4 boards, local telehealth projects, health care practitioners,
5 and patient advocates to promote interstate licensure for
6 telehealth projects.”; and

7 (2) by adding at the end the following:

8 **“SEC. 330M. INTEGRATIVE ELDERCARE TELEHEALTH DEM-**
9 **ONSTRATION PROJECT.**

10 “(a) PURPOSES.—The purposes of this section are to
11 encourage the creation of programs to—

12 “(1) evaluate the use of telehealth services in
13 an integrative eldercare setting;

14 “(2) eliminate fragmented service delivery while
15 promoting enhanced continuity of care and more
16 simplified access to services;

17 “(3) develop community-based options that pro-
18 mote patient independence and leverage telehealth
19 services and equipment to enable the use of the most
20 cost-effective, least restrictive care settings; and

21 “(4) promote access for elderly patients in rural
22 and underserved urban areas to improvements in
23 medical technology and training across an integrated
24 spectrum of care; and to make health care services

1 more flexible and responsive to the diverse and chang-
2 ing needs of elderly patients in rural areas.

3 “(b) GRANTS AUTHORIZED—

4 “(1) IN GENERAL.—The Director may award
5 grants to eligible providers for projects to dem-
6 onstrate how telehealth technologies can be used
7 through telehealth networks in rural areas, frontier
8 communities, and medically underserved areas, and
9 for medically underserved populations, to—

10 “(A) expand access to, coordinate, and im-
11 prove the quality of health care services;

12 “(B) improve and expand the training of
13 health care providers; and

14 “(C) expand and improve the quality of
15 health information available to health care pro-
16 viders, and patients and their families, for deci-
17 sionmaking.

18 “(2) GRANT PERIOD.—The Director shall
19 award grants under this subsection for a period of
20 up to 4 years.

21 “(3) NUMBER OF GRANTS.—Not to exceed 20
22 grants shall be awarded under this subsection, of
23 which at least $\frac{1}{2}$ shall be dedicated to providing
24 services in rural communities.

1 “(c) USE OF FUNDS.—Grants awarded pursuant to
2 subsection (b) may be used for activities including—

3 “(1) improving access to coordinated health
4 care services at the lowest intensity and resource
5 level of care consistent with quality health care serv-
6 ices and optimal patient outcomes, improving the
7 quality of such care, increasing patient satisfaction
8 with such care, and reducing the cost of such care
9 through advanced telecommunication technologies;

10 “(2) developing effective care management
11 practices and educational curricula to train health
12 care professionals, paraprofessionals, and caregivers,
13 including family members, and to increase the gen-
14 eral level of competency of such individuals through
15 such training; and

16 “(3) developing curricula to train health care
17 professionals, paraprofessionals, and caregivers, in-
18 cluding family members, serving integrative
19 eldercare patients in the use of telecommunications.

20 “(d) APPLICATIONS.—To be eligible to receive a
21 grant under subsection (b), an eligible provider, in con-
22 sultation with the appropriate State office of rural health
23 or another appropriate State entity, shall prepare and sub-
24 mit to the Director an application, at such time, in such

1 manner, and containing such information as the Director
2 may require, including—

3 “(1) a description of the project that the eligi-
4 ble entity will carry out using the funds provided
5 under the grant;

6 “(2) a description of the manner in which the
7 project funded under the grant will meet the health
8 care needs of rural or other populations to be served
9 through the project, or improve the access to serv-
10 ices of, and the quality of the services received by,
11 those populations;

12 “(3) evidence of local support for the project,
13 and a description of how the areas, communities, or
14 populations to be served will be involved in the devel-
15 opment and ongoing operations of the project;

16 “(4) a plan for sustaining the project after Fed-
17 eral support for the project has ended;

18 “(5) information on the source and amount of
19 non-Federal funds that the entity will provide for
20 the project;

21 “(6) information demonstrating the long-term
22 viability of the project, and other evidence of institu-
23 tional commitment of the entity to the project;

24 “(7) in the case of an application for a project
25 involving a telehealth network, information dem-

1 onstrating how the project will promote the integra-
2 tion of telehealth technologies into the operations of
3 health care providers, to avoid redundancy, and im-
4 prove access to and the quality of care; and

5 “(8) other such information as the Director de-
6 termines to be appropriate.

7 “(e) REPORT.—

8 “(1) FINAL REPORT.—Not later than 9 months
9 after the date of termination of the last grant to be
10 awarded under this section, the Director shall sub-
11 mit to Congress a final report—

12 “(A) describing the results of the programs
13 funded by grants awarded pursuant to this sec-
14 tion; and

15 “(B) evaluating the impact of the use of
16 telehealth services in an integrative eldercare
17 setting on—

18 “(i) access to care for patients served
19 by integrative eldercare programs; and

20 “(ii) the quality of, patient satisfac-
21 tion with, and the cost of, such care.

22 “(2) ENSURING ACCESS TO QUALITY CARE.—In
23 conducting the evaluation under paragraph (1)(B),
24 the Director shall—

1 “(A) give special consideration to the im-
2 pact of programs funded under this section on
3 face-to-face access to medical providers; and

4 “(B) develop specific measures to evaluate
5 the quality of care provided to those partici-
6 pating in such programs to ensure that tele-
7 health augments the plan of care.

8 “(f) ELIGIBLE PROVIDER.—The term ‘eligible pro-
9 vider’ means a consortia of home and facility-based care
10 providers that includes providers from no less than 2 of
11 the following:

12 “(1) An adult congregate care facility.

13 “(2) A continuing care retirement community.

14 “(3) An assisted living facility.

15 “(4) An Alzheimer’s facility.

16 “(5) An institutional hospice facility.

17 “(6) A residential care facility.

18 “(7) An adult foster home.

19 “(8) A State-licensed nursing home, including a
20 skilled nursing facility, an intermediate care facility,
21 licensed home health provider or other health care
22 provider that the Director deems appropriate and
23 consistent with the purposes of this section.

24 “(g) DEFINITIONS.—In this section:

1 “(1) DIRECTOR; OFFICE.—The terms ‘Director’
2 and ‘Office’ mean the Director of the Office for the
3 Advancement of Telehealth and the Office for the
4 Advancement of Telehealth.

5 “(2) INTEGRATIVE ELDERCARE.—The term ‘in-
6 tegrative eldercare’ includes case management and
7 coordination of care for elderly patients recovering
8 from acute illness or coping with chronic disease at
9 the lowest intensity and resource level of care con-
10 sistent with quality health care services and optimal
11 patient outcomes.

12 “(3) TELEHEALTH SERVICES.—The term ‘tele-
13 health services’ means services provided through
14 telehealth technologies.

15 “(4) TELEHEALTH TECHNOLOGIES.—The term
16 ‘telehealth technologies’ means technologies relating
17 to the use of electronic information, and tele-
18 communications technologies, to support and pro-
19 mote, at a distance, health care, patient and profes-
20 sional health-related education, health administra-
21 tion, and public health.

22 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
23 are authorized to be appropriated to the Office for the Ad-
24 vancement of Telehealth to carry out this section

1 \$30,000,000 for fiscal year 2005 and such sums as may
2 be necessary for each of fiscal years 2006 through 2008.

3 **“SEC. 330N. AMERICAN INDIAN AND ALASKA NATIVE TELE-**
4 **HEALTH DEMONSTRATION PROJECT.**

5 “(a) PURPOSE.—The purpose of this section is to
6 evaluate the use of telehealth services in areas under the
7 jurisdiction of Indian tribes or tribal organizations, includ-
8 ing efforts to develop more effective case management for
9 chronic and acute disease and preventive health care pro-
10 grams.

11 “(b) GRANTS AUTHORIZED.—

12 “(1) IN GENERAL.—The Director may award
13 grants to eligible providers, individually or as part of
14 a network of eligible providers, for the provision of
15 telehealth services to improve patient care, prevent
16 health care complications, improve patient outcomes,
17 and achieve efficiencies in the delivery of care to pa-
18 tients who reside in areas under the jurisdiction of
19 Indian tribes or tribal organizations.

20 “(2) GRANT PERIOD.—The Director shall
21 award grants under this section for a period of up
22 to 4 years.

23 “(3) NUMBER OF GRANTS.—Not to exceed 20
24 grants shall be awarded under this section, of which

1 at least 1/2 shall be dedicated to providing services
2 in rural communities.

3 “(c) USE OF FUNDS.—Grants awarded under this
4 section may be used for activities including—

5 “(1) improving access to care for home care pa-
6 tients served by eligible providers, improving the
7 quality of such care, increasing patient satisfaction
8 with such care, and reducing the cost of such care
9 through advanced telecommunication technologies;

10 “(2) developing effective telehealth management
11 practices and educational curricula to train health
12 professionals and paraprofessionals and increase
13 their general level of competency through such train-
14 ing; and

15 “(3) developing curricula to train health care
16 professionals and paraprofessionals serving patients
17 of eligible providers in the use of telecommuni-
18 cations.

19 “(d) COLLABORATION.—The Director shall ensure
20 that eligible providers receiving grants under this section
21 collaborate to enable comparisons across programs and to
22 share relevant, de-identified information to better facili-
23 tate program performance evaluation.

24 “(e) APPLICATIONS.—To be eligible to receive a grant
25 under subsection (b), an eligible entity, in consultation

1 with the appropriate State office of rural health or another
2 appropriate State entity, shall prepare and submit to the
3 Director an application, at such time, in such manner, and
4 containing such information as the Director may require,
5 including—

6 “(1) a description of the project that the eligi-
7 ble entity will carry out using the funds provided
8 under the grant;

9 “(2) a description of the manner in which the
10 project funded under the grant will meet the health
11 care needs of rural or other populations to be served
12 through the project, or improve the access to serv-
13 ices of, and the quality of the services received by,
14 those populations;

15 “(3) evidence of local support for the project,
16 and a description of how the areas, communities, or
17 populations to be served will be involved in the devel-
18 opment and ongoing operations of the project;

19 “(4) a plan for sustaining the project after Fed-
20 eral support for the project has ended;

21 “(5) information on the source and amount of
22 non-Federal funds that the entity will provide for
23 the project;

1 “(6) information demonstrating the long-term
2 viability of the project, and other evidence of institu-
3 tional commitment of the entity to the project;

4 “(7) in the case of an application for a project
5 involving a telehealth network, information dem-
6 onstrating how the project will promote the integra-
7 tion of telehealth technologies into the operations of
8 health care providers, to avoid redundancy, and im-
9 prove access to and the quality of care; and

10 “(8) other such information as the Director de-
11 termines to be appropriate.

12 “(f) REPORT.—

13 “(1) FINAL REPORT.—Not later than 9 months
14 after the date of termination of the last grant to be
15 awarded under this section, the Director shall sub-
16 mit to Congress a final report—

17 “(A) describing the results of the programs
18 funded by grants awarded pursuant to this sec-
19 tion; and

20 “(B) evaluating the impact of telehealth
21 services in an institutional long-term care set-
22 ting on—

23 “(i) access to care for patients of eli-
24 gible providers; and

1 “(ii) the quality of, patient satisfac-
2 tion with, and the cost of, such care.

3 “(2) ENSURING ACCESS TO QUALITY CARE.—In
4 conducting the evaluation under paragraph (1)(B),
5 the Director shall—

6 “(A) give special consideration to the im-
7 pact of programs funded under this section on
8 face-to-face access to medical providers; and

9 “(B) develop specific measures to evaluate
10 the quality of care provided to those partici-
11 pating in such programs to ensure that tele-
12 medicine augments the plan of care.

13 “(g) DEFINITIONS.—In this section:

14 “(1) DIRECTOR; OFFICE.—The terms ‘Director’
15 and ‘Office’ mean the Director of the Office for the
16 Advancement of Telehealth and the Office for the
17 Advancement of Telehealth.

18 “(2) ELIGIBLE PROVIDER.—The term ‘eligible
19 provider’ includes any public or private nonprofit
20 health care provider a majority of whose patient
21 practice is Native American or any Indian tribe or
22 tribal organization that provides health care services
23 for its members.

24 “(3) INDIAN TRIBE.—The term ‘Indian tribe’
25 has the meaning given such term in section 4 of the

1 Indian Self-Determination and Education Assistance
2 Act (25 U.S.C. 450b).

3 “(4) NATIVE AMERICAN.—The term ‘Native
4 American’ means a member of an Indian tribe, a
5 Native Hawaiian (as defined in section 338K(c)), or
6 a Native American Pacific Islander.

7 “(5) NATIVE AMERICAN PACIFIC ISLANDER.—
8 The term ‘Native American Pacific Islander’ means
9 an individual who is indigenous to a United States
10 territory or possession located in the Pacific Ocean.

11 “(6) TRIBAL ORGANIZATION.—The term “tribal
12 organization” has the meaning given such term in
13 section 4 of the Indian Self-Determination and Edu-
14 cation Assistance Act (25 U.S.C. 450b).

15 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
16 are authorized to be appropriated to carry out this section
17 \$30,000,000 for fiscal year 2005 and such sums as may
18 be necessary for each of fiscal years 2006 through 2008.

19 **“SEC. 3300. ORAL HEALTH TELEHEALTH DEMONSTRATION**
20 **PROJECT.**

21 “(a) PURPOSE.—The purpose of this section is to
22 evaluate the use of telehealth services to expand access
23 to oral health services and improve oral health outcomes
24 among rural and underserved urban patients.

25 “(b) GRANTS AUTHORIZED.—

1 “(1) IN GENERAL.—The Director is authorized
2 to award competitive grants to eligible providers, in-
3 dividually or as part of a network of eligible pro-
4 viders, for the provision of oral health services to im-
5 prove patient care, prevent health care complica-
6 tions, improve patient outcomes, and achieve effi-
7 ciencies in the delivery of oral health care to patients
8 who reside in rural areas.

9 “(2) GRANT PERIOD.—The Director shall
10 award grants under this section for a period of up
11 to 4 years.

12 “(3) NUMBER OF GRANTS.—The number of
13 grants awarded under this section shall not exceed
14 10 grants.

15 “(c) USE OF FUNDS.—Grants awarded pursuant to
16 subsection (b) may be used for activities including—

17 “(1) improving access to care for rural and un-
18 derserved urban patients served by eligible providers,
19 improving the quality of that care, increasing patient
20 satisfaction with that care, and reducing the cost of
21 that care through advanced telecommunication tech-
22 nologies;

23 “(2) developing effective oral telehealth care
24 management practices and educational curricula to
25 train oral health professionals and paraprofessionals

1 and increase their general level of competency
2 through that training; and

3 “(3) developing curricula to train health care
4 professionals and paraprofessionals, serving rural
5 and underserved urban patients in the use of tele-
6 communications.

7 “(d) APPLICATIONS.—To be eligible to receive a
8 grant under subsection (b), an eligible entity, in consulta-
9 tion with the appropriate State office of rural health or
10 another appropriate State entity, shall prepare and submit
11 to the Director an application, at such time, in such man-
12 ner, and containing such information as the Director may
13 require, including—

14 “(1) a description of the project that the eligi-
15 ble entity will carry out using the funds provided
16 under the grant;

17 “(2) a description of the manner in which the
18 project funded under the grant will meet the health
19 care needs of rural or other populations to be served
20 through the project, or improve the access to serv-
21 ices of, and the quality of the services received by,
22 those populations;

23 “(3) evidence of local support for the project,
24 and a description of how the areas, communities, or

1 populations to be served will be involved in the devel-
2 opment and ongoing operations of the project;

3 “(4) a plan for sustaining the project after Fed-
4 eral support for the project has ended;

5 “(5) information on the source and amount of
6 non-Federal funds that the entity will provide for
7 the project;

8 “(6) information demonstrating the long-term
9 viability of the project, and other evidence of institu-
10 tional commitment of the entity to the project;

11 “(7) in the case of an application for a project
12 involving a telehealth network, information dem-
13 onstrating how the project will promote the integra-
14 tion of telehealth technologies into the operations of
15 health care providers, to avoid redundancy, and im-
16 prove access to and the quality of care; and

17 “(8) other such information as the Director de-
18 termines to be appropriate.

19 “(e) REPORT.—

20 “(1) FINAL REPORT.—Not later than 9 months
21 after the date of termination of the last grant to be
22 awarded under this section, the Director shall sub-
23 mit to Congress a final report—

1 “(A) describing the results of the programs
2 funded by grants awarded pursuant to this sec-
3 tion; and

4 “(B) including an evaluation of the impact
5 of the use of oral telehealth services on—

6 “(i) access to oral health care for
7 rural patients; and

8 “(ii) the quality of, patient satisfac-
9 tion with, and the cost of, that care.

10 “(2) ENSURING ACCESS TO QUALITY CARE.—In
11 conducting the evaluation under paragraph (1)(B),
12 the Director shall—

13 “(A) give special consideration to the im-
14 pact of programs funded under this section on
15 face-to-face access to medical providers; and

16 “(B) develop specific measures to evaluate
17 the quality of care provided to those partici-
18 pating in such programs to ensure that tele-
19 medicine augments the plan of care.

20 “(f) DEFINITION OF ELIGIBLE PROVIDER.—In this
21 section the term ‘eligible provider’ includes dentists,
22 periodontists, orthodontists, dental and oral health clinics,
23 and schools of dentistry and oral health, where a majority
24 of the patient population resides in a rural area, and may

1 include other rural oral health providers that the Director
2 deems appropriate.

3 “(g) AUTHORIZATION OF APPROPRIATIONS.—There
4 are authorized to be appropriated to carry out this section
5 \$30,000,000 for fiscal year 2005 and such sums as may
6 be necessary for each of fiscal years 2006 through 2008.”.

7 **SEC. 5. JOINT WORKING GROUP ON TELEHEALTH.**

8 (a) IN GENERAL.—

9 (1) REPRESENTATION OF RURAL AREAS.—The
10 Secretary of Health and Human Services shall es-
11 tablish, within the Health Resources and Services
12 Administration Office for the Advancement of Tele-
13 health, and under the leadership of the Director of
14 the Office for the Advancement of Telehealth, a
15 Joint Working Group on Telehealth. In establishing
16 such Group, the Secretary shall ensure that all rel-
17 evant Federal agencies are represented and that
18 input from relevant industry groups, including rep-
19 resentatives of rural areas and medically under-
20 served areas, is fully considered.

21 (2) MISSION.—The mission of the Joint Work-
22 ing Group on Telehealth is—

23 (A) to identify, monitor, and coordinate
24 Federal telehealth projects, data sets, and pro-
25 grams;

1 (B) to analyze—

2 (i) how telehealth systems are expand-
3 ing access to health care services, edu-
4 cation, and information;

5 (ii) the clinical, educational, or admin-
6 istrative efficacy and cost-effectiveness of
7 telehealth applications; and

8 (iii) the quality of the telehealth serv-
9 ices delivered; and

10 (C) to make further recommendations for
11 coordinating Federal and State efforts to in-
12 crease access to health services, education, and
13 information in rural and medically underserved
14 areas.

15 (3) ANNUAL REPORTS.—Not later than 2 years
16 after the date of enactment of this Act, and each
17 January 1 thereafter, the Joint Working Group on
18 Telehealth shall submit to Congress a report on the
19 status of the Group’s mission and the state of the
20 telehealth field generally.

21 (b) REPORT SPECIFICS.—The annual report required
22 under subsection (a)(3) shall provide—

23 (1) an analysis of—

24 (A) the matters described in subsection

25 (a)(2)(B);

1 (B) Federal activities with respect to tele-
2 health; and

3 (C) the process of the Joint Working
4 Group on Telehealth's efforts to coordinate
5 Federal telehealth programs; and

6 (2) recommendations for a coordinated Federal
7 strategy to increase health care access through tele-
8 health.

9 (c) AUTHORIZATION OF APPROPRIATIONS.—There
10 are authorized to be appropriated such sums as may be
11 necessary to enable the Joint Working Group on Tele-
12 health to carry out this section.

○