

Statement for the Record

Submitted by

The Premier Inc. healthcare alliance

“COVID-19 Health Care Flexibilities: Perspectives, Experiences, and Lessons Learned”

Senate Finance Committee

May 19, 2021

The Premier healthcare alliance appreciates the opportunity to submit a statement for the record on the Senate Finance Committee hearing titled “COVID-19 Health Care Flexibilities: Perspectives, Experiences, and Lessons Learned” on May 19, 2021. We applaud the leadership of Chairman Wyden and Ranking Member Crapo and members of the Committee for holding this hearing to evaluate the lessons learned during the pandemic and what the important flexibilities that have played in safely expanding access to care during the pandemic and options to extend telehealth capabilities into the future.

Many of the waivers and temporary regulatory changes granted during this period have significantly improved healthcare providers’ ability to combat the epidemic. These actions have also highlighted key opportunities to modernize healthcare delivery by removing outdated regulations. Premier’s hope is that by identifying temporary policies that proved successful in improving and innovating healthcare for Americans during this challenging time, we can pinpoint changes that should be made permanent or implemented on a broader scale beyond the pandemic.

Safely Treating Patients through Telehealth

Premier greatly appreciates Congress acting to broadly expand permitted uses of telemedicine and telehealth during the public health emergency in the *Coronavirus Preparedness and Response Supplemental Appropriations Act* and the *Coronavirus Aid, Relief, and Economic Security (CARES) Act*. These provisions have allowed beneficiaries beyond just those in rural areas to receive telehealth services in their home from an expanded set of providers, including through audio-only communications, and provided payments to match in-office rate for clinicians who typically provide care in an office. As such, telehealth has provided a lifeline during the pandemic for individuals in all geographic areas who still need access to healthcare when traditional care delivery approaches are interrupted.

Premier data for more than 30,000 ambulatory providers nationwide shows that the use of virtual visits in the outpatient space have averaged 14.2 percent since the pandemic (an increase of nearly 30X compared to pre-pandemic) with a 31 percent better no-show rate than in-person visits. With this concentrated experience over the past year, providers have learned how to best deploy telehealth and patients are overwhelmingly reporting high satisfaction with their virtual care visits. As a result, it is now seen as a valuable and potentially cost-effective addition to healthcare delivery.

As health systems and providers continue to support their communities and navigate a new normal after the pandemic, they are concerned that a retreat to prior rules will limit provider care delivery innovation for Medicare beneficiaries. A permanent expansion of telehealth policies will require appropriate guardrails. Recognizing more

time is needed to determine the best approaches for permanent telehealth expansion in fee-for-service, **Premier urges Congress to permanently extend to all alternative payment models (APMs) the telehealth coverage and payment policies that were operationalized under the public health emergency.** Providers in APMs are incented to use telehealth only when it is most appropriate as they are responsible for the cost of care and improving quality. A survey¹ conducted by Premier found that providers participating in accountable care organizations (ACOs) drew heavily on their population health capabilities to manage COVID-19 cases and keep people staying at home healthy, including by quickly ramping up the use of telehealth.

We believe Congress should immediately start with allowing greater flexibility around the types of technology that can be used, adopting additional services, and exploring additional telehealth flexibilities through Center for Medicare & Medicaid Innovation (CMMI) models and other Medicare APMs. While telehealth waivers are available for APMs, they are far more limited than the waivers provided during the public health emergency. The greatest flexibility should be awarded in models in which providers bear downside risk, such as in global budgets and capitated payments. Providing greater telehealth flexibility in models will be a tremendous incentive for providers to transition from fee-for-service to value and total-cost-of-care and other risk-based models.

As Congress considers how to make expanded telehealth a permanent part of our healthcare system, we also encourage lawmakers to explore increasing telehealth access across all of Medicare fee-for-service and Medicare Advantage by granting Centers for Medicare & Medicaid (CMS) greater authority to set regulation on allowable health services and payment for telehealth services.

With appropriate guardrails, Congress should also take action to:

- Provide temporary state licensing reciprocity for telehealth during the pandemic by passing the Temporary Reciprocity to Ensure Access to Treatment (TREAT) Act ([S. 168](#) / [H.R. 708](#)).
- Ensure audio-only telehealth continues to be an effective source of healthcare for all seniors during the course of the COVID-19 public health emergency by passing the [Ensuring Parity in MA for Audio Only-Telehealth Act \(S. 150\)](#). This bill would count diagnoses obtained from audio-only telehealth services for risk adjustment purposes under the Medicare Advantage program to ensure that health costs are adequately covered while providing the information care teams need to manage patient care.

Ensuring Continued Movement to Value-Based Care

The pandemic has required greater care coordination across the traditional healthcare silos as providers work to manage infected patients in the most effective settings. According to a Premier surveyⁱ, leading health systems and providers operating in value models were able to rapidly implement strategies to respond to COVID-19, expanding care management, call centers and remote/home monitoring and other capabilities to respond to COVID-19. Moreover, if we had made more progress in value-based care prior to COVID-19, with more entities in global budgets or capitation, we could have avoided the financial challenges many providers faced. We urge Congress to support a continued emphasis on movement to value by:

- Incenting providers to move to downside risk arrangements by extending the Advanced APM bonus by five years and giving CMS the authority to set the thresholds to qualify for the bonus;

¹ <https://www.premierinc.com/newsroom/press-releases/premier-inc-survey-clinically-integrated-networks-in-alternative-payment-models-expanded-value-based-care-capabilities-to-manage-covid-19-surge>

- Fixing a perverse flaw in the Medicare Shared Savings Program that penalizes organizations in certain communities that are achieving savings for the Medicare program by including their ACO population in their spending benchmark calculation; and
- Removing risk adjustment caps from value models so that the complexity of patients is recognized in the benchmark.

Conclusion

In closing, the COVID-19 public health emergency has illuminated the need to allow more flexibility in Medicare payment and delivery system models so that providers can tailor care to the specific needs of beneficiaries and their communities. This is especially true for providers serving rural and underserved communities. Congress and the Administration can build on the limited flexibilities for telehealth and APMs granted during the public health emergency and make other key changes to open doors to providers who are seeking to better serve their Medicare populations through accountable delivery system models that focus on care coordination, improved outcomes and value.

The Premier healthcare alliance appreciates the opportunity to submit a statement for the record on the Senate Finance Committee hearing on COVID-19 healthcare flexibilities. Premier is available as a resource and looks forward to working with Congress as it considers policy options to continue to address this very important issue.

If you have any questions regarding our comments or need more information, please contact Blair Childs, Senior Vice President of Public Affairs, at blair_childs@premierinc.com.

ⁱ <https://www.premierinc.com/newsroom/press-releases/premier-inc-survey-clinically-integrated-networks-in-alternative-payment-models-expanded-value-based-care-capabilities-to-manage-covid-19-surge>