



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of
Health and Social Services

ALASKA COMMISSION ON AGING

P.O. Box 110693
Juneau, Alaska 99811-0693
Main: 907.465.3250
Fax: 907.465.1398

March 21, 2019

Representative Ivy Spohnholz
Alaska State Capitol, Room 421
Juneau, Alaska 99811-0001

Subject: ACoA Letter of Support, HB 29

Dear Representative Spohnholz:

The Alaska Commission on Aging is pleased to offer support for HB 29, "Insurance Coverage for Telehealth" authored by you. This legislation, designed to improve access to primary care, behavioral health, and urgent care services in rural, remote and urban areas of Alaska, seeks to modernize Alaska's private payer insurance plans and Medicaid by allowing reimbursement for telehealth services. Currently, 39 states have passed laws that govern private payer telehealth reimbursement policy. Through passage of HB 29, Alaska will expand provider reimbursement to include primary care, in addition to existing coverage of mental health/behavioral health care services, by Medicaid and private payer insurance plans regulated by the State.

SB 74, passed by the legislature in 2016, enacted comprehensive reform of Alaska's Medicaid program through a series of 16 different initiatives for implementation by the Department of Health and Social Services. One of these initiatives included expanded use of telehealth practices in Alaska. HB 29 builds on this initiative by expanding telehealth from coverage of behavioral health to include primary health care. The Commission believes that HB 29 will enhance statewide access to health care for more Alaskans at a lower cost, reduce the need for expensive medical travel, improve access to specialty care, and enhance patient outcomes.

While Medicaid and tribal health care plans already cover telehealth services, Medicare does not provide this coverage as telehealth does not meet Medicare's "face to face" requirement for delivering health care. New federal guidance from the Centers for Medicare and Medicaid, as required by the Bipartisan Budget Act of 2018, proposes to broaden coverage and allow clinically-appropriate telehealth services under Medicare Advantage plans that would take effect in the 2020 coverage year. These services would cover telehealth visits from the beneficiaries' homes, instead of patients needing to go to health care facilities to receive the covered telehealth services. Medicare Advantage is not yet available in Alaska, however, there has been growing interest in exploring managed care plans as a means to control costs in our State. The Commission on Aging will be following these developments.

Telehealth has benefits for older adults particularly for those age 55 to 64 who are insured by Medicaid or a private payer insurance. Among those in the Medicaid Expansion population, adults age 55 to 64 are the second most numerous age category (10,721) behind young adults age 19 to 34 (19,631) and represent 22% of this population (DHSS Medicaid in Alaska Dashboard, February 2019). As a less expensive form of health care, there is expectation that increased utilization of telehealth care services will improve patient access to primary care, behavioral health care, and minor acute care services thereby reducing the amount of expensive emergency services attributed to lack of routine care and monitoring of health care conditions. Older adults, age 55 to 64, with access to primary care often enter Medicare with better health requiring less costly services and unnecessary higher cost care.

Access to health care is consistently identified as the #1 priority for Alaskans age 55 and older in surveys conducted by the Commission. During community forums, seniors have expressed their support for telehealth services in order to address Alaska's shortage of healthcare providers, improve access to specialty services such as geriatric health care and dementia care, and enhance access to health care in rural and remote settings using licensed health care providers.

The Alaska Commission on Aging supports HB 29 and telehealth services as a means to improve access to comprehensive, affordable health care services for more Alaskans. The Health Resources Services Administration defines Alaska as a "medically underserved area" with too few primary care providers to support the health care needs of our state's population. We believe that HB 29 will help to increase access to health care, which is particularly important for rural Alaska and older people.

Thank you for your leadership on HB 29. Please contact Denise Daniello, ACoA's Executive Director, at 465-4879 or denise.daniello@alaska.gov for further information.

Sincerely,



Gordon Glaser
Chair, Alaska Commission on Aging

Sincerely,



Denise Daniello
Executive Director, Alaska Commission on Aging