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March 10, 2022

Senator David Wilson, Chair
Senate Health & Social Services Committee
Alaska State Capitol
120 4th Street
Juneau, Alaska 99801

Representative Liz Snyder, Co-Chair
House Health & Social Services Committee
Alaska State Capitol
120 4th Street
Juneau, Alaska 99801

Representative Tiffany Zulkosky, Co-Chair
House Health & Social Services Committee
Alaska State Capitol
120 4th Street
Juneau, Alaska 99801

Dear Chair Wilson, Co-Chair Snyder, and Co-Chair Zulkosky:

AHIP appreciates the opportunity to provide feedback on HB 265 and SB 175 concerning the delivery of telehealth services in Alaska.

Health insurance providers support the appropriate use of telehealth to provide access to necessary medical services and reduce health care costs for our members. AHIP applauds Alaska's commitment to remove regulatory barriers to increase patient access to health care services provided through telehealth. We share your commitment to this effort and ask that you take the following feedback into consideration.

AHIP has concerns with provisions contained in these bills which would require a fee for a service provided through telehealth to be "reasonable and consistent with the ordinary fee typically charged for that service".

AHIP does not support telehealth payment parity compared to in-person care and requests that the language in HB 265 and SB 175 be amended to the following:

> *"A fee for a service delivered through telehealth under this section that does not exceed the fee that is applicable, when the services are delivered through in-person contact and consultation."*

Telehealth visits do not always require the same level of intensity, same amount of time, or the same equipment as in-person visits and are not a replacement for all in-person care. AHIP believes it is inappropriate for telehealth services to be paid the same rate as its in-person counterpart because they are not the same. Patients are unable to get physical examinations through telehealth services and may require additional in-person follow-up. In addition, we do not want to create incentives to substitute a telehealth visit for a necessary visit.

A mandate requiring health insurance providers to pay the same for a telehealth visit as the in-person visit will likely impact affordability. National data from Teladoc and Health Affairs indicate that average reimbursement rates for telehealth services are one half or less of the reimbursement rates compared to in-person office visits. [1]

[1] Teladoc Health, Comment Letter on Proposed Legislation Oregon H 2693 (Jan. 28, 2019).; Ashwood, J. Scott, et al. "Direct-To-Consumer Telehealth May Increase Access To Care But Does Not Decrease Spending." Health Affairs, Vol. 36, No. 3: Delivery System Innovation, Mar. 2017, www.healthaffairs.org/doi/full/10.1377/hlthaff.2016.1130.

For patients with coinsurance or who have not met their deductible, mandating a higher reimbursement rate for a telehealth visit will directly translate to higher out-of-pocket costs to the patient. Telehealth savings are passed on to employers and consumers through lower premium rates or more robust health insurance coverage benefits, and directly to patients through lower cost-shares, such as coinsurance or unmet deductibles. Again, we urge you to allow health insurance providers the flexibility in negotiating appropriate payment rates for telehealth services.

Moving beyond our concerns with the payment parity requirements imposed by HB 265 and SB 175, AHIP offers the following feedback for your consideration:

- AHIP appreciates that these bills provide flexibility in allowing out-of-state providers to deliver telehealth services in Alaska. However, given existing provider limitations in Alaska, we recommend additional flexibility be given to allow out-of-state providers to provide telehealth services to Alaskans.

- AHIP is supportive of the broader definition of health care providers who can deliver care through telehealth included in these bills. However, we would suggest additional flexibility be provided to accommodate new innovations that may be developed in the future. For example, if a new specialty tool through which a provider could effectively practice medicine were to be developed, this bill would need to be amended to accommodate that tool.

- AHIP appreciates the provisions in these bills which would ensure that all services delivered through telehealth must comply with the Health Insurance Portability and Accountability Act of 1996 (P.L. 104-191) and the safeguards against fraud, waste, and abuse.

Thank you for your consideration of our concerns. We appreciate the opportunity to provide comments on HB 265 and SB 175. AHIP and our members stand ready to work with you and look forward to continued discussions on this important issue. If you have any questions about the concerns raised in this letter, please contact me at ktebbutt@ahip.org or (720) 556-8908.

Sincerely,

Karlee Tebbutt

Karlee Tebbutt
Regional Director, State Affairs
AHIP – Guiding Greater Health[2]

Cc: Members of the Senate Health & Social Services Committee
Members of the House Health & Social Services Committee

[2] AHIP is the national association whose members provide health care coverage, services, and solutions to hundreds of millions of Americans every day. We are committed to market-based solutions and public-private partnerships that make health care better and coverage more affordable and accessible for everyone. Visit www.ahip.org to learn how working together, we are Guiding Greater Health.

ata ACTION
Telehealth Policy to Transform Healthcare

February 16, 2022

The Honorable Liz Snyder
Co-Chair, Alaska House Health & Social Services Committee
Alaska House of Representatives
120 4th St., Room 421
Juneau, AK 99801

The Honorable Tiffany Zulkosky
Co-Chair, Alaska House Health & Social Services Committee
Alaska House of Representatives
120 4th St., Room 416
Juneau, AK 99801

RE: ATA ACTION COMMENTS ON HOUSE BILL 265

Dear Co-Chairs Snyder and Zulkosky,

On behalf of ATA Action, I am writing you to comment on House Bill 265 as it relates to telehealth.

ATA Action, the American Telemedicine Association's affiliated trade association focused on advocacy, advances policy to ensure all individuals have permanent access to telehealth services – including teledentistry services – across the care continuum. ATA Action supports the enactment of state and federal telehealth coverage and fair payment policies to secure telehealth access for all Americans, including those in rural and underserved communities. ATA Action recognizes that telehealth and virtual care have the potential to truly transform the health care delivery system – by improving patient outcomes, enhancing safety and effectiveness of care, addressing health disparities, and reducing costs – if only allowed to flourish.

House Bill 265 would explicitly make clear that providers may deliver telehealth services without an in-person exam if the provider's license is in good standing and allow out-of-state providers not licensed in Alaska to render telehealth services to patients referred by someone licensed in Alaska or under a federal or tribal health care program. The proposed legislation would also permit physicians to prescribe controlled substances via telehealth, removing a requirement that an appropriate and licensed health care provider must be physically present with the patient receiving the controlled substance.

ATA Action supports the Legislature's efforts to expand access to high-quality health care by allowing Alaska-licensed providers to treat patients via telehealth without a prior in-person examination. We believe that so long as the provider of telehealth services has determined, in his or her professional opinion, that the technologies used to deliver care are appropriate to meet the standard of care for the condition presented by the patient, providers should be able to utilize the

ata ACTION
Telehealth Policy to Transform Healthcare

full range of telehealth technologies to establish relationships with patients and provide care virtually. Eliminating this clinically unsupported requirement will make it far easier for Alaskans – especially those in remote locations – to access the health care they need.

Our organization approves of the Legislature's efforts to ensure that physicians, osteopaths, physician assistants can prescribe controlled substances, where appropriate, via telehealth without conducting an in-person examination so long as the prescriber of these substances otherwise complies with requirements under federal law. ATA Action maintains that the choice about a patient's care plan, including the technology utilized to render care, should ultimately be the decision of an empowered patient and his or her provider, one that is made in accordance with the standard of care. We believe that permanent policy should focus on ensuring that patients can use telehealth technologies to receive prescriptions for substances that fall under the Schedule III and IV categories, as well as Schedule II substances (stimulants only) under certain circumstances and certain medications utilized to treat patients with substance use and opioid use disorders (e.g., suboxone, naloxone, buprenorphine), provided the prescriber of these substances otherwise complies with requirements under federal law.

However, we strongly encourage the Legislature to extend the permission to prescribe controlled substances via telehealth without an in-person exam to advanced practice registered nurses in addition to physicians, podiatrists, osteopaths, and physician assistants. Since the Legislature considers prescribing controlled substances virtually to be within the scope of practice for APRNs, the in-person examination requirement is clinically unsubstantiated. So long as the APRN is using technologies sufficient to meet the standard of care for the condition presented by the patient, he or she should be able to use telehealth technologies to prescribe controlled substances, provided the prescriber of these substances otherwise complies with requirements under federal law.

Finally, we also appreciate the Legislature's efforts to permit providers not licensed in Alaska to deliver telehealth services to patients referred to them by an Alaska-licensed provider. Our organization believes that Alaskans should be able to receive virtual care from their preferred provider – regardless of that provider's physical location – so long as the provider is licensed and in good standing in his or her home state, is utilizing the appropriate technology to uphold the established standard of care, and can still be held accountable by the appropriate Alaska boards and state agencies should any issues arise from treatment. By granting practice privileges to out-of-state health care providers who maintain good standing in their own states, Alaska patients will have the opportunity to connect with qualified practitioners whenever and wherever their need for care arises. Policies which enable out-of-state providers to practice at the top of their licenses and deliver high-quality health care via telehealth remove arbitrary geographical barriers that limit patients' access to the health care services they want, need, and deserve.

While we believe that this provision is a step forward for Alaska's state telehealth policy, we suggest removing the requirement that out-of-state providers not licensed in Alaska deliver telehealth services only to patients referred to them by Alaska-licensed providers and encourage

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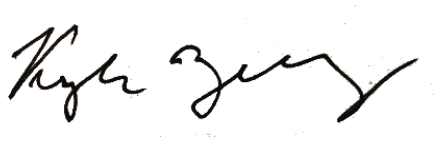
additional licensure flexibilities. Instead of insisting that Alaska-licensed providers connect Alaskans with providers licensed in other states, the Legislature should ensure that all telehealth interactions undertaken by Alaska patients are held to the same standard of care – regardless of where the provider is licensed or located.

States like Florida have taken steps to remove these sorts of barriers to access to affordable, quality care, implementing licensure flexibilities that allow out-of-state providers who are licensed and in good standing in their home states to practice without having to navigate the often-burdensome licensure requirements of other states. These sorts of public policy experiments were met with great success after the onset of the pandemic, as patients with non-emergent conditions were given the opportunity to receive timely care via telehealth technologies not only for COVID-related illnesses but also for a myriad of other chronic and acute issues. In response to these flexibilities, our member organizations leveraged their technology platforms and provider networks to increase the supply of health care professionals to meet surges in demand, ultimately serving millions of Americans who would otherwise never have received care. Notably, there was not an increase in documented patient complaints nor harm to patients from the implementation of this policy nationwide.

Thank you for the opportunity to comment. Please do not hesitate to let us know how we can be helpful to your efforts to advance common-sense telehealth policy in Alaska. If you have any questions or would like to discuss the telehealth industry's perspective further, please contact me at kzebley@ataaction.org.

Kind regards,



Kyle Zebley
Executive Director
ATA Action

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TELEHEALTH REFORM

AK HB 265

Healthcare committee voice testimony

Dear Chair Snyder, Chair Spohnholz, & members, thank you for the opportunity to testify today on HB 265.

My name is Matt Dean, and I am a senior policy fellow with the Heartland Institute. The Heartland Institute is a 37-year-old independent, nonpartisan, nonprofit organization whose mission is to discover, develop and promote free-market solutions to social and economic problems. Heartland is headquartered in Illinois and focuses on providing national, state and local elected officials with reliable and timely research and analysis on important policy issues.

There are two important pieces to this bill. The first is the regulatory aspects of allowing out of state providers to practice in the state. The second important consideration is dealing with an expanding access through telehealth and it is this important policy decision that I would like to direct my comments.

In 2020, as nonessential medical procedures were postponed in hopes of slowing the spread of the coronavirus, telehealth (which is also sometimes referred to as telemedicine) was forced to immediately scale up to provide connections between patients and providers who were separated by lockdown orders.

After nonemergency visits resumed, many patients justifiably feared coming to hospitals and clinics as the virus raged across America. Protecting frontline emergency workers became the highest priority of policymakers who were given models showing a pandemic rivaling or eclipsing the worst pandemics in US history. Telehealth visits became the alternative to bringing millions of sick and healthy people together. Now, state laws are being considered to replace temporary emergency use of expanded telehealth with state-specific laws tailoring their future use. Rural Americans stand to gain the most access, and no state stands to gain more in that regard, than yours with approximately one Alaskan per square mile.

TELEHEALTH BEFORE AND AFTER COVID-19

Telehealth is the use telephones, tablets and computers to remotely connect medical providers with each other or to patients. Telehealth is most commonly defined as video and audio telecommunication, but some legislation expands that to telephonic communications as well. Telehealth began in surgical suites and emergency rooms to bring the expertise of specialty physicians to complex surgeries and procedures. Over time, telehealth was expanded to replace some face-to-face primary care visits for the convenience of the patient. Patients in remote areas, or those who lacked the ability to travel could see their doctor or mid-level provider from their home. **Through 2019**, telehealth grew slowly beyond early adopters. Then came COVID-19, and telehealth was given a trial by fire. In just a few short months, telehealth services skyrocketed from just 2.8% of all healthcare services, to over 70% of services in the first 90 days of 2020. Federal and state emergency executive orders immediately sidelined restrictions

on telehealth. Telehealth utilization has expanded from 11 percent of US consumers using telehealth in 2019 to 46 percent of consumers now using telehealth to replace cancelled healthcare visits.

Turf wars between providers, that for over a decade to restrict the growth of telemedicine, were declared over. Suddenly, providers were forced to make it work. The success of telehealth has been recognized as one of the positive outcomes of the tragedy of the pandemic. Patients enjoyed the convenience of being able to see their doctor from home. Physicians could prioritize face-to-face visits for only those visits that could not be done remotely. It was clearly more convenient for both in many instances.

Heartland supports the efforts to make permanent the emergency telehealth measures put in place during the early days of the pandemic. Telehealth was designed to expand access, and the numbers certainly speak for themselves. According to a recent survey from the Covid19 Healthcare Coalition, 80% of patients express satisfaction with their experience, and more than 70% anticipate utilizing telehealth after the pandemic.

After peaking in April 2020, patients are returning to in-person visits, but also about 25% are choosing to replace in-person visits with telehealth. Current utilization of telehealth services has stabilized at nearly 40 times the pre-pandemic volume.

Telehealth can never replace in person doctor visits. Mental health consults are greatly expanded through telehealth. Sometimes, please remember it's sometimes preferable to have a face consultation with a mental health provider. Telehealth actually allows those providers to prioritize office visits for those patients who need to be seen.

Lastly, telehealth can provide fast, direct access and limit unnecessary travel and contact for frail elderly, or other patients with preexisting conditions. Its simply more convenient and less costly for patients. Last year, 3.6 million Americans didn't go to the doctor because of transportation issues, just think of the ways

The results have shown that telehealth can be a great addition to care for more people and if delivered in the right way, can free up clinic time and resources for those who need to be seen and treated in person.

Thank you.

Some resources used in the reparation of this testimony.

A link to bill text

http://www.akleg.gov/basis/Bill/Text/32?Hsid=HB0265A

Rural density in America's biggest state

https://www.states101.com/populations/alaska

Turf wars between providers, that for over a decade to restrict the growth of telemedicine, were declared over. Suddenly, providers were forced to make it work.

Telehealth: A post-COVID-19 reality? | McKinsey

Forbes on the success of telemedicine

Don't Dam The Telehealth Flood (forbes.com)

Patient satisfaction high with telemedicine

https://mhealthintelligence.com/news/covid-19-telehealth-delivery-reaps-high-patient-satisfaction

The Telemed economic impact

https://www.mckinsey.com/industries/healthcare-systems-and-services/our-insights/telehealth-a-quarter-trillion-dollar-post-covid-19-reality#may29

COVID 19 healthcare coalition survey

https://c19hcc.org/telehealth/patient-survey-analysis/

Every year, 3.5M americans do not receive healthcare because of transportation issues.

http://www.hpoe.org/resources/ahahret-guides/3078