



Charles N. Kahn III
President and CEO

**STATEMENT
of the
Federation of American Hospitals
to the
U.S. House of Representatives
Committee on Energy and Commerce
Subcommittee on Health**

Re: Markup of 23 Legislative Proposals

The Federation of American Hospitals (FAH) submits the following statement for the record in advance of the House Committee on Energy and Commerce's Health Subcommittee markup of 23 bills. We appreciate the Committee's efforts to advance legislation that strengthens America's health care system and maintains access to vital telehealth services, and we look forward to continuing to work with the Committee on these critical issues.

The FAH is the national representative of more than 1,000 leading tax-paying hospitals and health systems throughout the United States. FAH members provide patients and communities with access to high-quality, affordable care in both urban and rural areas across 46 states, plus Washington, DC, and Puerto Rico. Our members include teaching, acute, inpatient rehabilitation, behavioral health, and long-term care hospitals and provide a wide range of inpatient, ambulatory, post-acute, emergency, children's, and cancer services. Tax-paying hospitals account for approximately 20 percent of community hospitals nationally.

Telehealth and remote patient monitoring has transformed our health care system by utilizing technology to modernize and redesign how care is delivered, and hospitals have been at the forefront of making these technologies an integral part of our operations. We thank Congress for its swift action and leadership in expanding access to telehealth during the COVID-19 public health emergency (PHE) and maintaining access to telehealth coverage through December 2024 in the *Consolidated Appropriation Act of 2023*. This mark-up builds on past progress to advance vital telehealth extensions that provide certainty to patients and providers alike to meet America's future health care needs.

Telehealth and Remote Patient Monitoring

The past four years of telehealth expansion has set in motion a large-scale transformation of our nation's health care system and demonstrated strong patient interest and demand for continued telehealth access.

The FAH supports legislation that would make permanent the Medicare flexibilities implemented during the COVID-19 PHE, such as H.R.7623, *the Telehealth Modernization Act*. This bill would remove geographic and originating site restrictions to ensure that all patients can access care where they are, rural or urban. This bill is a critical solution for improving access to care in rural areas, where many patients travel over an hour for a routine doctor's appointment, and often much further to seek specialty care. Additionally, in many cases (particularly in rural areas where it is difficult to recruit physicians and other highly trained staff), telehealth and other remote technologies help make up for staffing shortfalls or staff burnout, aiding rural hospitals struggling with recruiting and retaining qualified staff.

Telehealth also has proven critical to improving access to mental and behavioral health care delivery, acting as a lifeline to close significant gaps in patient access to these scarce and much-needed services. The FAH supports H.R.7858, the *Telehealth Enhancement for Mental Health Act of 2024*, which would expand access to underserved and at-risk populations by establishing a new modifier or code tailored explicitly for telehealth-delivered mental health services. This bill ensures that individuals receiving mental health services remotely can access seamless and equitable reimbursement processes. Removing restrictions on mental and behavioral health is a solution to a currently unmet need in our health care ecosystem.

Additionally, the FAH supports H.R. 5394, the *Expanding Remote Monitoring Access Act*, which would ease restrictions on health care providers by extending the two-day CMS billing threshold for two years and allow more seniors to benefit from remote monitoring services. Remote patient monitoring technology enables health care providers to observe and treat patients from the comfort of their homes which increases access to care (especially in rural areas), improves health outcomes, and has the potential to reduce long-term health care costs by keeping patients out of the acute care setting unnecessarily.

Without action from Congress, Medicare beneficiaries could abruptly lose access to expanded coverage of telehealth in January 2025. This would have a chilling effect on access to care across the entire health care system. Telehealth and remote patient monitoring have brought our health care delivery system into the 21st century, and the foregoing permanent telehealth policies would foster further innovation and long-term investment in advanced technologies. Congress should provide certainty to providers and patients that access to care when and where they need it via telehealth will be a permanent part of our nations' health care delivery.

The Dangerous Precedent of Budget Neutral Proposals in OPSS

While FAH supports the intent behind H.R.1199, *the Facilitating Innovative Nuclear Diagnostics Act of 2023* to preserve Medicare beneficiary access to diagnostic radiopharmaceuticals, we have concerns with the budget neutrality provision in the legislation. Financing proposals of this nature in a budget neutral manner elevates payments for one product or service at the expense of all others, causing a rippling and distorting impact to hospital payments under the Outpatient Payment System (OPSS) across the board. We urge the Committee to reconsider the budget neutral language contained in this legislation.

We appreciate the opportunity to work with the Committee on legislation to extend Americans' access to telehealth and remote patient monitoring services, which are crucial for our seniors and

those in rural and underserved areas. If you have any questions or want to discuss these comments further, please contact Charlene MacDonald at (202) 615-0599.