May 30, 2024

The Honorable Cathy McMorris Rodgers
Chair
Energy and Commerce Committee
2188 Rayburn House Office Building
Washington, DC 20515

The Honorable Frank Pallone
Ranking Member
Energy and Commerce Committee
2107 Rayburn House Office Building
Washington, DC 20515

Dear Chairwoman McMorris Rodgers and Ranking Member Pallone:

The undersigned organizations, representing the nation's outpatient safety net providers, Rural Health Clinics (RHCs) and Community Health Centers (CHCs), write to express our strong support for the Telehealth Modernization Act (H.R.7623), as amended and passed unanimously in Energy and Commerce's recent Subcommittee on Health markup.

We are grateful to bill sponsors Representatives Buddy Carter (R-GA) and Lisa Blunt Rochester (D-DE) for their work on this critical issue and **urge the full Energy and Commerce Committee to markup and advance the Telehealth Modernization Act as soon as possible.**

As you know, telehealth represents a massive, continued opportunity to improve access to care in rural and urban medically underserved areas. However, simply extending current policy will perpetuate a billing and reimbursement structure that disincentivizes safety-net provider investment in these important technologies. HR 7623 recognizes this reality and ensures payment parity in the telehealth space for RHCs and CHCs.

RHC and CHC Current Telehealth Policy

Through December 31, 2024, RHCs and CHCs can provide telehealth services and be reimbursed, but only through the "special payment rule" established in the COVID-era CARES Act. This special payment rule pays RHCs and CHCs through a composite system that is based on the weighted average of physician fee schedule codes billable via telehealth. This policy was quickly established in early 2020 after HHS telehealth waivers did not include RHCs and CHCs.

Operationally, this means that RHCs and CHCs use one single code, G2025, which pays one single rate, $96.87, for any and all of the over 220+ services that are billable via telehealth. This special payment rule system presents two primary challenges:

1) This payment is significantly less than what most RHCs and CHCs would receive for providing the same service in person, disincentivizing safety-net providers from offering the service via telehealth. This stands in stark contrast to traditional physician offices, which have received payment parity between in-person and telehealth services since March 2020.

2) Limited data can be gathered from G2025 as it obscures and distorts claims data, preventing safety-net providers from properly tracking annual wellness visits and other services

provided via telehealth, which hinders their ability to participate in Accountable Care Organizations and other quality programs.

Post-2024 Telehealth Policy

Many pieces of telehealth legislation have been introduced during this Congress, including several that provide RHC and CHC payment parity, and unfortunately a few that perpetuate the current disparity.

The undersigned organizations were pleased to see the Energy and Commerce Subcommittee on Health markup and unanimously advance the amended Telehealth Modernization Act, establishing their support for a remedy for this imbalance and ensuring that the nation's CHCs and RHCs have the same incentives to invest in these important technologies as their peers in other outpatient settings. This legislation allows RHCs and CHCs to continue serving as distant site providers for two years and even more crucially, it also allows them to bill normally and be paid under their existing in-person visit methodology, i.e. receive parity between in-person and telehealth services.

We strongly urge the Energy and Commerce Committee to markup and advance the Telehealth Modernization Act without delay. The Energy and Commerce Committee has always been a strong proponent of ensuring safety-net providers are able to provide telehealth services, and this next extension serves as an ideal opportunity to fix the hastily established "special payment rule" created in the early days of COVID. Not only will this legislation remedy the existing payment disparity between traditional outpatient offices and RHCs and CHCs, but it will also greatly increase the amount of data that we are able to collect on program utilization, which will be critical for further discussions on telehealth permanence when that time comes.

As we look to bipartisan, bicameral negotiations on extending COVID-era telehealth flexibilities at the end of the year, we are deeply grateful for the Committee's understanding of the impact and value of Medicare telehealth policy, particularly for RHCs and CHCs, and request that you advocate for RHC and CHC payment parity in those conversations.

Our members provide quality, comprehensive care to rural and urban medically underserved populations, the very populations that telehealth is intended to support, and we greatly appreciate all you are doing to ensure RHCs and CHCs can deliver, and their patients can access, the care that they need. Thank you for your consideration and your continued support of RHCs and CHCs across the country.

Please don't hesitate to contact Sarah Hohman (Sarah.Hohman@narhc.org) at the National Association of Rural Health Clinics with any questions or to discuss this further.

Sincerely,

Nathan Baugh
Executive Director
National Association of Rural Health Clinics

Amanda Pears Kelly
Chief Executive Officer
Advocates for Community Health