



# The Future of Telehealth: Adapting Healthcare to the Digital Age

Center Forward Basics

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## Overview

With telehealth flexibilities set for an extension at the end of the year, the role of **telehealth** in the United States and its future as a key tenet of the American healthcare system is at stake. The World Health Organization defines telehealth as “the delivery of health care services, where patients and providers are separated by distance [using] ICT (information and communication technology) for the exchange of information.” Telehealth takes many forms, including **synchronous video**, which allows provider and patient to speak in real-time on a live call; **asynchronous communication** in which patients can take advantage of message-based care, and “store” medical data such as pregnancy tests or blood work from a laboratory and then “forward” it to their provider via fax or mobile app; and **remote monitoring**, which allows for a consistent stream of data from patient to provider using equipment such as a heart monitor or a blood pressure monitor transferring information electronically to the provider. These tools allow greater access to healthcare resources for patients in remote locations, those with a disability, or those requiring specialty care.

This Basic will provide an overview of telehealth, how COVID-19 affected its scope of use, and the status of related legislation.

## Telehealth Background

Prior to the COVID-19 pandemic, Medicare coverage for telehealth was limited to mainly rural areas for those not able to access providers otherwise. Medicare patients had to be located in a specific geographic area and access the telehealth service from a brick and mortar “originating site,” not from the comfort of their homes. Pre-pandemic, telehealth was often used to provide specialized care or chronic disease management to patients who otherwise would lack access to it, with limitations primarily in fields requiring a provider to physically examine or operate on a patient. Other nations also utilized telehealth before the pandemic with varying success, often correlating with the strength of the country’s existing healthcare infrastructure. Finally, the importance of policies supporting broadband and affordable internet access cannot be understated in the further implementation of telehealth. Strengthening broadband and overcoming digital health literacy challenges will be crucial in the success of any telehealth initiative especially as it relates to lower-income patient populations among underserved communities in both rural and urban areas alike.

## Pandemic Effects and Telehealth Applications

## Center Forward Basics

Center Forward brings together members of Congress, not-for profits, academic experts, trade associations, corporations and unions to find common ground. Our mission: to give centrist allies the information they need to craft common sense solutions, and provide those allies the support they need to turn those ideas into results.

In order to meet our challenges we need to put aside the partisan bickering gridlocking Washington and come together to find common sense solutions.

For more information, please visit [www.center-forward.org](http://www.center-forward.org)

## Key Definitions:

- **Telehealth:** The distribution of health-related services and information remotely by means of telecommunications technology
- **Synchronous Video:** Live video where a patient and provider meet in real time remotely. This could occur from the patient’s home or a clinic where diagnostic equipment is available but the provider is at another site
- **Asynchronous Communication:** A store-and-forward technique where patients or providers can

When the COVID-19 pandemic began in 2020, Congress authorized the U.S. Department of Health and Human Services (HHS) to enable patients to use telehealth regardless of their geographic location or location at the time of the visit and to expand Medicare coverage to some telehealth services, including physical therapy, speech-language pathology, and occupational therapy. **Payment parity** was widespread, allowing providers to offer extensive virtual services and continue to be reimbursed as they would for in-person care. These flexibilities led to an explosion in telehealth users, from less than 1% of Medicare services before the pandemic to a peak of more than 32% in April 2020. In the first year of the pandemic, 44% of Medicare fee-for-service beneficiaries had a telehealth visit. Since then, telehealth utilization has decreased as in-person care has become more readily available with the majority of patients opting for in-person care. Many advocate that patients should continue to have this choice between telehealth and in-person care in the future, especially as in-person care has rebounded post-pandemic and telehealth utilization has leveled out. According to a retrospective observational study from the National Library of Medicine, 82.7% of patients were satisfied or very satisfied with their telehealth care during these visits, particularly for patients who require consistent treatment and would be in the office frequently if not for streamlined online services. Telehealth practices have also been shown to reduce downstream costs for providers by reducing the need to buy or rent physical spaces when telehealth can be used as a viable replacement.

Similarly, telehealth services can also reduce emergency room overcrowding. On average, emergency room visitors face a two-hour wait. In most cases, these patients are seeking care for non-emergent issues. To combat this overcrowding, Kaiser Permanente, a healthcare system in D.C., Virginia, and Maryland, has a 24/7 video health center where patients can connect with a doctor, who then determines if an emergency room visit is necessary. This telehealth service has allowed hospitals to see emergent patients more efficiently and effectively. In the United States, emergency room visits are approximately twelve times as expensive as typical primary care visits.

While telehealth has been a helpful tool—especially during the pandemic—to increase access to care, some suggest it may be better suited for certain types of routine services, such as medication management, testing, or health maintenance. Others have argued that telehealth services provide a limited view of the patient and cannot always effectively substitute for all in-person services. For example, traditional video conferencing may only allow portions of the patient to be shown, such as from the neck or waist up. As a result, providers may not be able to see ticks, scars, or other health indicators a patient’s physical presence could show.

## Sunset Provisions & Future Action

The current expansion of telehealth services covered by Medicare is only possible because of temporary changes in the Social Security Act by Congress which are set to expire on December 31, 2024.

collect images or medical histories and send them to each other or to report to a specialist

- **Remote Monitoring:** Continuous evaluation of a patient’s health status through direct video monitoring or review of tests or images collected remotely
- **Payment Parity:** Requires insurers to reimburse the same payment rate for telehealth services as in-person care

## Key Statistics:

- Centers for Medicare and Medicaid Services will maintain telehealth waivers through December 31, 2024.
- Currently, 76 percent of U.S. hospitals connect with patients and consulting practitioners at a distance through the use of video and other technology.
- Currently 35 states and the District of Columbia have enacted parity laws, which generally require health insurers to reimburse for telehealth services the same way they reimburse for in-person services.
- Emergency room visits are approximately twelve times as expensive as typical primary care visits.

A bipartisan group of 56 House members and 66 Senators have co-sponsored [the Creating Opportunities Now for Necessary and Effective Care Technologies \(CONNECT\) for Health Act \(S.2016/H.R.4189\)](#), which intends to expand Title XVIII of the Social Security Act and make COVID-19 telehealth flexibilities permanent. Led by primary sponsors, Representative Mike Thompson (D-CA) and Senator Brian Schatz (D-HI), the CONNECT for Health Act has strong support but has not advanced in either chamber. Another popular telehealth bill is the [Telehealth Modernization Act of 2023 \(S. 3967/H.R.7623\)](#). It, too, would make the Medicare flexibilities permanent and ensure patients keep the choice of using telehealth from their homes. Thus far this year, the House Committees on Ways and Means and Energy and Commerce have taken actions to advance the Telehealth Modernization Act. In May, Ways and Means approved an amended version of the bill which would extend the current Medicare flexibilities by two years. It is expected the Energy and Commerce Committee will act in September as a two-year extension has broad, bipartisan support.

During the pandemic, Congress also created a flexibility enabling employers to increase access to telehealth for employees with health savings accounts/high-deductible health plans (HDHPs). The CARES Act created a new policy allowing employers the option of covering telehealth services before an HDHP plan holder meets their deductible. This flexibility has been leveraged by employers and helped expand access to preventive care and urgent care for their employees. While this was originally a pandemic flexibility, like the Medicare policies, it has been extended post-pandemic with a current expiration date of December 31, 2024. [The Telehealth Expansion Act of 2023 \(S. 1001/H.R.1843\)](#) would make this policy permanent. However, a short-term extension of this policy accompanying the Medicare extension may be the most likely path forward in 2024.

With the end of COVID-19 telehealth flexibilities in sight at the end of this year, lawmakers and industry leaders have started contemplating a long-term plan for telehealth. While telehealth often serves as a reasonable replacement for in-person care for many routine cases relating to behavioral health, physical therapy, or chronic diseases, it is not as clear if providers can properly diagnose and manage acute conditions, such as severe mental illnesses, virtually. The challenge for lawmakers will be to balance an approach allowing patients to benefit from the opportunities in telehealth while avoiding potential shortcomings.

## Links to Other Resources

- American Hospital Association – [Telehealth Fact Sheet](#)
- American Telemedicine Association – [Federal Telehealth Activity](#)
- Center for Connected Health Policy – [What is Telehealth?](#)
- Congress.gov – [H.R.4189 - Creating Opportunities Now for Necessary and Effective Care Technologies for Health Act of 2023](#)
- Congress.gov – [H.R.1843 – Telehealth Expansion Act of 2023](#)
- Department of Health and Human Services – [What is Telehealth?](#)
- Harvard Health Publishing – [Telehealth: The Advantages and Disadvantages](#)
- Mental Health America – [No One Size Fits All: The Case For a Balanced Approach to Telehealth and In Person Care](#)
- National Library of Medicine – [Telemedicine Across the Globe-Position Paper From the COVID-19 Pandemic Health System Resilience PROGRAM \(REPROGRAM\) International Consortium](#)