

Telehealth Provisions in the Consolidated Appropriations Act, 2021 (HR 133)



CCHP FACT SHEET | January 2021

INTRODUCTION

The U.S. House and Senate overwhelmingly passed the Consolidated Appropriations Act, 2021 on December 21, 2020, combining roughly \$900 billion in stimulus relief to industries and individuals negatively impacted by the COVID-19 pandemic with \$1.4 trillion set aside for government spending for fiscal year 2021.¹ The bill was passed amidst growing pressure for lawmakers to provide additional relief as a follow-up to the Coronavirus Aid, Relief, and Economic Security Act (CARES) passed in March 2020. Included in the bill were several major health care-related provisions designed to reduce burden on patients, providers, and health care systems, some of which will extend beyond the public health emergency (PHE). Chief among these provisions were an additional \$3 billion in new funding for the Provider Relief Fund (PRF), \$30 billion in funding for the purchase and distribution of COVID-19 vaccines, \$22 billion to states for COVID-19 testing and contact tracing efforts, and patient protections against surprise medical billing.

The bill also included several provisions aimed at increasing access to telehealth services, building on lessons learned from Medicare telehealth flexibilities implemented shortly after the PHE declaration. The majority of the telehealth-related provisions in the bill are aimed at tackling the pervasive gap in broadband and internet access across the U.S., with a focus on expanding access in rural and minority communities. A narrower subset of the bill's provisions focuses on Medicare rules and funding. Lawmakers passed on cementing many of the telehealth temporary flexibilities that are set to expire once the PHE is rescinded. This fact sheet summarizes the key telehealth-related provisions included in the Consolidated Appropriations Act.

TELEHEALTH-RELATED MEDICARE PROVISIONS

Health Care Delivery in Rural Settings

The pandemic has had a disproportionate impact on rural hospitals and health care systems. The Consolidated Appropriations Act extended or created several flexibilities for rural hospitals. By far the most significant Medicare rural health provision was the creation of a new eligible site designation for Critical Access Hospitals (CAH) or other rural facilities with fewer than 50 beds. The new payment designation, Rural Emergency Hospital (REH), will assist rural facilities in responding to the community's immediate care needs by offering new emergency or outpatient services. This designation could help rural facilities move away from reliance on inpatient care and diversify their services, including telehealth. On the telehealth front, REHs were added as an eligible originating site, allowing patients to be located there when receiving telehealth delivered services.² It is important to note that Medicare's existing restrictions around provider types and allowable services would still apply to an REH. An REH would also need to meet the criteria for Health Resources & Services Administration's (HRSA) "rural" classification to bill Medicare as an originating site.²

Community Health Access and Rural Transformation (CHART) Model

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WHAT THE CHART MODEL MEANS FOR TELEHEALTH

The CHART Model was announced in response to President Trump's August 3rd Executive Order to cement the telehealth expansions to date and improve telehealth access in rural communities. While applicants await further guidance from CMS, the available information suggests that CHART Model waivers under both tracks will promote the continued growth of telehealth in rural communities. In particular, the CHART Model appears to:

5 <https://www.cms.gov/files/document/shared-savings-program-telehealth-fact-sheet.pdf>

6 www.govinfo.gov/content/pkg/FR-2015-10-29/pdf/2015-27599.pdf

7 <https://www.cms.gov/newsroom/press-releases/trump-administration-proposes-expand-telehealth-benefits-permanently-medicare-beneficiaries-beyond>