AMERICAN MEDICAL ASSOCIATION HOUSE OF DELEGATES

Resolution: 105
(JUN-21)

Introduced by:	Florida, Mississippi, North Carolina, Oklahoma, South Carolina, Virginia, Alabama
Subject:	Effects of Telehealth Coverage and Payment Parity on Health Insurance Premiums
Referred to:	Reference Committee A

Whereas, The coverage and utilization of telehealth expanded rapidly during the COVID-19 pandemic; and[1]

Whereas, Many commercial health insurance companies have voluntarily expanded telehealth coverage during the pandemic, albeit in some cases on a more restrictive or less generous basis than the Medicare program; and

Whereas, Our AMA has drafted model legislation that requires health insurance companies to offer telehealth coverage and to reimburse for those services "on the same basis and to the same extent" that the insurer would have if the same service were rendered in-person; and[2]

Whereas, There are ongoing discussions across the nation regarding whether to require health insurance companies to offer telehealth coverage and whether to require health insurance companies to provide payment parity for telehealth services; and[3]

Whereas, Physicians have recognized that telehealth can improve clinical outcomes, patient experience, costs, and professional satisfaction; and[4]

Whereas, Insurance companies in Florida and elsewhere have argued that enacting legislation that would require them to offer telehealth coverage and to adhere to payment parity requirements will definitively, significantly increase insurance premiums; and

Whereas, Physician advocates urgently need additional data concerning the effects of telehealth coverage requirements and payment parity requirements on health insurance premiums to respond to the cost-related concerns being propagated by insurers; and

Whereas, Physician advocates may struggle to successfully enact telehealth coverage and payment parity legislation in the absence of research that can be used to respond to the assertion that such legislation will definitively and significantly increase health insurance premiums; and

Whereas, Our AMA is equipped to perform or commission research concerning the effects of telehealth coverage and payment parity requirements, including the effect that such policies may have on health insurance premiums; therefore be it

RESOLVED, That our American Medical Association conduct or commission a study on the effect that telemedicine services have had on health insurance premiums, focusing on the differences between states that had telehealth payment parity provisions in effect prior to the pandemic versus those that did not, and report back at the 2021 Interim Meeting of the AMA House of Delegates. (Directive to Take Action)

Fiscal Note: Not yet determined

Received: 05/03/21

AUTHORS STATEMENT OF PRIORITY

The practice of medicine would benefit from a study that examined the effects of telehealth coverage requirements, including payment parity requirements, on health insurance premiums.

In the wake of COVID-19, physicians and patients across the nation realized the numerous, substantial benefits of greater access to telehealth. Consequently, state medical societies have become increasingly interested in permanently requiring health insurers to cover telehealth services and to pay for telehealth services at parity with in-person services. The access and patient care benefits of enacting such legislation would be considerable, as the AMA has formally recognized through its public policy positions and ongoing work initiatives.

However, health insurers have expressed opposition to such mandates, arguing that such mandates will significantly increase premiums. Currently, there is a paucity of research examining the effects of telehealth coverage requirements on insurance premiums. This makes it difficult to assess and respond to such claims. Additionally, many state lawmakers are unconcerned about record-high insurance company profits, but care deeply about avoiding legislation that will increase premiums.

Ultimately, even if the scope of the research was limited due to methodological constraints, physician advocates urgently need whatever data can be made available to them. Additionally, even a finding that the effects of such policies on premiums are “inconclusive” would still help physicians respond to claims that increasing access to telehealth will “definitively” and “significantly” raise premiums. In short, this research would help medical societies enact laws that are consistent with AMA policy by supplying advocates with much-needed data.

References:
1. FAIR Health Monthly Telehealth Regional Tracker, https://www.fairhealth.org/article/fair-health-tracker-shows-continuing-growth-in-telehealth
2. AMA Telemedicine Model Bill, 2017
3. Kaiser Family Foundation: Opportunities and Barriers for Telemedicine in the U.S. During the COVID-19 Emergency and Beyond, https://www.kff.org/womens-health-policy/issue-brief/opportunities-and-barriers-for-telemedicine-in-the-u-s-during-the-covid-19-emergency-and-beyond/
4. American Medical Association Telehealth Research & Key Resources: Research Findings, https://www.ama-assn.org/practice-management/digital/telehealth-research-key-resources-research-findings

RELEVANT AMA POLICY

Insurance Coverage Parity for Telemedicine Service D-480.969
1. Our AMA will advocate for telemedicine parity laws that require private insurers to cover telemedicine-provided services comparable to that of in-person services, and not limit coverage only to services provided by select corporate telemedicine providers.
2. Our AMA will develop model legislation to support states' efforts to achieve parity in telemedicine coverage policies.
3. Our AMA will work with the Federation of State Medical Boards to draft model state legislation to ensure telemedicine is appropriately defined in each state's medical practice statutes and its regulation falls under the jurisdiction of the state medical board.
Res. 233, A-16; Reaffirmed: CMS Rep. 1, I-19