

SUPPORT

Memorandum

May 11, 2021

TO: Members, Long Island Delegation of the New York State Legislature
Members, Hudson Valley Delegation of the New York State Legislature

FROM: Wendy Darwell, President and CEO

RE: A.6256 (Woerner) – in Assembly Insurance Committee
S.5505 (Rivera) – on 5/11/21 Senate Finance Committee Agenda

The Suburban Hospital Alliance of New York State, representing hospitals and health systems on Long Island and in the Hudson Valley, supports A.6256/S.5505, legislation that would amend the Public Health Law to ensure health care providers are adequately reimbursed for telehealth services and patients are afforded appropriate telehealth-related consumer protections. These protections include safeguarding the patient's right to receive telehealth services from the covered provider of their choice and preserving their right to choose whether they receive services in-person or via telehealth.

Telehealth increases access to healthcare services for patients who face challenges in accessing in-person care, whether due to geographic limitations in underserved areas, provider shortages, or restricted patient mobility. Telehealth utilization also generates cost savings for both patients and the healthcare system, and is associated with greater patient satisfaction and convenience.

Although New York acted in 2014 to broaden access to telehealth, appropriate reimbursement for these services was not addressed. Ultimately, this prevented widespread adoption across the state. A.6252/S.5505 corrects this by enacting telehealth payment parity, requiring that reimbursement for telehealth services be equal to the rates paid for comparable covered services delivered in person. By ensuring parity, more providers will be incentivized to offer services via telehealth or sustain those created on an emergency basis during the height of the COVID-19 pandemic.

There is a common misconception that providers' overhead costs are substantially lower when delivering telehealth services, therefore justifying a decrease in reimbursement. However, in many cases, practitioners deliver, and patients receive, telehealth services while in a hospital or other healthcare facility. Telehealth services are commonly used in the facility setting to extend access to specialty care that may not be easily accessible due to physician specialty shortages, patient immobility, or geographic limitations.

This legislation also would remove unnecessary barriers to telehealth and ensure the patient's provider and setting choice prevails when seeking care.

Health plans often limit telehealth coverage to a certain subset of telehealth providers, preventing patients from utilizing the service provider of their choice (e.g. primary care physician). Patients also may be required to see the provider in person prior to qualifying for telehealth services, a barrier that undermines a core benefit of

telehealth. Requiring initial in-person visits or steering the patient to certain telehealth providers may otherwise limit a patient from receiving needed care altogether. This legislation would prohibit “patient steering” by allowing patients to choose the covered telehealth provider of their choice and allow patients to qualify for telehealth services without having an initial in-person visit, unless the provider determines the in-person visit to be clinically necessary.

For these reasons, the Suburban Health Alliance of New York State supports this legislation and urges you to pass A.6256/S.5505.