

Modernize Telehealth Policies to Increase Access to Care, Reduce Overall Health Care Costs

The Issue

Californians, regardless of where they live, deserve convenient and rapid access to necessary medical care. But in communities throughout the state, many are unable to get the care they need. In rural and underserved areas, residents often cannot get timely care because they must travel long distances or wait weeks for an appointment. In urban and suburban areas, vulnerable people without reliable transportation may have trouble getting to follow-up health care visits, which can be key to managing their chronic conditions.

Care delivered via telehealth overcomes access and cost barriers by using technology to maximize clinician time and expertise. It connects patients to their providers more quickly, efficiently, and conveniently. A recent study in the [American Journal of Managed Care](#) found that, when comparing telehealth visits to office visits, “initial experiences for patients and clinicians were positive and that, for most encounters, these (virtual visits) are just as clinically effective and less expensive for both patient and provider compared with in-person visits.”

At outpatient facilities, patients missing appointments is a significant obstacle to care delivery and leads to poor health outcomes, but telehealth can reduce no-show rates by as much as 50%. And in a recent study, telehealth consultations offered to 911 callers resulted in 6.7% fewer emergency department visits and a savings of over \$100 per patient.

The COVID-19 pandemic has proven — through regulatory flexibilities and corresponding reimbursement changes — that telehealth is a necessary tool to improve care delivery and hold costs in check. According to the Centers for Medicare & Medicaid Services, before the pandemic just 13,000 Medicare beneficiaries received telehealth services in a given week. In the last week of April 2020, due to the pandemic, that number skyrocketed to 1.7 million people.

The waivers of outdated restrictions on telehealth have opened up innovative modes of care. In response, hospitals and health systems have invested in technology, training, and patient education, expecting greater demand for telehealth services beyond the pandemic.

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During the pandemic

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What's Needed

State and federal policies should ensure that patients who have come to rely on telehealth services can continue to access them. This will mean permanently extending flexibilities granted during the COVID-19 pandemic — such as expanding the range of available providers and services and ensuring reimbursement — to recognize the importance of telehealth in the care delivery system.

Because telehealth services require significant investments in technology — as well as clinician time and expertise — they must be adequately and appropriately reimbursed.

Finally, to ensure more equitable availability of telehealth, disparities in technology access must be addressed: Nearly 22% of Californians lack an adequate connection to the internet, and nationally more than one-third of those living in rural communities do not have home broadband access.