



May 23, 2020

The Honorable Toni Atkins
President Pro Tempore
California State Senate
State Capitol, Room 205
Sacramento, CA 95814

The Honorable Anthony Rendon
Speaker
California State Assembly
State Capitol, Room 219
Sacramento, CA 95814

The Honorable Holly Mitchell
Chair, Committee on Budget and Fiscal Review
California State Senate
State Capitol, Room 5050
Sacramento, CA 95814

The Honorable Phil Ting
Chair, Committee on Budget
California State assembly
State Capitol, Room 6026
Sacramento, CA 95814

The Honorable Dr. Richard Pan
Chair, Budget Sub on Health and Human
Services
California State Senate
State Capitol, Room 5114
Sacramento, CA 95814

The Honorable Dr. Joaquin Arambula
Chair, Budget Sub on Health & Human
Services
California State Assembly
State Capitol, Room 5155
Sacramento, CA 95814

RE: Budget Request to Promote the Use of Telehealth During the COVID-19 Pandemic

Dear Leaders of the California State Legislature:

The California Telehealth Policy Coalition respectfully requests that the Legislature allocate funding to telehealth efforts. Given the uncertain state of the COVID-19 pandemic, Californians are likely to continue to seek their care through telehealth. A recent poll by the California Health Care Foundation notes that the number of Californians seeking care through telehealth continues to rise, particularly among low-income residents.¹ This requires that patients have access to internet connectivity, smartphones and accurate information. It requires that providers have access to hardware, software and resources to continue their telehealth efforts. It also requires that state agencies are able to coordinate efforts on telehealth and data sharing to ensure efficiencies in cost and access to care for all Californians using technology.

As a group of over 85 organizations dedicated to advancing telehealth policy in California, we respectfully ask that the Legislature take the following actions to continue to advance the spread of safe, secure and clinically appropriate telehealth in California.

1. Create a “connected care coordinator” position within the California Health and Human Services Agency.

We recommend that a position be created within the California Health and Human Services Agency (CHHS) to coordinate efforts around telehealth and data sharing. With the rapid policy changes occurring in telehealth coverage, interoperability rules and privacy law enforcement, it

¹ California Health Care Foundation, [“COVID-19 Tracking Poll: Two Months Into Crisis, Californians Have High Level of Trust in Health Officials,”](#) Kristof Stremikis, (May 22, 2020).



has been difficult for providers to keep track of reimbursement policies across payers, especially when providers are dealing with diverse populations who have a payer mix. There is a need for consistency across all payers regulated by the state on coverage and reimbursement, and our Coalition members identified this need at our 2019 annual meeting coming out of the wildfire season. Additionally, improved communications across the various state agencies would lead to more efficient and effective policymaking, avoiding duplication and waste of resources. This individual can help coordinate efforts among state agencies around the need for standardization of telehealth coverage, how to capture telehealth in quality metrics, how to troubleshoot billing questions, maintain a live site for health consumer communications, and troubleshoot questions around data sharing and privacy considerations.

2. Maintain current telehealth payment parity requirements in Medi-Cal Managed Care and for DMHC-licensed plans.

The California Telehealth Policy Coalition requests that the Legislature fund the payment parity requirements put in place for Medi-Cal Managed Care and Department of Managed Care (DMHC) licensed commercial plans. The Telehealth Policy Coalition appreciates the Governor, the Department of Health Care Services (DHCS), and the DMHC's leadership on the issue of telehealth and the use of other technologies to provide care during this time of crisis. Moving forward, however, California must maintain this increased access and ability to decompress the system through telehealth technologies. Specifically, if the Medi-Cal telehealth payment parity requirements issued by DHCS during the emergency are not made permanent, there will be a gap in coverage for telehealth between Medi-Cal beneficiaries and commercial health plan enrollees in 2021.

Last year, the Governor signed AB 744 (Aguiar-Curry, 2019), recognizing the need to ensure reimbursement parity for commercial patients beginning January 1, 2021. However, that legislation excluded the Medi-Cal program. We request that the state remove that explicit exemption to ensure parity can remain for Medi-Cal beneficiaries. The continuation of increased access to telehealth within the Medi-Cal program will also offset existing state expenditures. For example, the requirement to cover transportation costs for Medi-Cal beneficiaries should decrease consistent with increased telehealth adoption, as patient will be able to access their providers from home. Patients and the system as a whole have already adapted to this change, given the advantages of telehealth to increase access and decompress our strained health care system serving the safety net, which was overwhelmed prior to the COVID-19 pandemic. Ensuring the same telehealth payment parity requirements in Medi-Cal that are afforded to commercial providers and patients ensure equity and access to care for Californians.

3. Provide implementation and technical assistance funding for health care providers and local education agencies.

We ask that the Legislature appropriate \$5 million to support implementation and technical assistance for telehealth. In particular, community health centers, local education agencies, medical groups, and independent medical practitioners have some of the highest need for this funding right now. While these organizations and facilities face the growing pressure of falling revenue and/or government sources of funding to provide essential health care services and education, they are swiftly looking to remotely provide ongoing health care services and supports to their patients and students. Many of these organizations have never previously used



telehealth and do not have the internal financial and human resources to implement user-friendly, safe and secure telehealth solutions during COVID-19. Implementation and technical assistance funding would help fill this immediate need.

4. Support funding for broadband and mobile device access to bridge the digital divide.

We also ask that the Legislature dedicate \$100 million to support access to broadband internet access for Californians who currently lack access to high-speed internet. 2017 data from the Public Policy Institute of California reveals that only 74% of Californians have access to broadband at home.² This digital divide persists across demographics, including for communities of color, lower-income Californians, and those without a college degree. Internet access is critical for all Californians during shelter in place and for the foreseeable future as our state continues to promote social distancing measures, for health care and for other critical services like remote learning. Health care providers and patients will need internet access to utilize the telehealth services that will keep them out safely out of medical offices where clinically appropriate.

To offset some of the costs of this effort, California could drive participation in the Federal Communications Commission's Rural Health Care Program which provides funding for broadband infrastructure expansion and telehealth utilization.³ The program currently has over \$500 million and may receive an additional \$2 billion in the next COVID-19 relief package. Through the state budget or a public-private partnership, California can fund a 15% match for non-profit providers to support the subsidy effort.

To complement broadband funding, we ask that the Legislature appropriate \$2 million to bridge the digital divide and assist low-income Californians in obtaining smart phones and tablets and subsidize their related monthly phone bills. Many providers and patient have had to resort to using telephone visits for remote telehealth visits instead of live video telehealth. Access to a smartphone addresses not just the issue of access to live video, but also ability to access the patient data portal, schedule appointments and send images via store-and-forward technology to providers. This initiative could be launched in tandem with efforts to increase access to remote learning

5. Fund the Department of Health Care Service and California Department of Education's creation of a school telehealth stakeholder group under AB 2315 (2018).

We request that the Legislature dedicate \$300,000 toward implementation of AB 2315 (2018) to provide schools guidelines on how to use telehealth services for mental and behavioral health. Local education agencies are quickly working to find telehealth solutions that are HIPAA and FERPA compliant and understand how they can facilitate billing using these platforms. Although Governor Brown signed AB 2315 into law in 2018, DHCS and CDE have still not formed the

² Public Policy Institute of California, Just the Facts: California's Digital Divide (March 2019), <https://www.pplic.org/publication/californias-digital-divide/>.

³ Federal Communications Commission, Rural Health Care Program (last updated April 30, 2020), <https://www.fcc.gov/general/rural-health-care-program>.



requested stakeholder group or published the required guidance on how schools can use telehealth. We believe funding the state agencies to resource this project and work expeditiously to publish a guidance is sorely needed at this time.

Ensuring the consistent and safe access to care at this time is crucial to maintaining the health of Californians during the COVID-19 pandemic, and telehealth and broadband access are essential to achieving these ends. We urge and sincerely thank the Legislature for considering our requests. Should you have any questions, please feel free to reach to Robby Franceschini at robby.franceschini@bluepathhealth.com.

Sincerely,

The California Telehealth Policy Coalition

Cc: Honorable Members of the Senate Budget Subcommittee on Health
Honorable Members of the Assembly Budget Subcommittee on Health
Senate Republican Caucus, Budget Subcommittee on Health Consultant
Assembly Republican Caucus, Budget Subcommittee on Health Consultant