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February 24, 2017

RE: AN ACT to amend the public health law
and the insurance law, in relation to the
provision of telehealth services

S.3937 (Young)

A.1535 (Jenne)

MEMORANDUM IN OPPOSITION

Submitted on behalf of the Blue Cross and Blue Shield Plans

The New York State Conference of Blue Cross and Blue Shield Plans strongly oppose enactment of this legislation, which would require health insurers to cover unlimited remote patient monitoring services delivered by a home care agency via telehealth, regardless of existing home healthcare visitation limits. The Bill would also mandate telehealth services on long term care insurance contracts, increasing the cost of policies which are becoming increasingly unaffordable. As a result, this Bill would increase the cost of both long term care insurance and health care coverage for all New Yorkers by allowing patients to circumvent well established and essential home healthcare visitation limits.

This proposed legislation expands legislation enacted in 2015 that was designed to maintain parity between telehealth services and existing health care contracts by distinguishing the use of “remote patient monitoring” from the valuable services of home healthcare agencies. Significantly, this Bill would exempt from the cost containment and affordability enhancing tool of visit limits the undefined process of “remote patient monitoring”. In theory, “remote patient monitoring” could include all of the services, oversight and care provided by a home care visit and therefore should be subject to the terms and conditions of the insurance contract, including any applicable visit limits imposed under the contract. Visit limits within a contract are designed to place some care management and cost control on an otherwise increasingly costly component of health care: home care services. This Bill essentially eliminates that important function for telehealth home care. Home healthcare agencies utilize patient specific health information to analyze personal health information, make professionally sound judgements, and provide patients with meaningful options to make informed healthcare decisions. Conceivably, “remote patient monitoring” could provide all those same services through telehealth and should be subject to the same cost containment and affordability provisions applicable to home care.

Exempting the use of remote patient monitoring from home care visitation limits would circumvent well-reasoned visit limitation policies. Home care visitation limits are essential tools in ensuring efficient use of limited healthcare resources throughout New York. These limits provide consumers with appropriate access to necessary care while also reducing the cost of insurance premiums to individuals and families. Visitation limits enhance the ability of health insurers to more accurately predict medical spending on behalf of their members. This affords health insurers the ability to offer products that cost less and remain consistent year after year.

Given that home healthcare agencies will continue to provide the same disease management and treatment under both traditional and technology assisted settings, patients and providers could simply circumvent important visitation limits by opting for more remote patient monitoring. Eliminating visitation limits would increase the cost of health insurance for all New Yorkers by forcing insurers to price their products according utilization rates that are vastly more unpredictable. Health insurers would then have no option but to achieve actuarial soundness by increasing prices in order to pass New York's rigorous rate review process. Unlimited access to home healthcare services would not only promote over-utilization, but could also harm patients by incentivizing the use of remote patient monitoring in instances where it is not clinically appropriate.

For all the foregoing reasons, the New York Conference of Blue Cross and Blue Shield Plans oppose the enactment of this bill.

Respectfully submitted,

HINMAN STRAUB ADVISORS, LLC.

Legislative Counsel for the Blue Cross and Blue Shield Plans of New York