



Public Testimony
House Professional Licensure Committee
Senate Bill 780

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Good Morning Chairman Mustio, Chairman Readshaw, and members of the Committee. Thank you for the opportunity to offer comments on SB 780. I would further like to thank Representative Mustio for his tireless efforts this summer to research this issue and to include all parties in the discussion. That said, we do have some reservations with the bill.

Capital BlueCross (CBC) has been providing quality health insurance to its customers in South Central Pennsylvania and the Lehigh Valley for 80 years. CBC supports telemedicine technology and is actively providing this service to our customers now. We believe telemedicine offers the opportunity to provide useful medical services to underserved populations in a manner that is both efficient and cost effective.

CBC is fortunate to provide coverage for approximately 800,000 Pennsylvanians in one of the most competitive health insurance markets in the country. This competitive environment has incentivized CBC to offer a telemedicine smartphone and tablet app – Capital Blue Virtual Care, which provides a vast array of telemedicine services – including behavioral health – to our customers. Because of the convenience and cost-effectiveness, our customers want telemedicine services and our employer groups want telemedicine services for their employees. CBC has heard its customers, and is providing coverage for telemedicine and has been providing coverage since 2016.

As a result, we believe the telemedicine marketplace is thriving and legislation mandating insurance coverage is both unnecessary and potentially counter-productive. We believe an unintended consequence of passing this legislation is that growth and innovation in this area could be unnecessarily constrained. We believe market forces are working in telemedicine now and the market should be allowed to grow organically - this will benefit all parties concerned, especially consumers.

We also have specific concerns with the bill. We believe the mandate is too broad. We read the definition of "Participating Network Provider" as allowing any physician in our network to provide telemedicine services. Not every health care provider should, or is capable, of providing telemedicine services at the moment. Insurers should only be required to pay for those services that are medically appropriate and have a proven track record of success.

We also believe the language in Section 6 (A) (1) – *A health insurer may not exclude a health care service for coverage or reimbursement solely because the service is provided through telemedicine.* – is too broad. This language suggests that any service – like setting a broken leg or conducting childbirth – cannot be denied simply because it is provided through telemedicine. If the bill passes in its current form, as ridiculous as it sounds, an insurer could violate the Act if it denied coverage for a provider setting a broken leg or conducting childbirth through telemedicine.

While the provider community maintains it will never provide these types of services via telemedicine, it does not change the fact that the legislation permits it to do so. They also point to the licensing boards to police this type of activity; however, the service could still be provided, the insurer would still be obligated to pay, and the licensing boards would deal with the issue long after the fact, and long after any harm has been inflicted on a Pennsylvania resident.

We also believe the bill will not help control costs. The bill will require insurers pay for certain types of telemedicine services that have not yet been proven to be effective – as noted above – which could result in duplicative treatment and payment. The legislation could also lead to expanded billing for non-reimbursable services, such as going over lab results. This risks adding new costs to the health care system, turning telemedicine into a cost driver, rather than an innovation used to curb rising health care costs.

Finally, one issue that has received little attention or consideration during this debate is the impact the legislation will have on rural Pennsylvania. The bill is being viewed by some as promoting telemedicine for the benefit of rural communities. Technological challenges are more of an impediment to providing these services to rural populations than are insurance companies. Improved access to broadband internet and growing 4G wireless coverage throughout the state will do far more to provide telemedicine services to rural Pennsylvania than passing this bill.

Thank you again for the opportunity to testify today. We encourage the committee to continue deliberations on the bill and not rush into a hasty decision.