



**TESTIMONY OF
CONNECTICUT HOSPITAL ASSOCIATION
SUBMITTED TO THE
INSURANCE AND REAL ESTATE COMMITTEE
Friday, March 18, 2022**

**SB 412, An Act Prohibiting Hospitals From Charging Facility
Fees For Telehealth Services**

The Connecticut Hospital Association (CHA) appreciates this opportunity to submit testimony concerning **SB 412, An Act Prohibiting Hospitals From Charging Facility Fees For Telehealth Services**. CHA recommends changes to this bill.

Since early 2020, hospitals and health systems have been at the center of Connecticut's response to the COVID-19 public health emergency, acting as a vital partner with the state and our communities. Hospitals expanded critical care capacity, procured essential equipment and supplies, and stood up countless community COVID-19 testing locations. Hospitals have been an essential component of the statewide vaccine distribution plan including efforts to reach and serve historically under-resourced communities disproportionately affected by the virus.

Connecticut hospitals recognize that a *traditional* facility fee is not appropriate for a telehealth visit during which the patient is not at the facility. However, an originating site facility fee is appropriate in such circumstances, consistent with coverage rules established by the Centers for Medicare and Medicaid Services (CMS) for the Medicare program.

CMS introduced coverage for an originating site facility fee when it first established telehealth coverage and it has maintained payment for this component of a telehealth service throughout the public health emergency, thus ensuring that providers receive compensation for the full range of resources used in a telehealth encounter. Consistent with CMS's policy, we encourage the legislature to permit hospitals to receive reimbursement from commercial carriers for an originating site facility fee.

In addition, it is important that this legislation distinguish a telehealth service conducted by a professional at the hospital to a patient somewhere other than the hospital, from a telehealth service rendered to a patient who is at a hospital facility. In this situation, the patient is receiving services from nursing and other staff (e.g., during a wound care visit) and is otherwise using facility resources when a subspecialist at a distant site conducts the telehealth encounter. Billing for facility fees should be permitted when a patient is at the facility receiving direct care services during the telehealth encounter.

Thank you for your consideration of our position. For additional information, contact CHA Government Relations at (203) 294-7310.