Telehealth Compact Overview

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Leveraging technology to improve access to telehealth has the potential to significantly improve access to health care in rural areas and, in turn, reduce costs for patients, states and the federal government. An effective telehealth system that allows rural patients to connect more efficiently with specialists has the potential to streamline the process and result in better patient outcomes, all while reducing the financial burden on patients, states and the federal government. A telehealth interstate compact offers one approach to achieving these goals, and in turn improving access to health care through telehealth.

Background

The cost of health care has grown an average of 2.4 percent faster than the gross domestic product since 1970 and now represents 18 percent of the United States’ total GDP, according to the Kaiser Family Foundation. One challenge significantly contributing to these costs is access to health care in hard-to-serve locations where access to doctors and specialists is frequently limited. This problem is especially common in rural areas. According to the American Academy of Family Physicians, 21 percent of the U.S. population lives in rural areas, but only 11 percent of medical specialists practice in those areas. The American Academy of Family Physicians notes that this frequently results in patients in these areas being dramatically underserved. Too often, these patients do not have access to the latest research, scientific breakthroughs and medicine because of where they live. Missed appointments, incomplete care and lack of access occur too frequently and contribute to escalating health care costs.

An increased emphasis on telehealth could offer a solution in the current health care delivery system. Technologies such as teleconferencing and mobile devices have the potential to increase connectivity, in turn improving access to health care and medical expertise in hard-to-serve areas. With these technologies, patients in rural communities and other hard-to-serve areas can gain access to specialists, training and resources located in metropolitan areas.

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The Benefits of Telehealth

To achieve these goals and to promote greater access to health care in rural areas, states must modernize medical licensure regulation and payment models, including these suggestions from HealthITnow.org:

- Implement interoperable technologies that can openly exchange patient information;
- Reform licensure regulations to allow health care providers to make their expertise available across state boundaries; and
- Provide reasonable reimbursement for telehealth services.
While the technology to implement these types of reforms exists, there is no way to promote cross-border licensing. Existing state and federal laws must be changed to more effectively take advantage of technology and more broadly promote the advancement of telehealth.

Health care providers currently are required to obtain multiple state licenses and adhere to multiple sets of rules in order to provide telehealth across state lines. These existing laws frequently serve as a major roadblock to providing patients with high quality health care across state lines. This is especially true for patients being treated in emergency situations or needing highly specialized treatment that is often hard to find.

**Interstate Compacts as a Solution**

An interstate compact offers one approach to achieving these goals, and in turn improving access to health care through telehealth. Interstate compacts are unique tools reserved for states that encourage multistate cooperation and innovative policy solutions while asserting and preserving state sovereignty.

Compacts, which are governed by the tenets of contract law, provide states an enforceable, sustainable and durable tool capable of ensuring permanent change without federal intervention. With more than 215 interstate compacts in existence today and each state belonging to an average of 25 compacts, there is considerable legal and historical precedence for the development and use of the tool.

More importantly, several compacts that deal specifically with licensing issues already exist. Compacts such as the Driver's License Compact and the Nurse Licensure Compact provide precedence for member states to honor licenses issued in another member state. The Council of State Governments is facilitating the development of an EMS licensing compact. A telehealth compact, if developed, would allow member states to preserve state sovereignty through collective control and self-regulation and stave off potential federal intervention.

Recognizing the scope of the problem and the potential advantages of an interstate telehealth agreement, CSG’s membership adopted a resolution in May 2012 allowing CSG’s compact center to explore an interstate telehealth compact. Staff from the National Center for Interstate Compacts has been working with a wide range of stakeholder groups, including the Federation of State Medical Boards, to explore the idea in more detail.

**Resources:**

The Kaiser Family Foundation [3]
The American Academy of Family Physicians [4]
Health IT Now [5]

**Tags:**

[Capitol Research][6]