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# CMS Contract Year 2020 Medicare Advantage and Part D Flexibility Final Rule (CMS-4185-F)

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- Under the new policies, finalized on April 5 by the Centers for Medicare & Medicaid Services (CMS), Medicare Advantage plans will be allowed to cover telehealth services that originate from beneficiaries' homes — such as an independent living or assisted living community — rather than a health care facility. The **new rules will eliminate geographical restrictions** on telehealth access and telemedicine services in MA plans by 2020. Where only those living in rural locations could access connected health technology previously, the new rules enable those who live in urban areas to also utilize the advanced technology and services. Therefore, MA users, regardless of where they live, will soon have the ability to access healthcare from the comfort of their own homes. The policy lifts geographic restrictions that were likely limiting telehealth adoption.
- It is worth noting that CMS did not adopt specific regulatory text that defines or provides examples of electronic information and telecommunications technology. CMS indicated this is because the technology needed and used to provide MA additional telehealth benefits would vary based on the service being offered. According to CMS, **examples** of electronic information and telecommunications technology (or “electronic exchange”) may **include**, but are not limited to, the following: secure messaging, **store and forward technologies**, telephone, **video conferencing, other internet-enabled technologies**, and other evolving technologies as appropriate for non-face-to-face communication. CMS stated that it “believes this broad and encompassing approach will allow for technological advances that may develop in the future and avoid tying the authority in the regulation to specific information formats or technologies that permit non-face-to-face interactions for furnishing clinically appropriate services.”
- The expansion gives MA plans **permission to cover benefits that “have a reasonable expectation of improving or maintaining the health or overall function” of beneficiaries with chronic conditions.**
- MA plans will be able to offer **telehealth services as a core benefit rather than a supplemental benefit**, which will give them more options for how to underwrite this coverage and should expand availability. Medicare Advantage plans — which are offered by private sector insurance companies that receive capitated payments from the federal government — have had the ability to offer telehealth coverage via supplemental benefits. Starting in 2020, they will be able to pay for these services directly via the federal dollars they receive. Before, insurers could only offer telehealth as a supplemental benefit paid for with rebates or beneficiary premiums. MA plans can now include telehealth as a generic government-funded benefit.
- The final rule will also require plans to more **seamlessly integrate Medicare and Medicaid benefits across the two programs**, such as notifying the state Medicaid agency (or its designee) of hospital and skilled nursing facility admissions for certain high-risk beneficiaries, to promote coordination of care for these patients,” CMS added in its statement.

 In addition, MA Plans will continue to be able to offer MA *supplemental benefits* (that is, benefits not covered by fee for service Medicare) via remote access technologies and/or telemonitoring (referred to as “MA supplemental telehealth benefits” in the Final Rule) for those services that do not meet the requirements for coverage under fee for service Medicare or the requirements for MA additional telehealth benefits (such as the requirement of being covered by Medicare Part B when provided in-person).