

**RESOLUTION TO SUPPORT THE WORK OF THE TELEHEALTH WORKING
GROUP ON INTERSTATE COMPACT**

WHEREAS, the cost of health care has grown an average of 2.4 percent faster than GDP since 1970 and currently represents 18 percent of the United States' total GDP; and

WHEREAS, the lack of access to health care in rural areas is contributing significantly to these increasing costs; and

WHEREAS, 21 percent of the American population lives in rural areas, but only 11 percent of medical specialists practice in those areas, which frequently results in patients in these areas being dramatically underserved; and

WHEREAS, an integrated National medical response capability is essential to assist across state borders to deal with the medical impacts of major disasters; and

WHEREAS, technology has the potential to improve telehealth, which in turn may significantly improve access to health care in rural areas and in turn reduce costs for patients, states, and the federal government; and

WHEREAS; currently, health care providers are required to obtain multiple state licenses and adhere to multiple state rules in order to provide telemedicine services across state lines.

WHEREAS; such requirements put barriers between patients and high-quality care delivered across state lines.

WHEREAS; current state medical licensing laws do not reflect new innovations and growing technologies.

WHEREAS; patients are restricted from receiving remote medical services by physicians not licensed in their own state, even if that same physician is licensed, credentialed, privileged and providing high quality health care in other states.

WHEREAS; this is not a new concept, the federal government allows doctors at the Department of Defense to work across different states using only one state license, among other important changes.

WHEREAS; the Department of Veterans Affairs (VA) requires a doctor to have just one active, unrestricted state license to practice in any VA facility nationwide.

WHEREAS; such reforms have been incredibly successful in helping lower the cost of healthcare, with a 53 percent reduction in bed days or hospitalizations for those using a home

telehealth program. VA's home telehealth program has an annual cost per patient of \$1,600, a far cry from the \$13,000 required for direct home care, or the staggering \$77,000 yearly fee for nursing home care.

WHEREAS, similar technologies have been effectively used in industries such as finance, transportation, and public safety to reduce costs and provide a more efficient product for consumers; and

WHEREAS, in order to take advantage of improvements in technology to better utilize telehealth and in turn improve access to health care in rural areas, reform is needed in medical licensure regulations and payment models; and

WHEREAS, one such means to promote these necessary reforms may be the use of an interstate compact; and

WHEREAS, similar medical licensing compacts already exist, including the Nurse Licensure Compact; and

WHEREAS, interstate compacts are unique tools reserved for states that encourage multistate cooperation and innovative policy solutions while asserting and preserving state sovereignty.

NOW THEREFORE BE IT RESOLVED THAT, The American Legislative Exchange Council supports the work of the Federation of State Medical Boards and the Telehealth Care Interstate Compact Working Group and urges it to continue working to explore the creation of a new interstate compact agreement designed to improve access to health care in rural areas by facilitating the interstate licensing of doctors and reforming the existing reimbursement system.