Medicare Telehealth Overview

Our Medicare Telehealth Trends Report is about people with Medicare who utilized telehealth services between January 1, 2020 and December 31, 2024. The data for the report comes from Medicare Fee-for-Service (FFS) Part B claims data and Medicare enrollment information.

Telehealth is the exchange of medical information from one site to another through electronic communication to improve a patient's health. Prior to March 2020, Medicare paid for these services under limited circumstances, with telehealth services restricted to rural or health professional shortage areas, established patients, and certain types of providers.

In response to the COVID-19 public health emergency, telehealth services have been expanded to increase access to care including: lifting of geographic area restrictions with services allowed to be delivered from patients' home; allowing for both new and established patients; expanding eligible services and the types of providers; and allowing for a select set of audio-only telehealth services. While these expansions lead to large increases in telehealth use, the extent of the increase varied across geographic and demographic groups. These differences may be driven by a number of factors, including access to broadband internet, varying state-level policies on the delivery of telehealth across state lines and the timing and degree to which the pandemic affected geographic areas differently.

For additional details on Medicare telehealth expansions, please visit https://telehealth.hhs.gov .

<u>Key Terms: Beneficiary Characteristics</u>

Medicare Entitlement: Medicare entitlement is available to three basic groups of "insured individuals" - the ***Aged***, the ***Disabled***, and those with ***end stage renal disease (ESRD)***. Medicare entitlement can change over time for beneficiaries that were initially entitled to Medicare because of disability or ESRD before the age of 65. For purposes of this reporting, beneficiaries who at any time during the time period had ESRD, were Aged with ESRD or were Disabled with ESRD are classified as ESRD; otherwise beneficiaries are classified as Disabled or Aged.

Medicaid Eligibility Status: A beneficiary can be eligible for Medicare and/or Medicaid. Beneficiaries dually enrolled in both Medicare and Medicaid at any time during the time period are considered ***Dual Medicare and Medicaid*** enrollees. A beneficiary enrolled in Medicare alone is ***Medicare Only***. Please note that for beneficiaries enrolled in both Medicare and Medicaid, only FFS claims covered by Medicare are included in this reporting.

Race/ Ethnicity: In the trends report, a beneficiary's race/ethnicity is created by taking the beneficiary race code that has historically been used by the Social Security Administration (and is in turn used in CMS's enrollment database) and applying an algorithm that improves the race/ethnicity classification, particularly for those who are Hispanic or Asian/Pacific Islander. This algorithm, developed by the Research Triangle Institute (RTI) and is thus often referred to as the "RTI race code", uses Census surname lists for Hispanic and Asian/Pacific Islander origin as well as geography. The race/ethnicity classifications are: ***American Indian/Alaska Native (AI/AN), White, Black/African American, Asian/Pacific Islander, Hispanic, and Other/Unknown***. For more information on the RTI race algorithm, see https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4195038/.

Rural/ Urban: Rural/Urban status is defined using the beneficiary's mailing ZIP code and the Rural Urban Commuting Area Crosswalk (RUCA). The RUCA crosswalk relies on commuting data from the US Census, as well as ZIP Codes to define ***Rural*** and ***Urban*** locations.

![CMS logo – Centers for Medicare & Medicaid Services]

<u>Key Terms: Medicare Utilization</u>

<u>Telehealth Visits</u>: Routine office visits provided via video (requires synchronous, real-time audio and/or video communication) with new or established patients. In this report, we include audio-only telehealth in this service category.

<u>Telehealth Users</u>: Number of unique Medicare beneficiaries who received at least one telehealth service (including audio-only telehealth).

<u>Telehealth Eligible Users</u>: Number of unique beneficiaries who received telehealth eligible services (via Telehealth or non-telehealth). We define telehealth eligible services using the CMS list of covered telehealth services, effective November 2023.

<u>Percentage of Medicare Users with a Telehealth Service</u>: Telehealth Users divided by **Telehealth Eligible Users**

For additional details on our methodology and data limitations, please see the disclaimer on the next page and view the methodology document available <u>here</u>.

Please note that this report includes a subset of the data that is available in the accompanying data file; for example, a user can analyze telehealth trends by state, quarter, and race using the data file.

What You Should Know When Using Our Data (Disclaimer)

You should use caution when interpreting our data. We collect Medicare claims data for payment and other program purposes, but not for public health surveillance. There will always be a delay or "claims lag" between when a service occurs and when the claim for that service is in our database. The length of the lag depends on the service type and program. There may also be longer claims lag due to the pandemic, but we're not sure of the impact.

Historically, 90% of FFS claims across all claim types are submitted within 3 months. We expect timely FFS claims submissions because providers submit claims directly to us for payment. A longer claims lag is expected for Medicare Advantage encounters because Medicare Advantage Organizations: (1) collect encounters before submitting them to us and (2) have more time to submit encounters because there are different programmatic uses for the data, like risk adjustment.

Percent of Medicare FFS Claims Received by Time after Date of Service

Claim Type	1 Month†	2 Months	3 Months		6 Months		9 Months		12 Months
Inpatient	43%	91%	96%		99%		99%		100%
SNF	2%	81%	94%		98%		99%		100%
Hospice	3%	81%	92%		98%		99%		100%
Home Health	22%	74%	90%		97%		99%		100%
Outpatient	37%	90%	95%		98%		99%		100%
Carrier	43%	87%	93%		98%		99%		100%
DME	57%	84%	90%		96%		98%		100%

Month 1 is the service month (i.e., month for the claim through date); FFS claims analysis based on data for July 2016. The data in this table is meant to be descriptive, but shouldn't be used to adjust data presented in this report due to pandemic-related claims submission uncertainties.

Annual Summary of Part B Medicare Fee-for-Service Telehealth Utilization

Year	Telehealth Eligible Users	Telehealth Users	Percentage of Medicare Users with a Telehealth Service
2020	30,946,785	14,826,919	48%
2021	29,967,346	10,249,756	34%
2022	28,885,208	8,503,157	29%
2023	27,896,098	6,971,495	25%
2024	27,332,861	6,732,914	25%

Disclaimer: All data presented in this report are preliminary and will continue to change as CMS processes additional claims for the reporting period.

Percentage of Medicare Users with a Telehealth Service by Quarter:
Overall
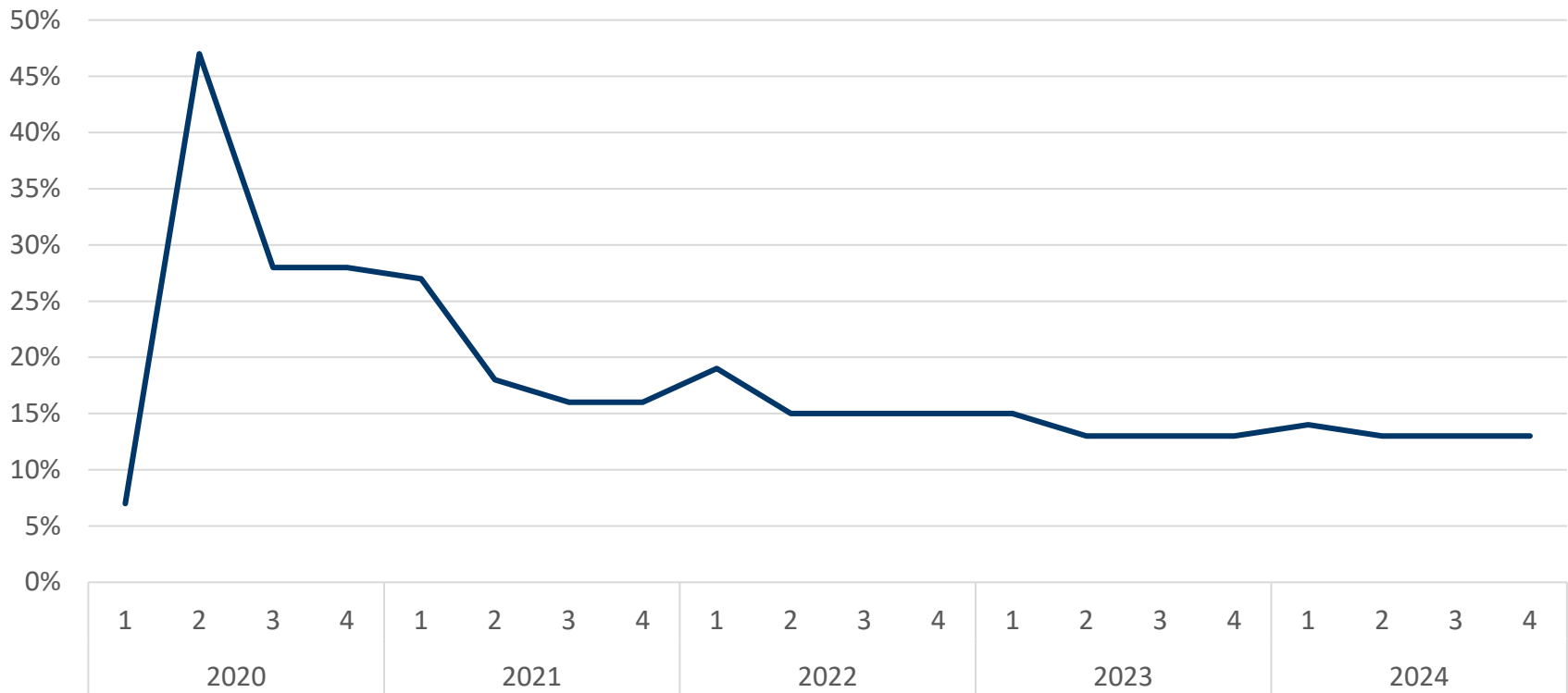
Percentage of Medicare Users with a Telehealth Service by Quarter: By Race/Ethnicity

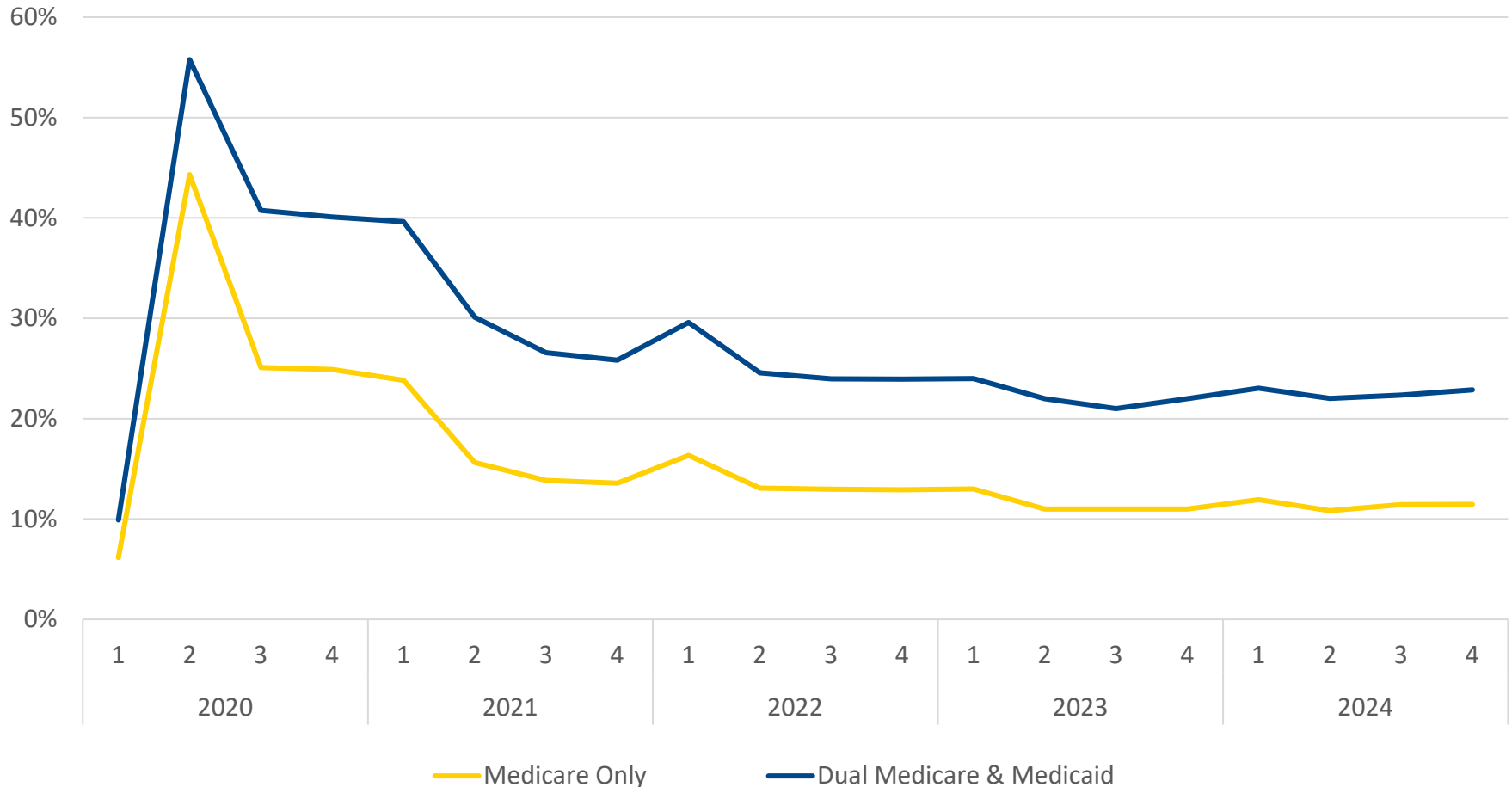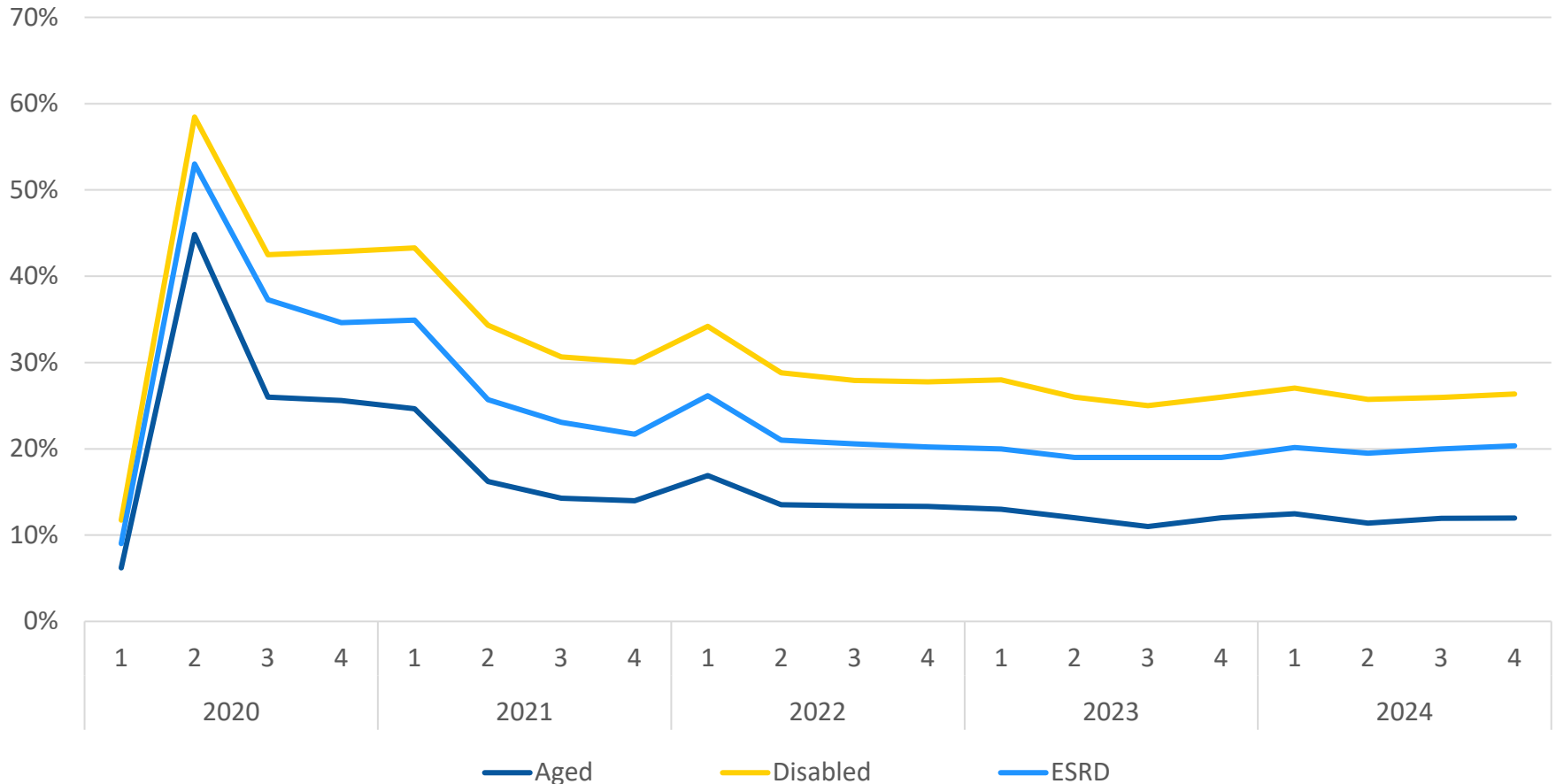Legend: AI/AN — Asian/Pacific Islander — Black/African American — Hispanic — White
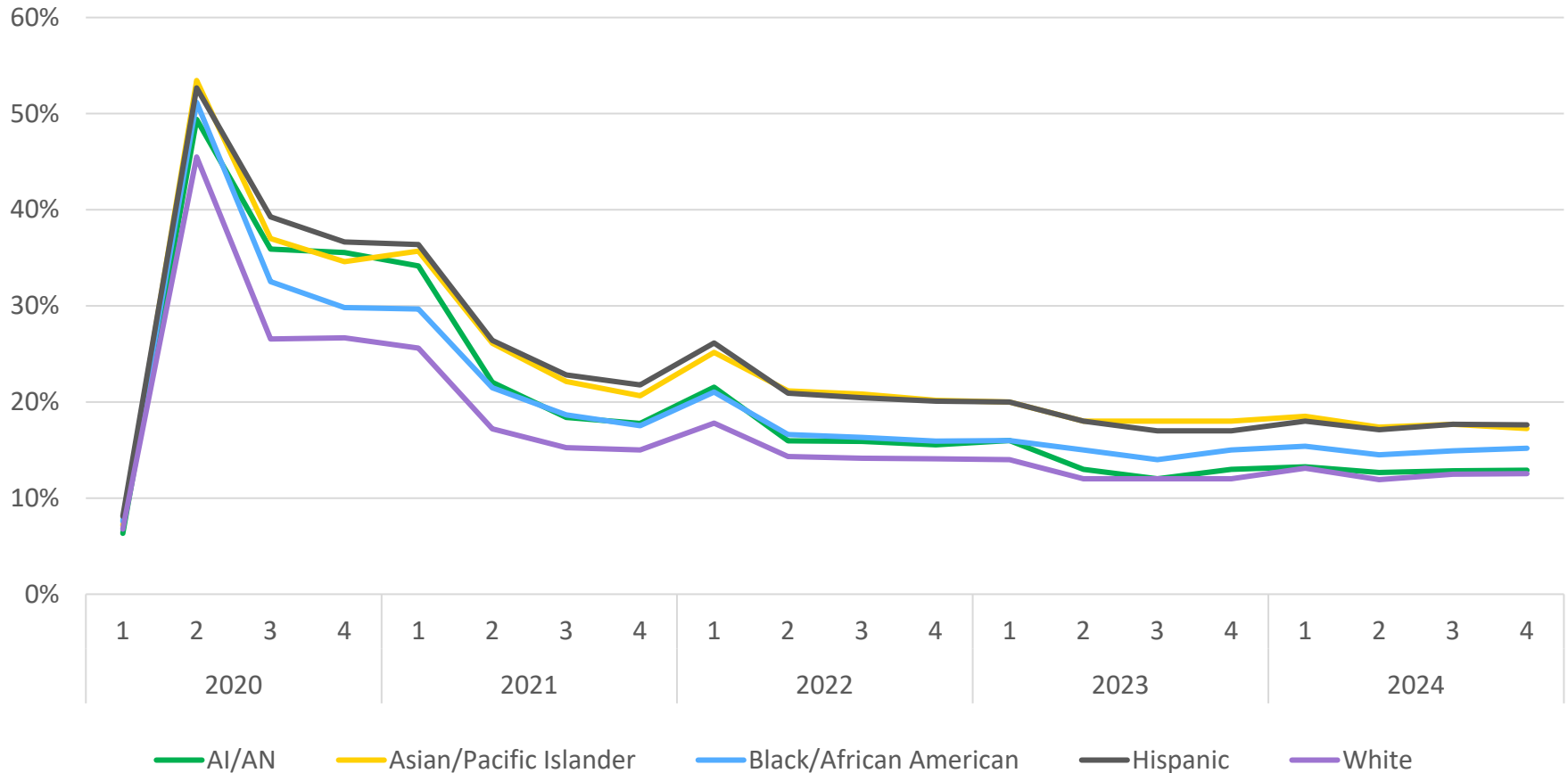
Note: AI/AN = American Indian/Alaska Native

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Percentage of Medicare Users with a Telehealth Service by Quarter: By Medicaid Eligibility
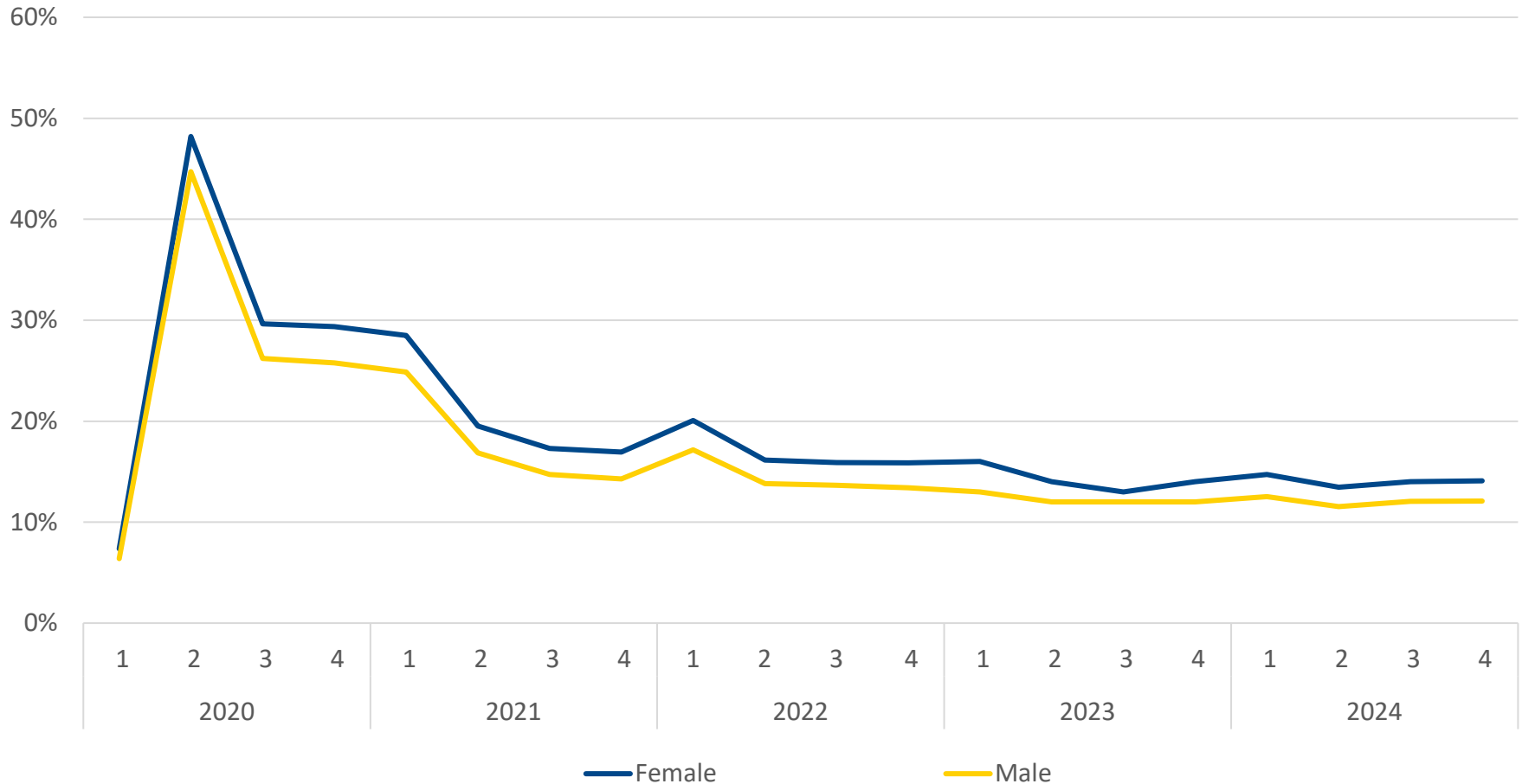

Legend:
- Medicare Only
- Dual Medicare & Medicaid

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Percentage of Medicare Users with a Telehealth Service by Quarter: By Medicare Entitlement
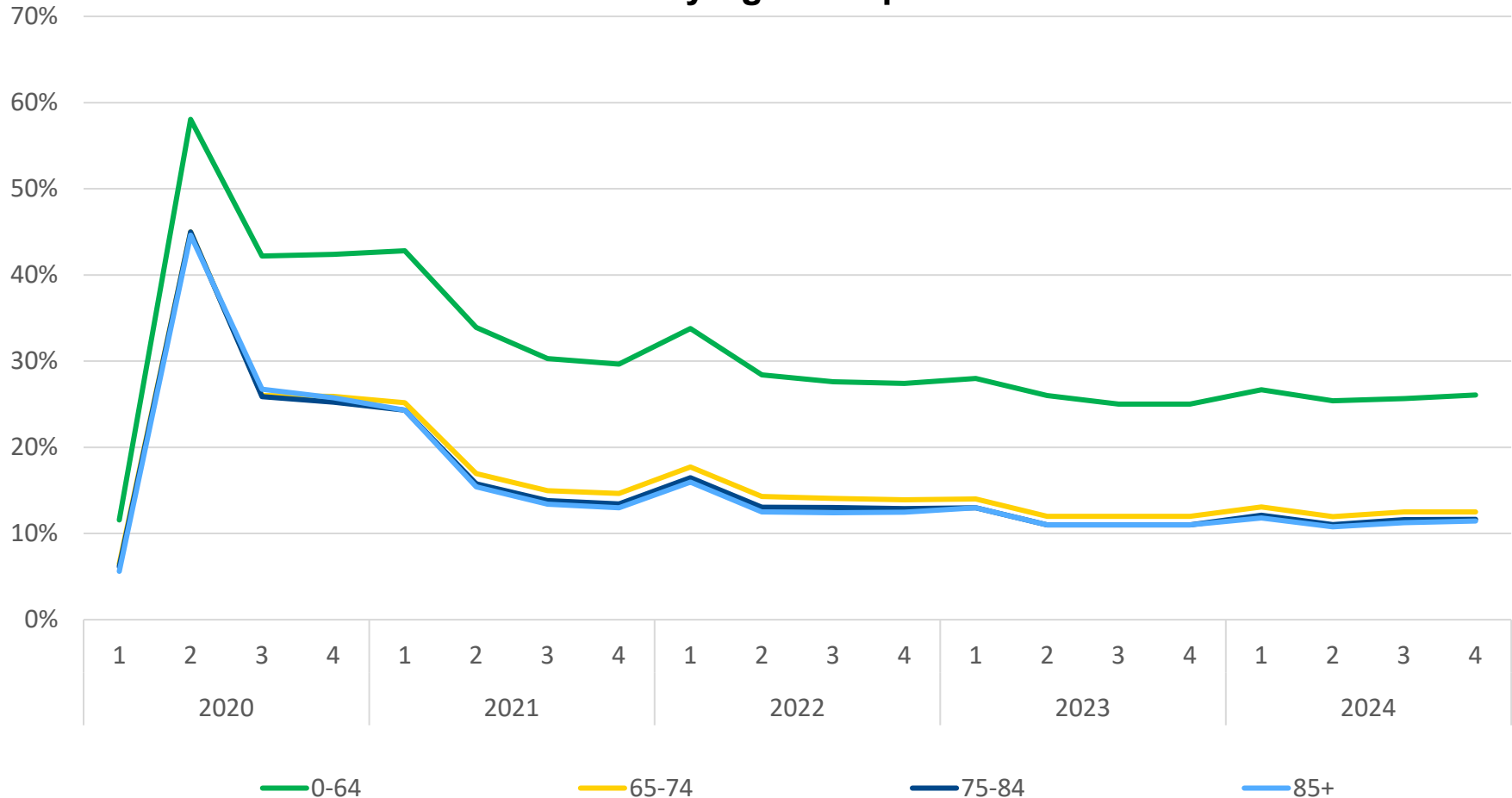

Legend: Aged — Disabled — ESRD

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Percentage of Medicare Users with a Telehealth Service by Quarter: By Sex

Legend: Female, Male

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Percentage of Medicare Users with a Telehealth Service by Quarter: By Age Group
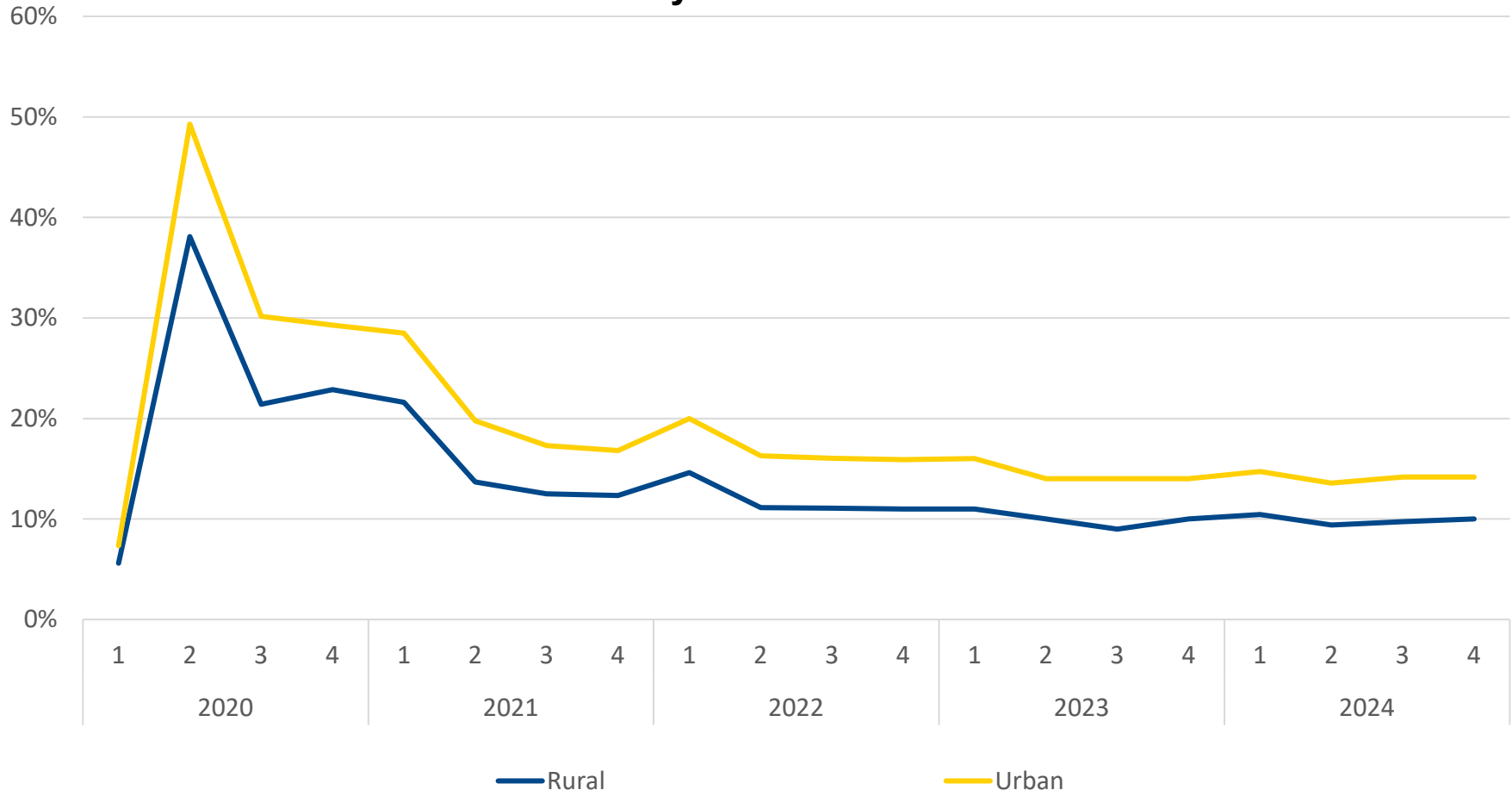

Legend: 0-64, 65-74, 75-84, 85+

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Percentage of Medicare Users with a Telehealth Service by Quarter: By Rural/Urban

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Medicare Telehealth Trends Data File

A Medicare Telehealth Trends data file is available at the following link:

https://data.cms.gov/summary-statistics-on-use-and-payments/medicare-service-type-reports/medicare-telehealth-trends

The data file includes all data points from the preceding charts. The data file also includes additional levels of detail, presenting Telehealth Utilization by:

- Year/Quarter and State
- Year/Quarter, State and Medicaid Eligibility Status
- Year/Quarter, State and Race/Ethnicity
- Year/Quarter, State and Medicare Status
- Year/Quarter, State and Beneficiary Sex
- Year/Quarter, State and Age Group
- Year/Quarter, State and Rural/Urban Status
- Year/Quarter, Medicaid Eligibility Status and Race/Ethnicity
- Year/Quarter, Medicaid Eligibility Status and Medicare Status
- Year/Quarter, Medicaid Eligibility Status and Beneficiary Sex
- Year/Quarter, Medicaid Eligibility Status and Age Group
- Year/Quarter, Medicaid Eligibility Status and Rural/Urban Status
- Year/Quarter, Race/Ethnicity and Medicare Status
- Year/Quarter, Race/Ethnicity and Beneficiary Sex
- Year/Quarter, Race/Ethnicity and Age Group
- Year/Quarter, Race/Ethnicity and Rural/Urban Status

Please see the methodology document for more details.