



TELECOMMUNICATIONS
INDUSTRY ASSOCIATION

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Telecommunications Industry Association

21st Century Cures: A Call to Action

Comments on Questions Posed in the White Paper

June 1, 2014

I. Introduction

The Telecommunications Industry Association (TIA) hereby submits comments in response to the white paper “21st Century Cures: A Call to Action.”

TIA is a trade association representing nearly 400 global manufacturers, vendors, and suppliers of information and communications technology (ICT), and engages in policy efforts specific to health ICT to promote a modern healthcare system that leverages innovative technologies to transform the way care is delivered and consumed. Many of TIA’s member companies develop, manufacture, and supply health information technologies and medical devices, producing the tools that allow patients and health care providers to connect virtually anytime, anywhere. TIA would like to applaud the Energy & Commerce Committee for launching an initiative aimed at accelerating the discovery, development, and delivery of new treatments and cures to patients, and we thank the Committee for this opportunity to provide comments.

II. Encouraging Investment & Innovation

The United States’ propensity for innovation has allowed us to maintain a global competitive edge and reap the economic benefits. As other countries seek to emulate our success and commit more resources to research and development, it is imperative that the United States maintain its leadership role as a hub for innovation. For this to continue, we must have effective policies in place that facilitate investment and innovation, and a regulatory framework that provides predictability and reduces barriers to innovation.

a. The United States Must Make Investment in Advanced Medical Device Technologies a National Priority

Decades of robust investment in the discovery, development, and delivery of new treatments and cures has made the U.S. a global leader in medical device innovation. Our successes have driven global competition and now other countries are increasing their own contributions to



research and development. In order to maintain our status as a global leader the U.S. must make investments in medical research a national priority. From 2007 to 2012, U.S. investment in biomedical R&D dropped from \$131.3 billion to \$119.3 billion, a -1.9% compound annual decline. During the same period, the Asia-Pacific region increased spending increased from \$41.1 billion to \$62 billion, including a 5.7% compound annual growth for Japan and a 32.8% compound annual growth rate for China (from \$2 billion in 2007 to \$8.4 billion in 2012)¹. Much of the decline in U.S. investment came from the private sector, where its share of global R&D expenditure declined from 50.4% in 2007 to 42.3% in 2012.

This trend is very troubling indeed and potentially damaging, threatening our status as global leader. Certainty in sustained or increased federal investment in R&D is important and will help contribute to US leadership, but government policies must also provide incentives and facilitate strategic and robust investment from the private sector. A permanent R&D tax credit will not only create jobs but will create billions of dollars in additional R&D investment. Making it permanent will also promote certainty for businesses.

b. The Health Care System of the Future Should Realize the Potential of Remote Patient Monitoring

A modern, 21st century healthcare system must leverage innovations in communications technologies. Innovative technologies are needed that connect patients, health care providers, and medical professionals virtually anywhere, and facilitate ongoing care and treatment wherever and whenever it is needed. Outdated regulations that have restricted the use of telehealth have long been a hindrance to progress in this space. As a notable example, Section 1834(m) of the Social Security Act has resulted in arduous restrictions on telehealth services (see 42 CFR § 410.78). The ICT manufacturer, vendor, and supplier community urges for Congress to work towards realization of a connected healthcare system by removing barriers to the utilization of advanced technologies.

The known benefits of remote patient monitoring services include improved care, reduced hospitalizations, avoidance of complications and improved satisfaction, particularly for the chronically ill.² Remote patient monitoring of patient-generated health data (PGHD) must be

¹ See Chakma, et al, "Asia's Ascent—Global Trends in Biomedical R&D Expenditures." *New England Journal of Medicine* 370.1 (2014), DOI: 10.1056/NEJMp1311068

² See, e.g., U.S. Agency for Healthcare Research and Quality ("AHRQ") Service Delivery Innovation Profile, *Care Coordinators Remotely Monitor Chronically Ill Veterans via Messaging Device, Leading to Lower Inpatient*

utilized for any health care system to realize its full potential. The National eHealth Collaborative (“NeHC”) has defined PGHD as “Health-related data created, recorded, gathered, or inferred by or from patients or their designees to help address a health concern.”³ Involving this data will engage patients in their own care, can lead to improved lifestyle choices and improve overall health.⁴ There are also significant potential for cost savings, with a recent study predicting that remote monitoring will result in savings of \$36 billion globally by 2018, with North America accounting for 75% of those savings.⁵ Policies must be in place that enable greater use of these dynamic solutions and promote greater development and opportunities for health care delivery.

c. Setting Appropriate Goals in Advancing Healthcare: a Connected Continuum of Care

While national and global efforts to develop, integrate, and utilize innovative technologies that enable eHealth and telemedicine have allowed this industry to mature, we must continue looking for ways to maximize the potential of health ICT. Regulations and policies should reflect the dynamic and transformative nature of these technologies, and shouldn’t stifle innovation. Current areas of focus, particularly on the agency level, remain on electronic health records (EHRs) and EHR interoperability. Meanwhile, there is a true need for federal priorities to address the full potential of the health information technology ecosystem which is comprised of many technologies, including medical remote monitoring products that are enabled with wired, wireless and mobile ICT. Based on the potential benefits that remote monitoring and PGHD can provide to countless Americans, we encourage Congress to approach efforts to advance healthcare past interoperability of EHRs, and to fully support a connected health ICT ecosystem. Embracing the diversity of solutions will allow for innovative improvements at each stage along the continuum of care. Consciously taking a broader focus as we describe above

Utilization and Costs (last updated Feb. 6, 2013), available at <http://www.innovations.ahrq.gov/content.aspx?id=3006>.

³ See NeHC, *Patient Generated Health Data White Paper* (Apr. 2012) at 2-3, available at http://www.nationalehealth.org/ckfinder/userfiles/files/PGHD%20White%20Paper_April%202012.pdf.

⁴ See, e.g., Sanjena Sathian, “The New 21st Century House Call,” *Boston Globe* (July 29, 2013), available at <http://www.bostonglobe.com/lifestyle/health-wellness/2013/07/28/century-house-call/tdupWvOQI6b3dKdKcEgdGM/story.html>.

⁵ See Juniper Research, *Mobile Health & Fitness: Monitoring, App-enabled Devices & Cost Savings 2013-2018* (rel. Jul. 17, 2013), available at http://www.juniperresearch.com/reports/mobile_health_fitness.



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would be a noteworthy step towards encouraging innovation and investment into new technologies that will improve care, reduce hospital visits, and save lives.

III. Conclusion

Telehealth continues to change the way that health care is delivered and consumed. As we continue looking forward, it is imperative that we have policies and practices in place that enable the development of this important industry. We must continue to harness 21st century advances in science and technology, including innovative communications technologies, to ensure that Americans reap the benefits of a modern health care system.

Thank you again for your leadership, and we look forward to working with you on these important issues. For more information, please contact Danielle Coffey at (703)-907-7734 or by email at dcoffey@tiaonline.org.

Sincerely,

Grant Seiffert
President