What Health Tech Leaders Need to Know About Telehealth

Part 1: Where are we now with telehealth?

Advisory Board

Across the past year, health care delivery has changed significantly. And while the capabilities and adoption of telehealth have come a long way, we've yet to tap its full potential. As an industry, we need to continue to advance the use of telehealth—but we also need to remember that there's danger of a backlash against technology, characterized by disillusionment and disinvestment.

This briefing will review the progress that's been made and examine future uses of telehealth. It is easy to get caught up in day-to-day execution, but to get maximum value for patients, we must think broadly about the potential of these new technologies.

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The goal for telehealth is "whole person" care, enabled by technology

The ambition for telehealth is to use technology to incorporate all facets of health care: not just medicine and treatment. Telehealth technology should consider lifestyle and social factors, and it should look at how care can be delivered, ranging from the patient's home to an acute care facility.

To assess our progress on achieving this ambition, first consider the seismic shift in telehealth.

PATIENT HEALTH IS A FUNCTION OF MANY FACTORS

Covid-19 has created a new baseline of virtual visit utilization

As shown in the graph below, virtual visits accounted for only 1% of all clinical visits in the U.S. before the Covid-19 pandemic. That rose to over half of all visits in April 2020, during the initial wave and consequent fear of the disease. But what's important to note is that the percentage of clinical visits that were virtual settled between 15% and 20% across the last six months of the year—it didn't return to the pre-pandemic level.

Even though virtual visits went down from the high last spring, the increase in virtual visits from pre-pandemic levels to today's new normal is remarkable.

VIRTUAL VISITS AS PERCENTAGE OF TOTAL VISITS
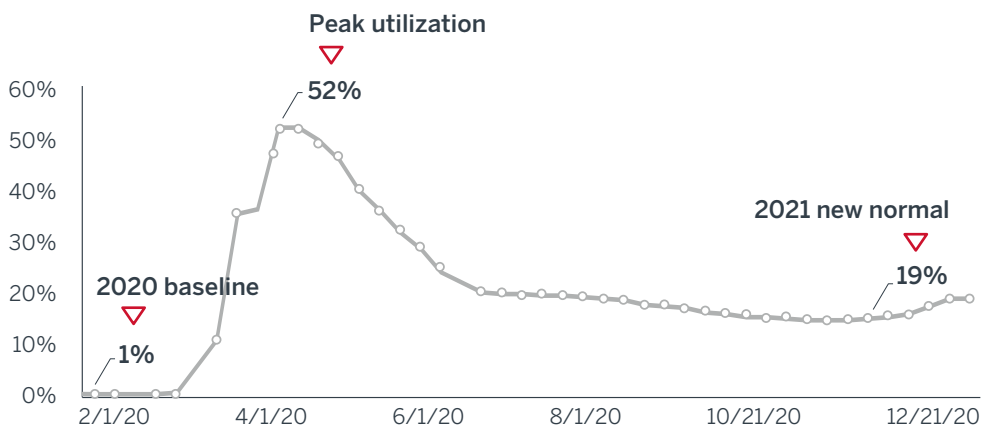
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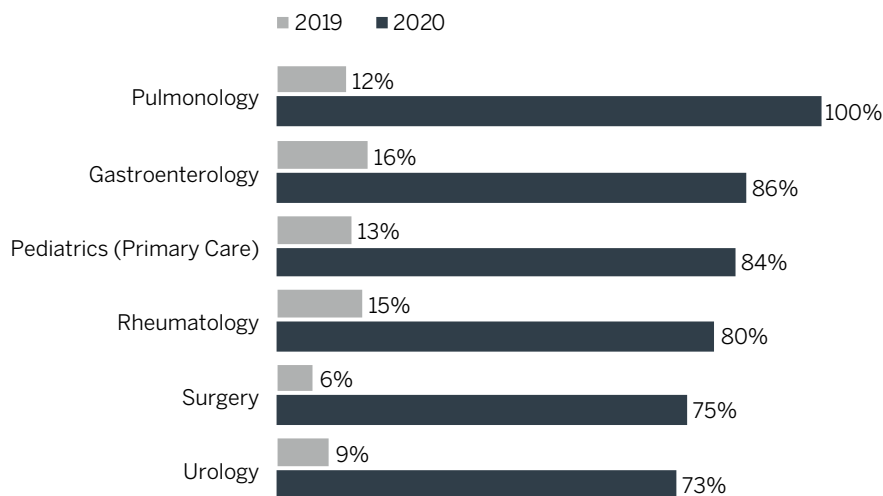# Even previously reluctant specialties have experienced a shift

It's easy to think of telehealth as simply a more convenient way for patients to connect with primary or urgent care providers. But virtual visits in specialty areas grew significantly as well.

The graph below shows six of the specialties where the utilization of virtual visits by providers grew the most between 2019 and 2020. Each of these specialties saw its rate increase by over 70%. Pulmonology is especially notable. Only 12% of pulmonologists surveyed had virtual visits in 2019, but 100% of those providers used virtual visits the following year. Clearly, this isn't just about primary care.

PERCENTAGE OF PROVIDERS USING VIRTUAL VISITS, 2019–2020

Specialty	2019	2020
Pulmonology	12%	100%
Gastroenterology	16%	86%
Pediatrics (Primary Care)	13%	84%
Rheumatology	15%	80%
Surgery	6%	75%
Urology	9%	73%

04

# Tele-behavioral health uses virtual visits the most

One positive surprise from 2020 was patient and provider support of tele-behavioral health. There has always been a case for it: the interaction doesn't require physical contact, and the convenience would make it easier to keep appointments.

But patients and providers have resisted, supporting in-person care as the gold standard and viewing digital interactions as weak substitutes. While there are advantages to in-person care, the increase in virtual behavioral health care has been overwhelming.

The portion of psychiatric visits held virtually is holding at the peak levels early in the pandemic, as the graph below shows. In December 2020, two-thirds of all psychiatric visits were virtual.

This change in utilization offers hope that virtual visits will be able to put a lasting dent in the challenges of accessing behavioral health care. But an important point to remember as we examine telehealth: it isn't just about making it easier to secure visits with a clinician. This point is covered on the next page.

VIRTUAL VISITS AS PERCENTAGE OF TOTAL VISITS
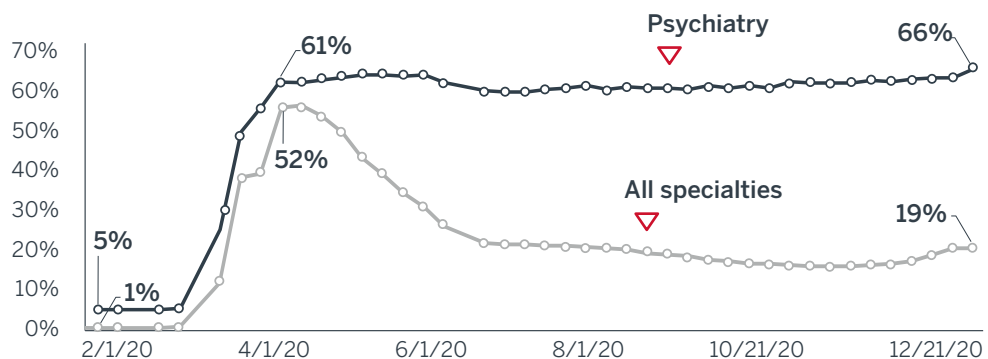
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Digital solutions can be more than an in-person alternative

Providers are expanding support for patients beyond simply using digital channels. The example below comes from Kaiser Permanente, an organization trying to eliminate barriers that prevent their members and patients from getting behavioral health support. Kaiser created a way for providers to refer patients to specific digital support through the electronic health records (EHRs). These support services include self-guided practices, self-care tools, educational material, and guided support.

As outlined in this example, digital solutions do not just replace a doctor visit—they can expand and improve care while aligning with patient preferences.

Mobile apps broaden access to care and support

Problem

Patients delay traditional care that's seen as inconvenient and too intensive

▶

Opportunity

Mobile apps can make care more convenient and destigmatized relative to traditional talk therapy

▶

Solution

Providers can refer patients to mobile apps to encourage adoption and increase provider capacity

How digital technologies meet diverse behavioral health needs

Mindfulness and meditation apps guide stress-relief activities

Education materials and guided activities help patients track and manage mild symptoms

Cognitive behavioral therapy apps provide guided support

Self-care tools help with stress, poor sleep, and relationships

Consumers look to telehealth to solve problems

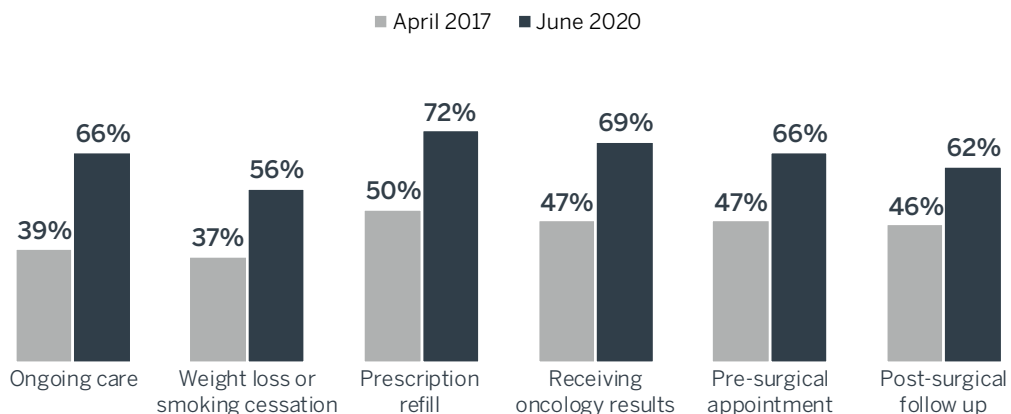Consumers want telehealth to solve the traditional problems of access and convenience.

Advisory Board conducted a survey of consumers' opinions on virtual visits in June 2020, comparing results with a similar survey from April 2017. Not surprisingly, consumers' interest in using virtual options for all the scenarios we asked about was higher in 2020.

The most notable finding was that even the 2020 scenario with the lowest level of consumer interest is higher than the highest level of interest three years ago. The greatest interest three years ago for any scenario was 50% for prescription refills. The lowest interest in 2020 was 56% for weight loss or smoking cessation.

This trend is continuing as consumers are interested in using telehealth for more kinds of care, specifically when they want it.

CONSUMERS WHO WOULD CONSIDER VIRTUAL CARE IN DIFFERENT SCENARIOS

n=7,452

■ April 2017   ■ June 2020

Scenario	April 2017	June 2020
Ongoing care	39%	66%
Weight loss or smoking cessation	37%	56%
Prescription refill	50%	72%
Receiving oncology results	47%	69%
Pre-surgical appointment	47%	66%
Post-surgical follow up	46%	62%

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Patients are impatient

In our 2017 and 2020 surveys, we found enormous changes in consumers' willingness to wait for care. The biggest change was in willingness to consider a virtual visit for a wait time of a just a single day.

In every time frame considered, in 2020 at least three out of five consumers would consider a virtual visit to avoid a wait of any length. This has important implications for providers and payers, because patients want to maintain their connection with their own doctor, but they don't want to wait.

CONSUMERS WHO WOULD CONSIDER A VIRTUAL VISIT IF IN-PERSON VISIT REQUIRES A WAIT

WAIT TIME FOR IN-PERSON VISIT	ONE DAY	ONE WEEK	TWO WEEKS	ONE MONTH	OFFICE CLOSED
April 2017 national (n=4,879)	34%	51%	56%	59%	44%
June 2020 national (n=7,452)	60%	63%	65%	66%	61%
Percent change from 2017 to 2020	+76%	+24%	+16%	+12%	+39%

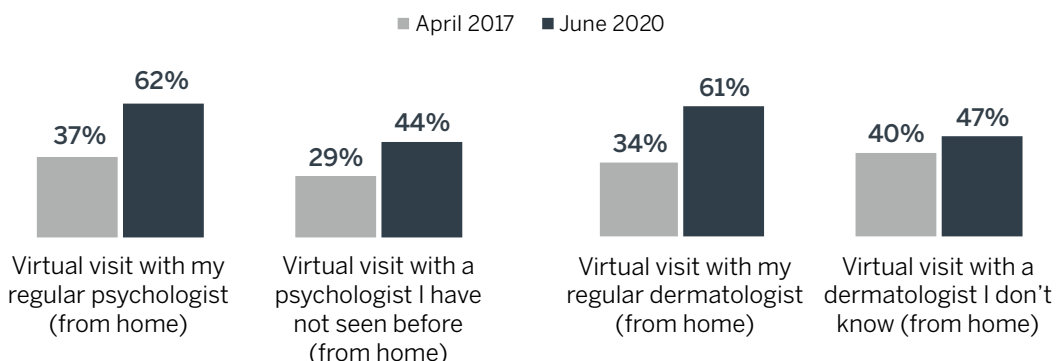# Patients want virtual care from their own clinicians...

Most consumers aren't interested in seeing just any clinician virtually. They want to see someone they know.

The information in the graphs below comes from Advisory Board's 2017 and 2020 surveys on patient preferences. We asked consumers if they would consider a virtual visit with their regular clinicians or clinicians they didn't know, specifically in the areas of mental health and dermatology. In both cases, there was significant change between 2017 and 2020 in the proportion of patients who said they would see their regular psychologist or dermatologist virtually. The number who said they would use a virtual visit to see a clinician they didn't know did increase, but not nearly as much.

To further validate these results, an Optum[1] survey in late 2020 asked consumers who had used telehealth to connect with a local provider how important being able to meet with that local provider was to their decision to use telehealth. Eighty-one percent said it was extremely important or very important.

Consumers who would consider a virtual visit to discuss their mental health

Consumers who would consider a virtual visit for low-acuity dermatology needs

■ April 2017 ■ June 2020

37% 62%
Virtual visit with my regular psychologist (from home)

29% 44%
Virtual visit with a psychologist I have not seen before (from home)

34% 61%
Virtual visit with my regular dermatologist (from home)

40% 47%
Virtual visit with a dermatologist I don't know (from home)

1. Advisory Board is a subsidiary of Optum. All Advisory Board research, expert perspectives, and recommendations remain independent.
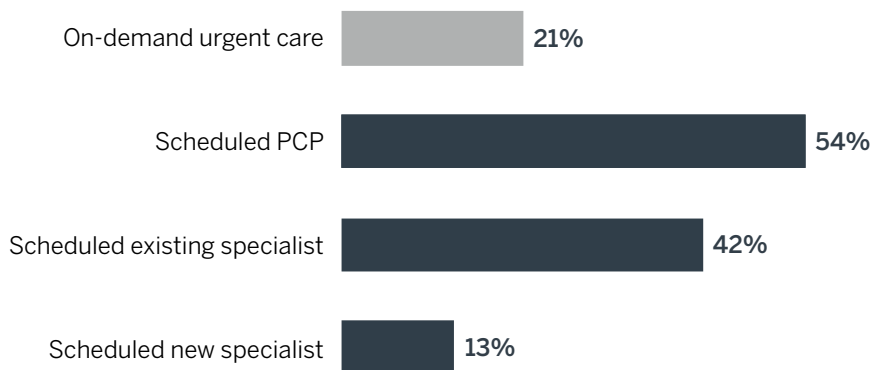
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...But clinicians don't have to be at their beck and call

While patient demand for virtual visits is growing, those visits don't have to be immediately on demand. In fact, digital connections are happening largely as scheduled visits. Only 21% of consumers who used telehealth reported using on-demand virtual urgent care. More than half had a scheduled visits.

As telehealth becomes normalized, providers have made heroic efforts to revise and build workstreams that accommodate virtual care. While first attempts weren't perfect, providers have largely adapted to telehealth and are more open to it than ever.

VIRTUAL VISIT TYPES REPORTED BY CONSUMERS

|	
On-demand urgent care	21%
Scheduled PCP	54%
Scheduled existing specialist	42%
Scheduled new specialist	13%

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Clinicians are adapting to telehealth

Data from Amwell's 2020 physician survey shows how significant the change in clinician offerings has been in one year. Four times more physicians have conducted a virtual visit, and nearly all physicians reported a willingness to use telehealth, up by about half from 2019. The vast majority of physicians expect they will continue to use telehealth across the next three years. This outlook, combined with consumers and clinicians acclimating to virtual care at unprecedented levels, has led to robust financial investment in telehealth.

CLINICIANS ARE ADAPTING TO TELEHEALTH

Physicians who had done a virtual visit

2019	22%
2020	80%
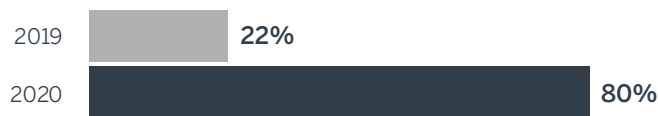
Physicians willing to use virtual visit

2019	69%
2020	96%

Physicians who expect to use virtual visit in the next 3 years

2019	50%
2020	70%

The investment keeps growing

Money was already pouring into telehealth before the Covid-19 pandemic. This trend continues as the value of initial public offerings (IPOs) approach the billion-dollar mark, the share price performance of the largest player in the space (Teladoc) skyrockets, and global telehealth funding reaches an all-time high.

However, many telehealth companies offer a single-modality, single-purpose solution. Covid-19 has shown many providers that they need robust, integrated solutions to use for any patient or condition. Virtual visits will be commodities against customer demands like that.

What could this look like in the future? Consider Teladoc and their merger with Livongo. Teladoc is the global leader in one-on-one virtual consult technology, working in 175 countries, 40 languages, and 450 subspecialties. Livongo is a remote monitoring solution with 410,000 members and 700 million data points. The two have combined in a $38 billion merger, constructing a parallel care continuum that does not involve the hospital.

▲**139%**

Teladoc stock performance in 2020

Amount raised in recent IPOs
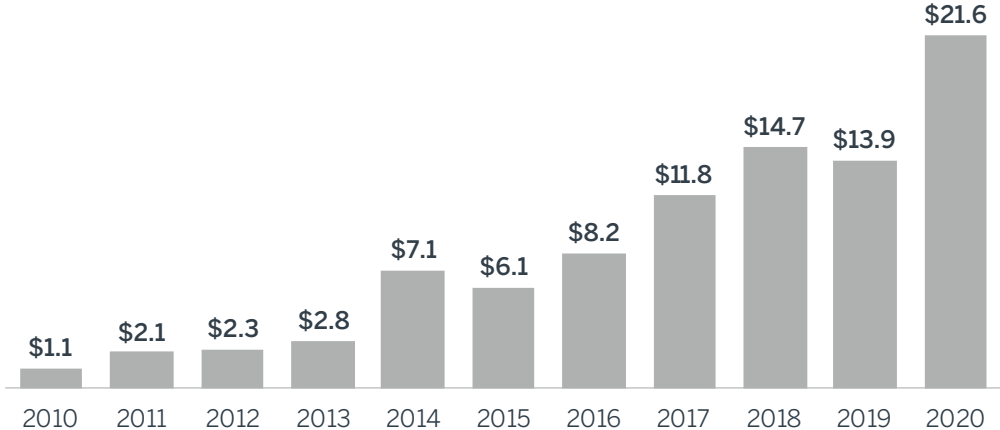
$1.1B

GoodRx

$742M

Amwell

$913M

GoHealth

This trend continues as Humana recently announced it would partner with DispatchHealth to provide "hospital at home" care. These moves are centering care around the patient, and that care is not dependent on where the patient is located.

GLOBAL TELEHEALTH FUNDING SHOWS NO SIGNS OF SLOWING

Annual funding, in billions

Year	Funding
2010	$1.1
2011	$2.1
2012	$2.3
2013	$2.8
2014	$7.1
2015	$6.1
2016	$8.2
2017	$11.8
2018	$14.7
2019	$13.9
2020	$21.6

takeaways

Where are we now with telehealth?

» Health care has reached a new baseline for telehealth utilization and familiarity, including nearly every specialty and reaching beyond just virtual visits.

» Patients are looking at telehealth solutions as ways to solve their own problems of access and convenience—but they want those solutions to connect them to their own clinicians.

» Fresh interest in telehealth has driven robust investment, much of which continues to push care away from hospitals and offices.

Now that we've achieved huge gains in utilization, familiarity, and investment in telehealth, what will the industry do with it? If the industry is going to leverage telehealth to its full advantage, we must demonstrate the value of these tools outside of a crisis setting for all patients, and we must continue to improve digital experience.

Read **part two of this briefing** to learn where telehealth is going, and what we must do in 2021 to get there. ◣

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