



# Understanding telehealth today—and preparing for its next “new normal”

---

# Today's speaker



**John League**

Senior Consultant

leaguej@advisory.com

202-568-7822



**SURVEY**

Before Covid-19, had you ever done a  
virtual visit for your own care?

# Today's agenda

01

● **Where are we now with telehealth?**

02

● Where are we going—and how do we get there?

03

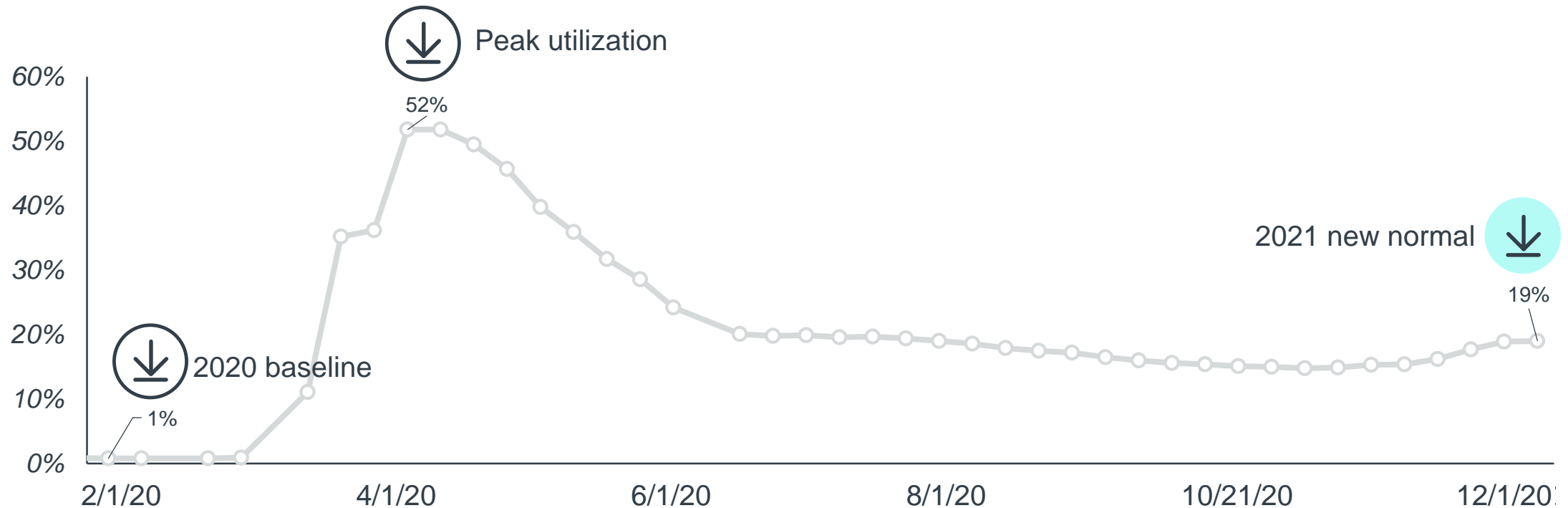
● Q&A

# The goal: “whole person” care, enabled by technology



# Covid-19 creates new baseline of virtual visit utilization

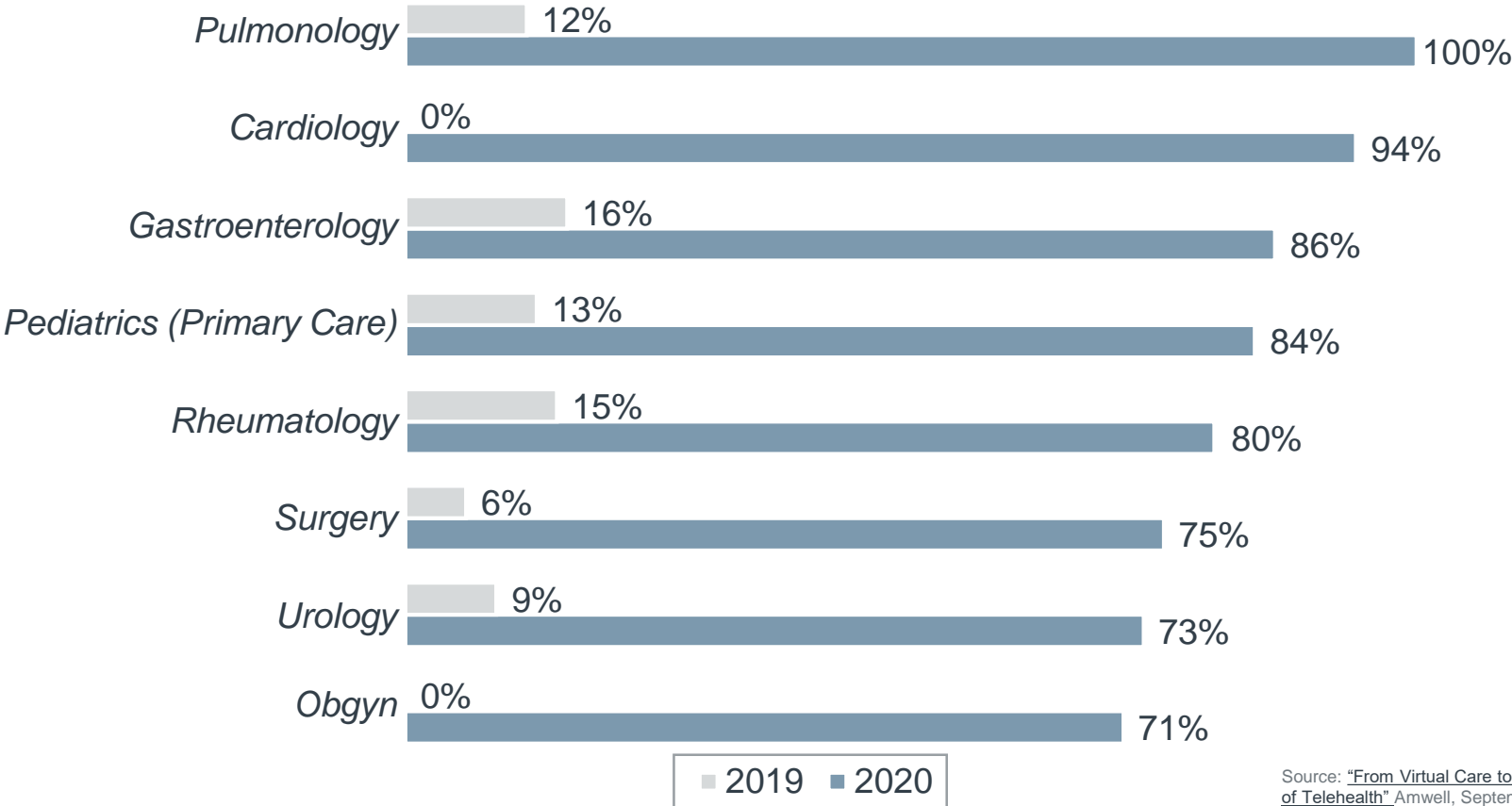
## Telehealth visits as percentage of total visits



Source: [Telehealth Adoption Tracker](#), Chartis Group, December 2020

# Even previously reluctant specialties experience a shift

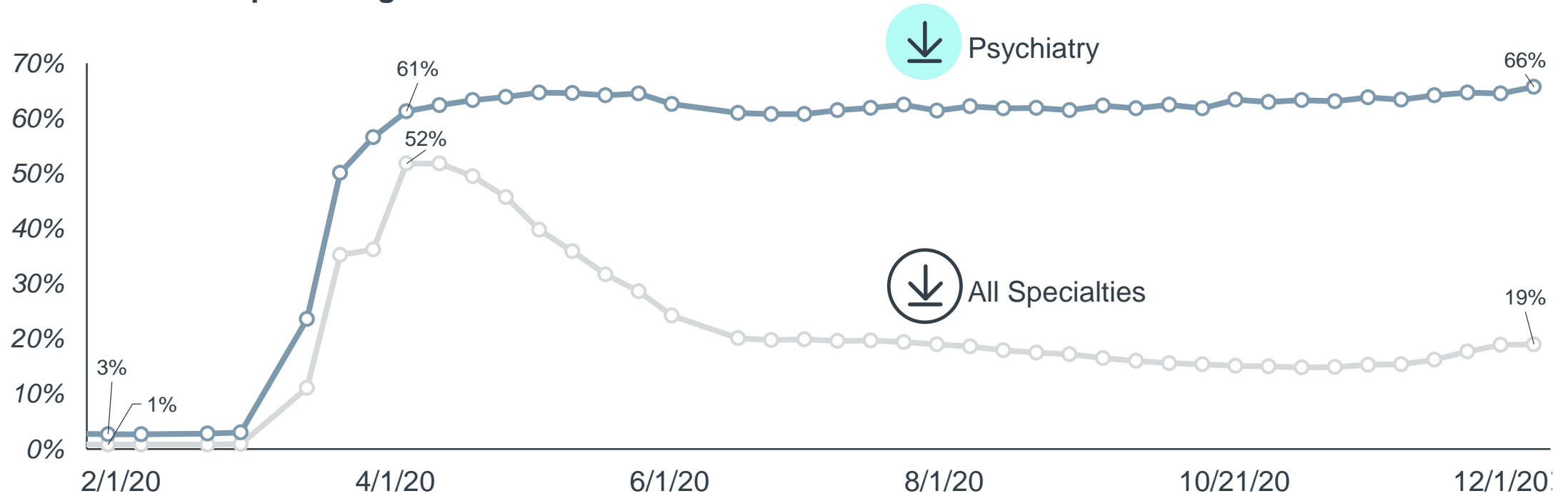
Specialties with greatest change in virtual visit utilization, 2019-2020



Source: "From Virtual Care to Hybrid Care: COVID-19 and the Future of Telehealth" Amwell, September 2020.

# Tele-behavioral health use holds at peak levels

Telehealth visits as percentage of total visits



Source: [Telehealth Adoption Tracker](#), Chartis Group, December 2020.



# Digital solutions can be more than in-person alternative

## 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 mobile apps to patients to encourage patient adoption and increase provider capacity

## How digital technologies meet diverse behavioral health needs



Mindfulness, meditation apps to guide stress-relief activities



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



Cognitive behavioral therapy apps to provide guided support



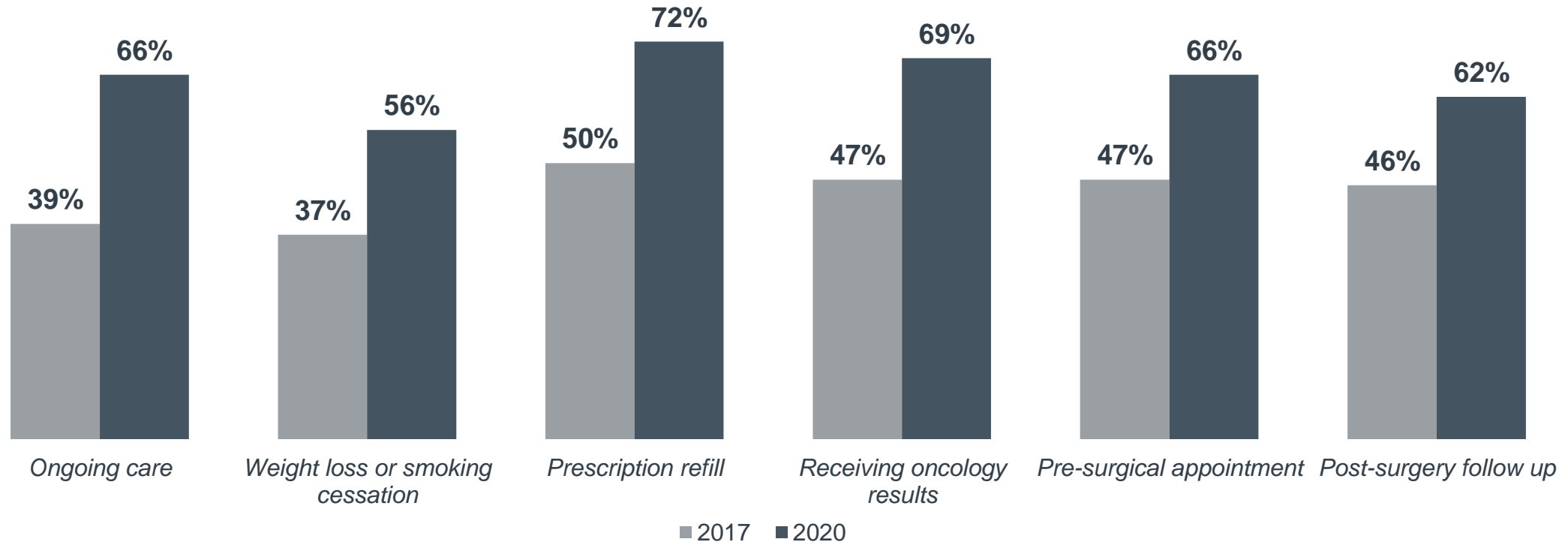
Self-care tools for more needs: stress, poor sleep, relationships

Source: Mordecai, D. et al., "How Kaiser Permanente Created a Mental Health and Wellness Digital Ecosystem," NEJM Catalyst, January 2021.

# Consumers look to telehealth to solve problems

## Consumers who would consider virtual care in different scenarios

n=7,452








Source: Tyrrell R. "How Covid-19 has changed consumer behavior and preferences" Advisory Board, June 29, 2020

# Patients are impatient

## Consumers who would consider a virtual visit if in-person visit requires a wait

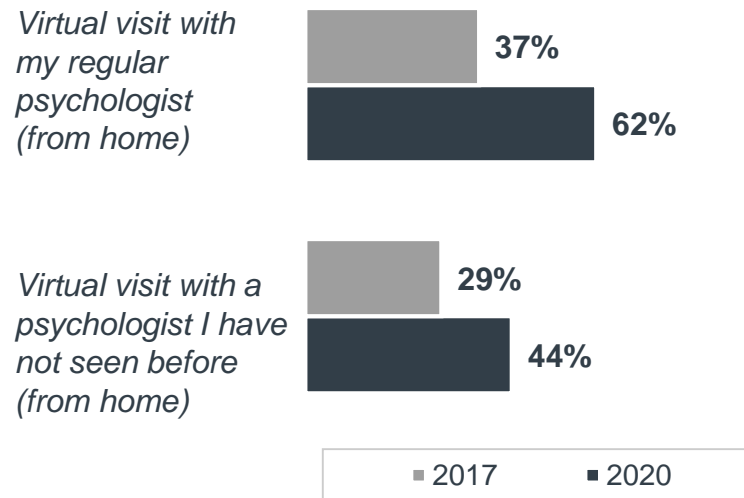
Wait time for in-person visit

	 One day	 One week	 Two weeks	 One month	 Office closed <sup>1</sup>
2017 National (n = 4,879)	34%	51%	56%	59%	44%
2020 National (n = 7,452)	60%	63%	65%	66%	61%
Percent Change from 2017 to 2020	<b>+76%</b>	<b>+24%</b>	<b>+16%</b>	<b>+12%</b>	<b>+39%</b>

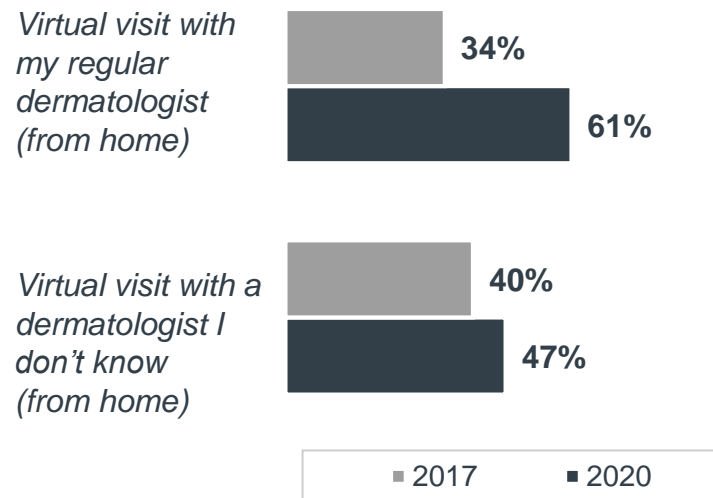
Source: Tyrrell R. "How Covid-19 has changed consumer behavior and preferences" Advisory Board, June 29, 2020

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

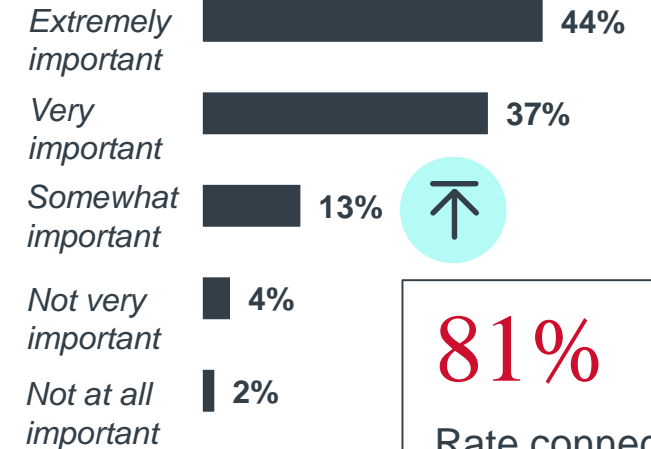
## Consumers who would consider a virtual visit to discuss their mental health



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



## Consumers who saw a local provider via telehealth rate local connection highly

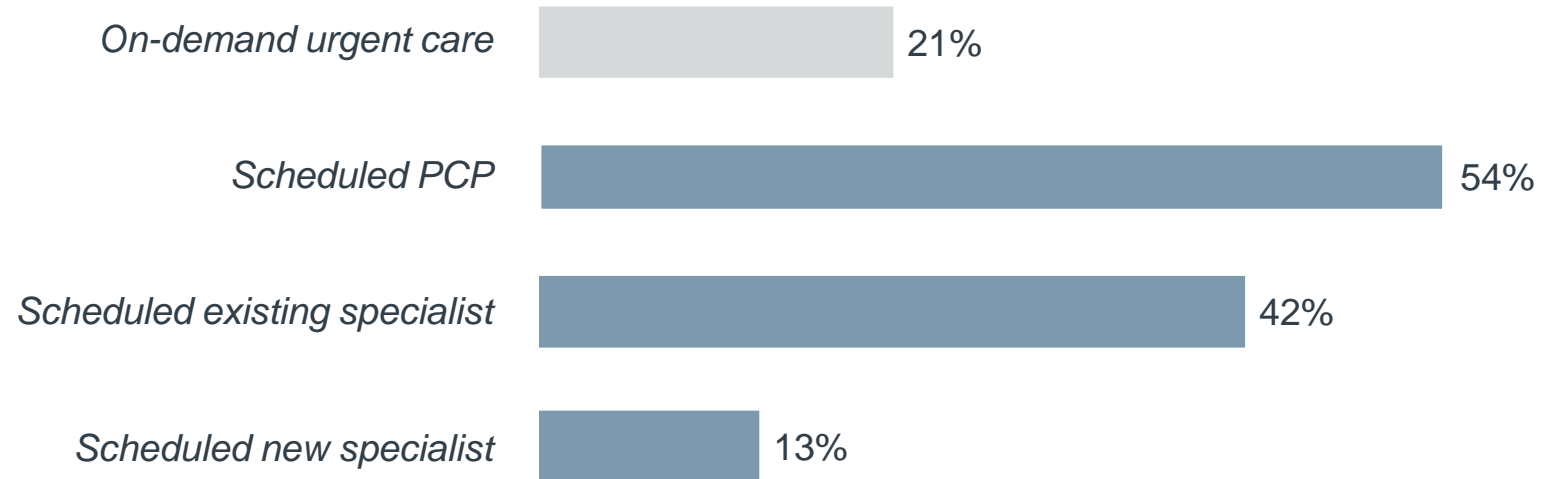


**81%**  
Rate connection with local provider as extremely or very important

Source: Tyrrell R "How Covid-19 has changed consumer behavior and preferences" Advisory Board, June 29, 2020; "Telehealth Consumer Research," Optum, November 9, 2020.

# ...But clinicians don't have to be at their beck and call

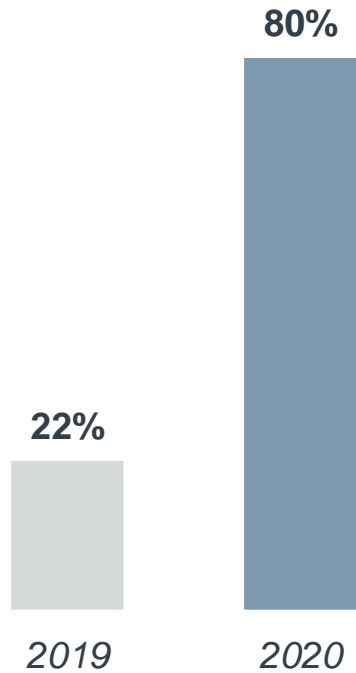
## Virtual Visit Types Reported by Consumers



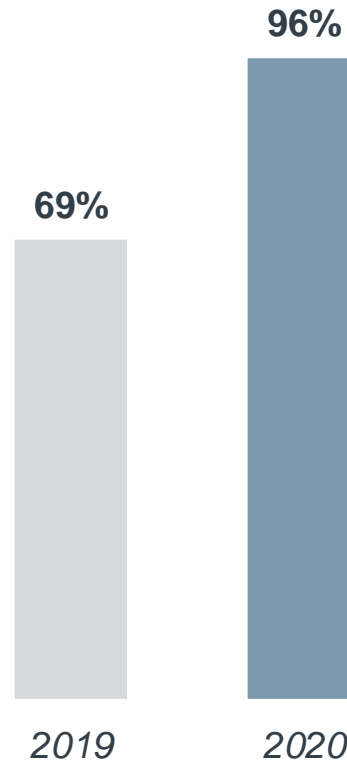
Source: "From Virtual Care to Hybrid Care: COVID-19 and the Future of Telehealth" Amwell, September 2020.

# Clinicians don't actually hate telehealth

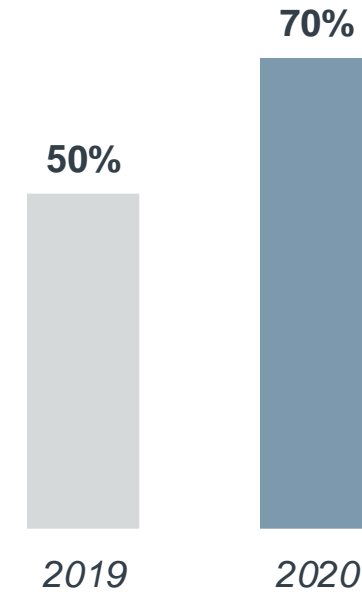
Physicians who had done a virtual visit



Physicians willing to use telehealth



Physicians who expect to use telehealth in the next 3 years



Source: "From Virtual Care to Hybrid Care: COVID-19 and the Future of Telehealth" Amwell, September 2020.

## SURVEY

Has your organization engaged directly with clinicians to guide patients and members to productive use of telehealth?

- A. Yes, and we are having success
- B. Yes, but we are struggling
- C. No, but we want to
- D. No, and we aren't interested

# The money keeps rolling in



## DATA SPOTLIGHT

### Amount raised in recent IPOs<sup>1</sup>

**\$1.1B** GoodRx

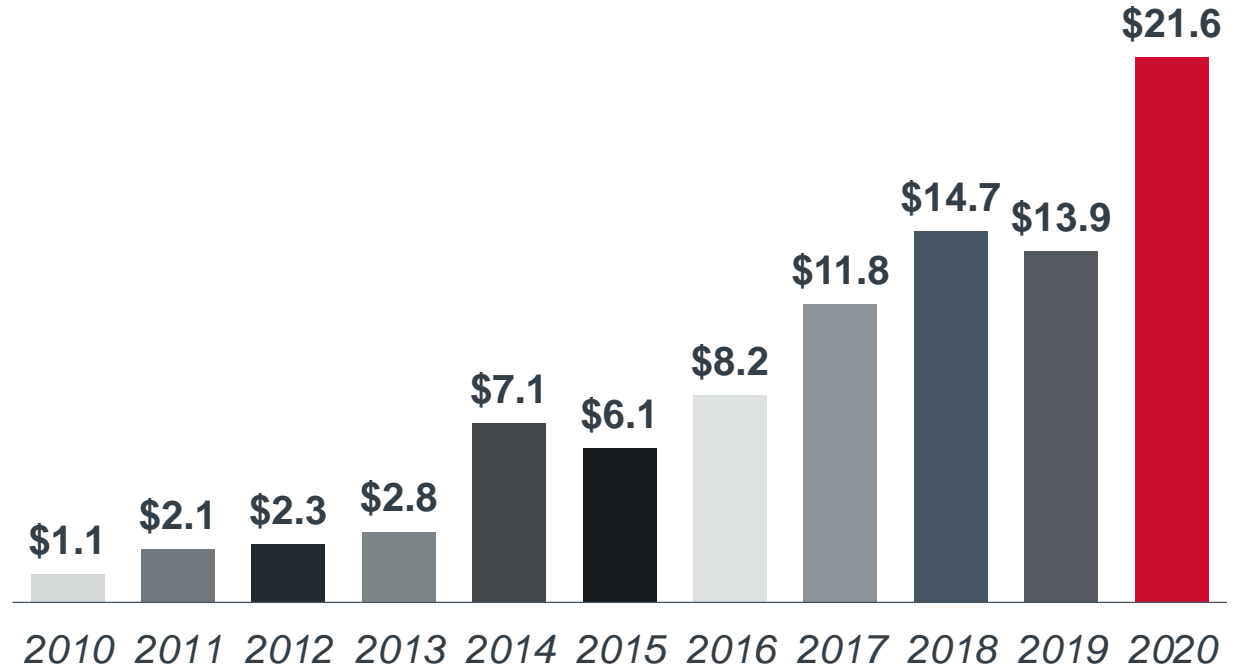
**\$913M** GoHealth

**\$742M** Amwell

**139%** ↑ Teladoc stock performance in 2020

## Global digital health funding shows no signs of slowing

Annual funding in billions of US dollars



Source: Javeed M, "Telehealth Companies Push Healthcare IPO Activity past \$10B Mark in Q3'20," S&P Global Market Intelligence, October 2020; "Record-Breaking Year for Health Innovation Funding Sets the Stage for New Era of Health Moonshot Progress," StartUp Health, January 2021.

1. Initial public offerings.



# Teladoc + Livongo = wraparound virtual and chronic care

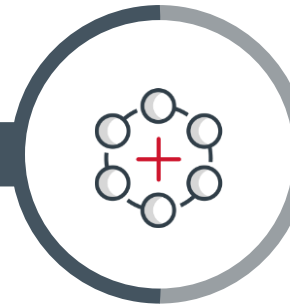
## Telehealth solution

- Virtual primary and specialty care
- Wide geographic reach
- Highest visit volume in industry

## Chronic disease management

- Range of services, including diabetes-management program
- Remote patient monitoring technology
- Data-driven solution

Teladoc



Livongo

Coordinated ecosystem model enables  
**data exchange, proactive interventions,**  
and **improved patient engagement**

Source: Rebhan, A. "[Livongo + Teladoc: What the landmark, \\$18.5B merger means for virtual care](#)" Advisory Board, August 7, 2020; Landi, H. "[How Teledoc's blockbuster deal could impact the entire virtual care landscape](#)" Fierce Healthcare, August 10, 2020.

# Takeaways: Where are we now with telehealth?

01

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

02

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.

03

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

# Today's agenda

01

● Where are we now with telehealth?

02

● **Where are we going—and how do we get there?**

03

● Q&A

# Stubborn opposition continues to confront telehealth



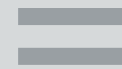
Few reasonable estimates of cost



Entrenched belief that digital is add-on service



Digital solutions held to higher standard



Legislation, regulation, and reimbursement ignore opportunity and innovation in telehealth

# Regulation change is incremental, not transformational

## Moves to make telehealth flexibilities permanent



CMS covered **60 additional telehealth services beyond end of PHE<sup>1</sup>**, including group psychotherapy



Five states added permanent allowance for some uses of **audio-only telehealth** (TX, SC, TN, UT, NY)



Biden administration signals priority to **expand broadband access** with “Build Back Better” plan



**Many CMS flexibilities are only in place until the end of the PHE<sup>1</sup>**

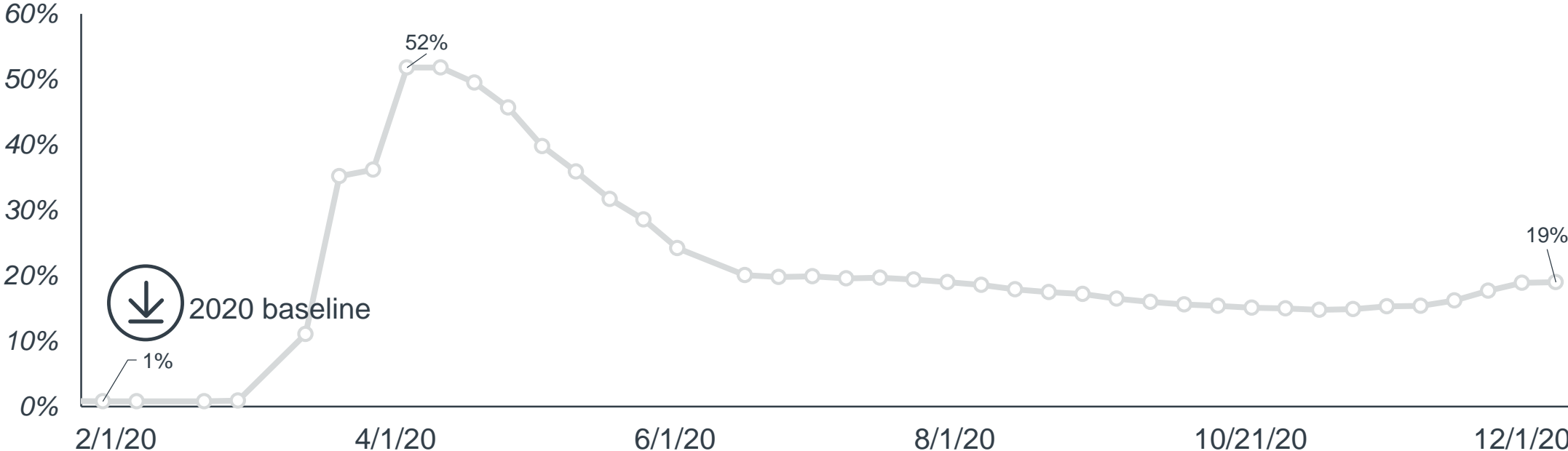
CMS has announced studies to gather data and evaluate more services.

1. Public health emergency.

Source: [Trump Administration Finalizes Permanent Expansion of Medicare Telehealth Services and improved Payment for Time Doctors Spend with Patients](#) CMS, December 1, 2020; Zakrzewski C and Romm T, [Internet regulation takes on greater urgency as pandemic highlights digital divide](#) The Washington Post, January 20, 2021; [State Telehealth Laws and Reimbursement Policies](#) Center for Connected Health Policy, Fall 2020;

# Remember: we started at (almost) zero

Telehealth visits as percentage of total visits

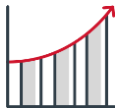


Source: "Telehealth Adoption Tracker" Chartis Group, December 2020

# Telehealth does not advance without data

Translate new data on virtual care into lessons on cost and quality

*Five data priorities*



## Utilization

To what extent is virtual care a replacement for in-person care?



## No-shows

Were no-show rates reduced, and by how much?



## Post-discharge transition

Were post-discharge transition codes used more frequently?



## SNF transfers

Were transfers to hospitals fewer without comprising care?



## Imaging

How do imaging orders from virtual visits compare to orders from in-person care?

# What would you do with data if you had it?

## Access to care



- Time to first appointment availability
- No-show and cancellation rate
- Health disparities: access rates by demographics such as race/ethnicity, educational status, socioeconomic status, age, and geographic distance
- After-hours care availability (i.e., care that is not Mon–Fri, 8 a.m. – 5 p.m.)
- Specialty care access outside of urban centers
- Patient access to a chosen or preferred provider

## Financial impact/cost



- RVU<sup>1</sup> generated per clinical full-time equivalent (cFTE)
- RVU generated per telehealth visit
- Staffing ratio per cFTE
- RVU generated per square foot of clinical office real estate
- Surgical yield: increased percentage of new in-person surgical visits leading to procedure
- Cost of care per episode or diagnosis-related group (DRG)
- Total cost of care (in value-based contracts)

## Experience



- Patient / physician satisfaction surveys (Net Promoter Score)
- Low-value time for patient (e.g., time not spent face-to-face with provider, real-world vs. virtual waiting rooms)
- Low-value time for provider (e.g., time spent managing the technology)
- Physician average daily commute time
- Video visit successful completion rate
- Tech “hiccup” rate

## Effectiveness



- Disease-specific quality metrics (e.g., readmission avoidance) and comparative effectiveness to in-person care
- Percentage of specialties able to successfully use video visits
- Comparative availability of information to care team
- Reduced referral to ED of patients not requiring an intervention
- Decreased number of in-person post-surgical visits

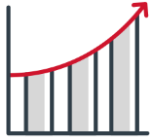
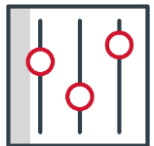
1. Relative value unit.

Sources: Hollander J, Neinstein A, "[Maturation from Adoption-Based to Quality-Based Telehealth Metrics](#)," *NEJM Catalyst*, September 2020; "[Creating a Framework to Support Measure Development for Telehealth](#)," National Quality Forum, August 2017.



# There is no one-size-fits-all payment policy

## Plan priorities for modalities, objectives, and use cases vary

Plan objective		Examples
 <p><b>Drive utilization</b></p>	<p>Increase utilization of specialty/service with limited access</p> <hr/> <p>Increase utilization of preventive care</p>	<ul style="list-style-type: none"> <li>Behavioral health visits</li> <li>After-hours acute care</li> </ul> <hr/> <ul style="list-style-type: none"> <li>Diabetes management check-ins</li> <li>Nutrition counseling</li> <li>Prescription refills</li> <li>Medication therapy management (MTM)</li> </ul>
 <p><b>Reduce unit costs</b></p>	<p>Direct members to more cost-effective providers or sites of care</p> <hr/> <p>Reduce reimbursement rate to match lower supply costs</p>	<ul style="list-style-type: none"> <li>“Virtual-first” products with virtual PCP triage service</li> <li>Acute care triage</li> <li>Second opinion services</li> </ul> <hr/> <ul style="list-style-type: none"> <li>Pre-/Post-op consultations</li> <li>Pre-natal/post-partum monitoring</li> <li>Physical or occupational therapy</li> </ul>

## SURVEY

# What data are you prioritizing to understand telehealth use and value?

- Total care costs over specific time frame
- Total service use
- NPS change
- Trends in member preference for providers offering virtual care options
- Other metrics
- None

# Telehealth is not at a tipping point for the underserved

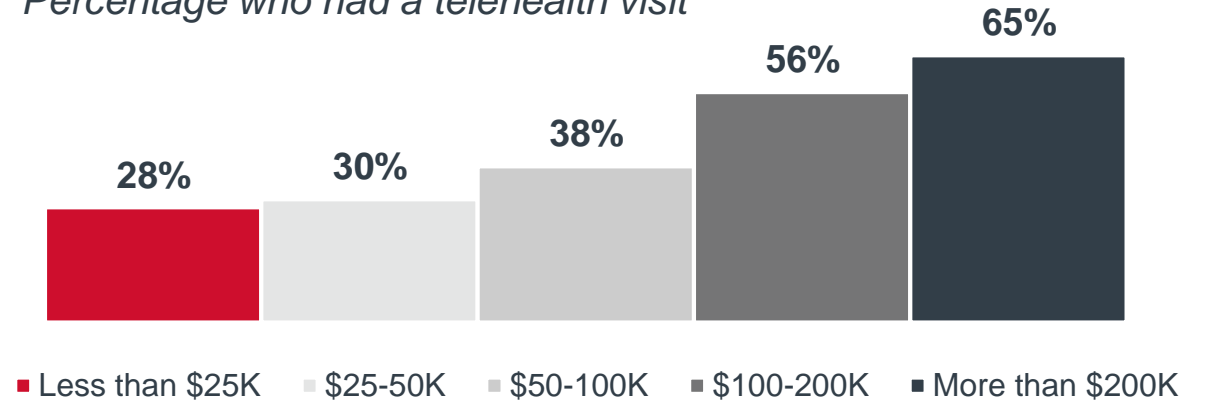


“Patients with the greatest need had the **most difficulty** adopting these technologies.”

*Health system digital strategy leader*

## Telehealth use by income level shows disparity in access to virtual care

*Percentage who had a telehealth visit*



**21 million**  
Americans lack access to **high speed internet**

**162 million**  
Americans not able to use **broadband speed**

Source: "Medicare Advantage Satisfaction Smashes New Record," Better Medicare Alliance, May 2020; "Addressing Equity in Telemedicine for Chronic Disease Management During the Covid019 Pandemic," NEJM Catalyst, May 4, 2020; "FCC Reports Broadband Unavailable to 21.3 Million Americans, BroadbandNow Study Indicates 42 Million Do Not Have Access," BroadbandNow Research, February 2, 2020; "Nextlink Internet and Microsoft closing broadband gap in central US," Microsoft, September 18, 2019.

# Addressing digital inequity begins locally

---

## Key questions on the digital divide

---

How does digital inequity present:

- in our community?
- among our patients and members?
- for specific types of care?

How do our digital health investments:

- Mitigate inequity?
- Deepen inequity?

How can we advocate and partner to:

- Identify root causes of inequity?
- Eliminate inequities?

Advisory Board is currently conducting new research on addressing digital inequity. If you are interested in participating in this research, please reach out to Ty Aderhold at [aderholm@advisory.com](mailto:aderholm@advisory.com).

## SURVEY

What do you think is the biggest barrier to your patients and members in accessing digital health care tools?

- A. Limited digital literacy
- B. Lack of local broadband connectivity
- C. Inability to pay for broadband or cellular service
- D. No access to necessary technology or devices
- E. Non-inclusive design/user experience

# The most versatile tools in care delivery?

## Digital health applications demonstrate their value against Covid-19

- Remote monitoring
- Diagnosis
- Expand clinical capacity
- Expand access to care
- Alternative to PPE
- Care continuity
- Ongoing care management
- Behavioral health support
- Symptom management
- Triage
- Vaccination management
- Surge and demand forecasting
- Hospital at home
- Personalized medicine
- Preventative care
- Patient education
- Virtual inpatient visitation
- Patient activation and adherence
- Patient financial experience
- Clinical decision support
- Touchless interactions
- Extend reach of specialists
- Clinical trials
- Virtual rounding

# Myopic focus on replacing in-person care courts failure



**An all-too-common press release in the age of Covid-19**

“ PorterHealth<sup>1</sup> reaches **10,000 telehealth visits!** ”

**What can go wrong when success is measured by number of visits:**

- ✗ Not making case for efficiency of care
- ✗ Payers will not want to reimburse at parity
- ✗ Not being a good steward of resources
- ✗ No focus on improved quality or outcomes

1. Pseudonym.

# Substitution alone worsens existing challenges

## From the research: common pain points in transitioning to digital interactions



### *Scheduling*

“It’s more madness than method.”



### *Intake*

“We’re kind of throwing spaghetti at the wall to see what sticks.”



### *Follow up*

“We never even thought about an electronic version of education materials.”





# Digital experience already matters in health care

Quality digital experience will drive patients to—or from—providers

42%

Of consumers would consider switching providers if they don't offer a good digital experience

4x

As many consumers between ages of 18-54 would consider switching because of digital experience as consumers 55+

---

“When patients can FaceTime with relatives with one button, the experience of downloading a bunch of apps isn't good. When compared with those outside of health care, we're behind. **We weren't consumer centric—and we were maybe a little paternalistic.**”

ERIC LISTON  
Intermountain Connect Services



Source: [2020 Healthcare Consumer Experience Study](#), Cedar.

# Asynchronous care aligns with core objectives

## DEFINITION

### **Asynchronous care**

A mode of virtual care in which patient information, including but not limited to symptoms and health history, are recorded and pushed to a practitioner, who then provides care decisions outside of a real-time interaction.

## Three high-leverage asynchronous implementations



### *Autonomous digital entry point*

Efficient, lower-cost intake and triage that matches patients to appropriate care modality and auto-documents the interaction



### *Standalone low-acuity care alternative*

Can replace in-person care for certain low-acuity conditions, expanding both clinician panel size and patient access to care



### *Ongoing care management platform*

Asynchronous monitoring and symptom management can improve patient adherence and outcomes, and apply to both inpatient and remote settings

# Remote monitoring: fewer visits but more touchpoints

## RPM produces results across multiple applications

DISCHARGE TO HOME

### Trinity Health

Health at Home program discharged patients to home with RPM support.

Results included:

- 90% compliance
- 90% patient satisfaction
- 8% readmission rate

CHRONIC CARE

### MaineHealth

Supported 725 rural patients with tablet, wireless monitoring, medication- and disease-specific education.

Results included:

- 85% adherence
- 0.7%-5.0% readmission rate

JOINT REPLACEMENT

### Penn Medicine

242 patients with hip or knee replacement supported with wearables and conversational text messages.

Results included:

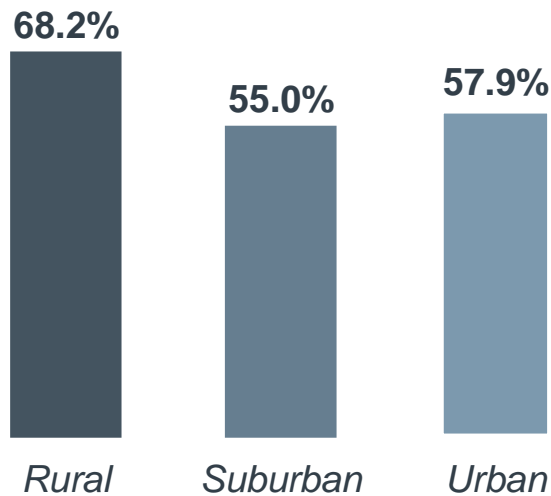
- 3% readmission rate, vs. 12% for control group

Source: Angers J and Rech M, "Why remote patient monitoring is critical after Covid-19," Advisory Board, May 26, 2020; Millafooglie M, "A Case Study for Sustaining Telehealth in the Home Health Industry," 2019; Mehta S, Hume E, and Troxel A, "Effect of Remote Monitoring on Discharge to Home, Return to Activity, and Rehospitalization After Hip and Knee Arthroplasty," JAMA Open Network, December 21, 2020.

# Clinicians are also (disappointed) technology consumers

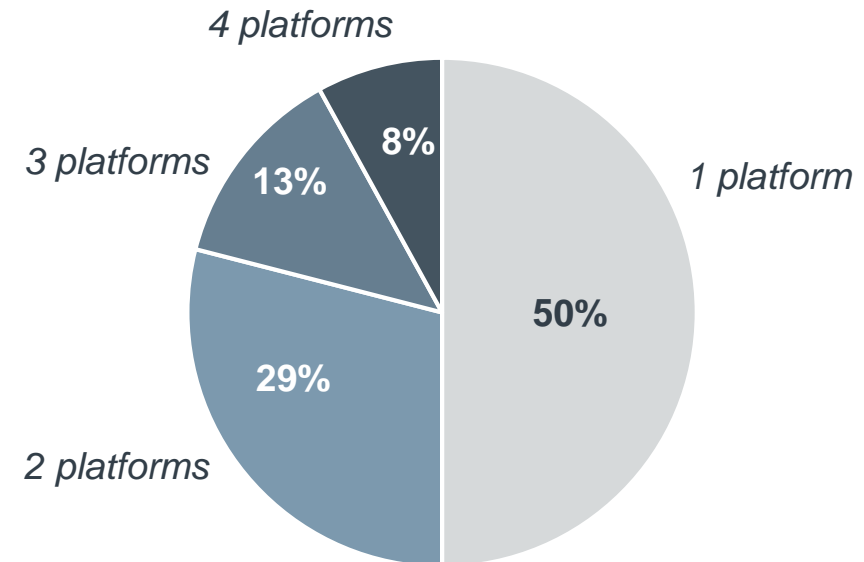
## Telehealth technology isn't integrated with EHR

Percentage of clinicians reporting no integration between EHR and virtual visit platform



## Half of physicians work in at least two different telehealth platforms

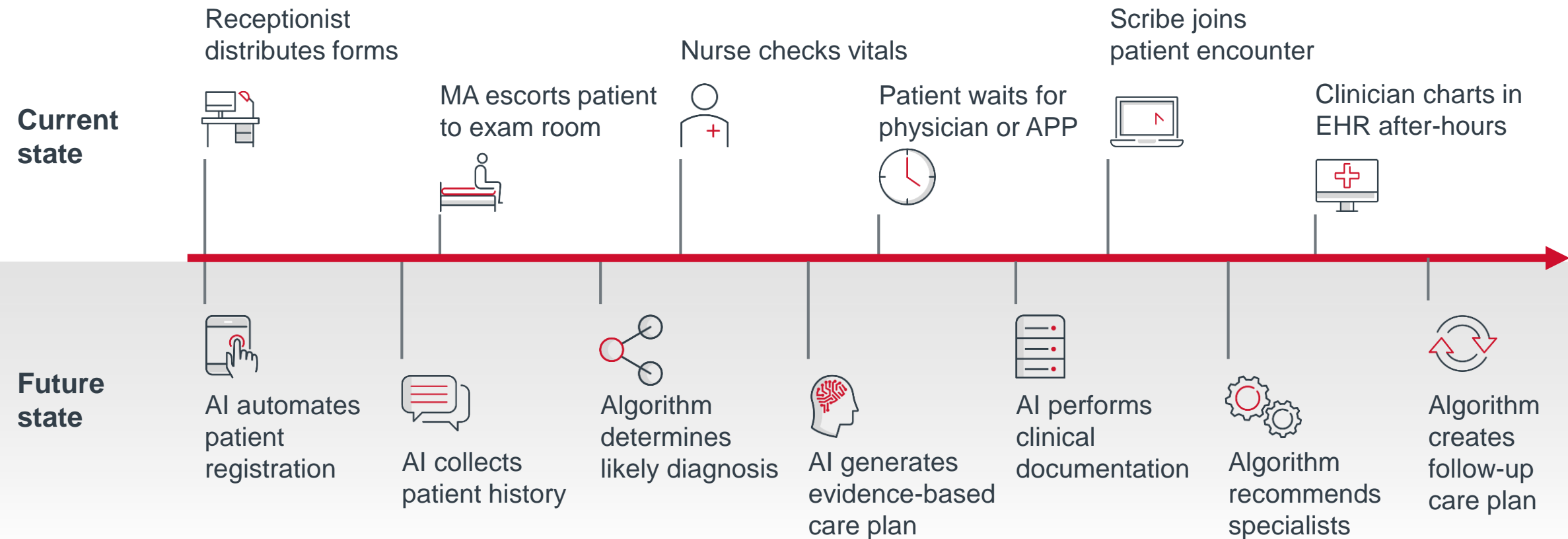
Percentage of clinicians reporting number of virtual visit platforms they use



"Telehealth Impact: Physician Survey Analysis" Healthcare Coalition, November 16, 2020; "From Virtual Care to Hybrid Care: COVID-19 and the Future of Telehealth" Amwell, September 2020.

# AI, automation poised to remake administrative tasks

## Legacy versus future primary care journey



# Takeaways: Where are we going? How do we get there?

01

Telehealth will not advance without data on its efficacy, costs, and impact on downstream utilization.

02

Telehealth is not at a tipping point for the underserved. Addressing digital inequity begins with a local understanding of how those disparities present in a specific community among specific patients.

03

Health care must rethink digital experience, pushing beyond a focus on porting analog experiences directly into a digital modality.

# Today's agenda

- 01 ● Where are we now with telehealth?
- 02 ● Where are we going—and how do we get there?
- 03 ● Q&A

# Contact us



**John League**

Senior Consultant

[leaguej@advisory.com](mailto:leaguej@advisory.com)

202-568-7822

To find out more about Advisory Board and our services:

**Kathryn Wylly**

[wyllyk@advisory.com](mailto:wyllyk@advisory.com)

To participate in Advisory Board research on addressing digital inequity:

**Ty Aderhold**

[aderholm@advisory.com](mailto:aderholm@advisory.com)





## LEGAL CAVEAT

---

Advisory Board has made efforts to verify the accuracy of the information it provides to members. This report relies on data obtained from many sources, however, and Advisory Board cannot guarantee the accuracy of the information provided or any analysis based thereon. In addition, Advisory Board is not in the business of giving legal, medical, accounting, or other professional advice, and its reports should not be construed as professional advice. In particular, members should not rely on any legal commentary in this report as a basis for action, or assume that any tactics described herein would be permitted by applicable law or appropriate for a given member's situation. Members are advised to consult with appropriate professionals concerning legal, medical, tax, or accounting issues, before implementing any of these tactics. Neither Advisory Board nor its officers, directors, trustees, employees, and agents shall be liable for any claims, liabilities, or expenses relating to (a) any errors or omissions in this report, whether caused by Advisory Board or any of its employees or agents, or sources or other third parties, (b) any recommendation or graded ranking by Advisory Board, or (c) failure of member and its employees and agents to abide by the terms set forth herein.

Advisory Board and the "A" logo are registered trademarks of The Advisory Board Company in the United States and other countries. Members are not permitted to use these trademarks, or any other trademark, product name, service name, trade name, and logo of Advisory Board without prior written consent of Advisory Board. All other trademarks, product names, service names, trade names, and logos used within these pages are the property of their respective holders. Use of other company trademarks, product names, service names, trade names, and logos or images of the same does not necessarily constitute (a) an endorsement by such company of Advisory Board and its products and services, or (b) an endorsement of the company or its products or services by Advisory Board. Advisory Board is not affiliated with any such company.

### **IMPORTANT: Please read the following.**

Advisory Board has prepared this report for the exclusive use of its members. Each member acknowledges and agrees that this report and the information contained herein (collectively, the "Report") are confidential and proprietary to Advisory Board. By accepting delivery of this Report, each member agrees to abide by the terms as stated herein, including the following:

1. Advisory Board owns all right, title, and interest in and to this Report. Except as stated herein, no right, license, permission, or interest of any kind in this Report is intended to be given, transferred to, or acquired by a member. Each member is authorized to use this Report only to the extent expressly authorized herein.
2. Each member shall not sell, license, republish, or post online or otherwise this Report, in part or in whole. Each member shall not disseminate or permit the use of, and shall take reasonable precautions to prevent such dissemination or use of, this Report by (a) any of its employees and agents (except as stated below), or (b) any third party.
3. Each member may make this Report available solely to those of its employees and agents who (a) are registered for the workshop or membership program of which this Report is a part, (b) require access to this Report in order to learn from the information described herein, and (c) agree not to disclose this Report to other employees or agents or any third party. Each member shall use, and shall ensure that its employees and agents use, this Report for its internal use only. Each member may make a limited number of copies, solely as adequate for use by its employees and agents in accordance with the terms herein.
4. Each member shall not remove from this Report any confidential markings, copyright notices, and/or other similar indicia herein.
5. Each member is responsible for any breach of its obligations as stated herein by any of its employees or agents.
6. If a member is unwilling to abide by any of the foregoing obligations, then such member shall promptly return this Report and all copies thereof to Advisory Board.



Advisory  
Board