

# rEvolution Outlook: Unlocking the Value of Telehealth

Telehealth has been called an “enabler” of the Triple Aim. It has the potential to unlock value within health care by delivering the right care, in the right place, at the right time, stitching together a longitudinal health experience that enhances efficiency at many points throughout the system. For several years now, we’ve been told the telehealth market is set to explode.

## THE COMPONENTS ARE BUILT AND THE SYSTEM IS PRIMED



### Dollars



Most private insurers offer some level of telehealth benefits.



Twenty-nine states and the District of Columbia require that private insurers cover telehealth the same as they cover in-person services.



Medicare Advantage members have complete flexibility in using telehealth.



### Attitudes



More than half of all U.S. hospitals now use some form of telemedicine.



Providers have shown a willingness to embrace it when it enhances care to chronic populations, and when it improves their efficiency and operations.



Increasing numbers of providers are using telemedicine for provider-to-provider consults.



*Consumers of all ages (not just Millennials) increasingly view convenience as trumping relationship when it comes to low-acuity issues. And they seem willing to spurn personal relationships with providers for access and value.*

And yet, several years have come and gone, and **the market is still not cruising at speed.** The car is built, the parts are connected and the driver is in the seat. **What is holding it back?** Car design? The challenging road? Leaders came together in a rEvolution Outlook at the Health Evolution Summit to debate speed bumps and possibilities on the road to scale.

## DEMAND-SIDE SPEED BUMPS

- **Consumer awareness**

One recent survey found that 40 percent of consumers have never heard of telehealth.

- **Consumer understanding**

Perhaps more significant is consumers’ lack of understanding of how telehealth fits into their benefits and care options. They may be more interested if they are not worrying about whether they will have to pay for it out of pocket.

## SUPPLY-SIDE SPEED BUMPS

- **Provider reimbursement**

In a world that is still heavily volume-based, there is little incentive for providers to steer patients from in-person care to virtual options.

- **Push to reduce consumption**

Some payers worry accessibility could lead to overuse, and may be holding back on promoting telehealth. Further, promoting tele-services may not be welcomed by incumbent local providers.

- **Lack of integration**

If someone seeks a telehealth solution but the information never makes it back to the primary provider, it flies in the face of integrated care. Uncoordinated care drives both cost and consumer annoyance.

- **Uneven regulatory terrain**

State licensure laws vary widely, adding complexity and uncertainty to both physician-to-physician and provider-to-patient telehealth consultations.

## THE TRUE BARRIER



While these challenges are a drag on telehealth, they are not the only barrier to scale.

*A more significant obstacle the leaders discussed is the false “silver-bullet” expectation that many have pinned on telehealth.*

Telehealth is not a single solution that will unlock value for the health system.

*It is a platform through which many solutions for many scenarios can be accessed.*

Telehealth will emerge as many applications under many models, emanating from multiple points of origin.

Telehealth represents a means of confirming consumers’ intentions and reducing the

amount of “simple” care that is currently rendered at brick-and-mortar sites.

*It will not overturn the existing care delivery model, just as e-commerce has not replaced retail.*

E-commerce inverted retail with people doing research and shopping online, but depending on brick-and-mortar solutions for delivery, fulfillment and service.

Obviously, people cannot obtain all their care via tele-solutions; but in the delivery system of the future, health care may be driven by tele-engagement, with brick-and-

mortar providing “fulfillment” and, support across all applications and modalities.

To realize the potential of telehealth, players need to gain an understanding of the varied applications, and concentrate on connecting individual solutions to the existing core delivery structure.

This is a shift from viewing telehealth as a singular solution that will solve issues of access and cost after cost.

*Telehealth is a series of threads to be interwoven into the health care system.*

# SEEING THE DIFFERENT SIDES OF TELEHEALTH

Leaders agreed that the first step to integrating telehealth applications is to understand them within the context of demand-driven solutions and supply-driven solutions. **Demand-driven** solutions are those that consumers actively seek and use to solve for their own health needs. **Supply-side** solutions are those that providers would use to drive better outcomes.

## EXAMPLES OF DEMAND-DRIVEN SOLUTIONS BEING SOUGHT BY CONSUMERS:



Providing the “walking well” with easy access and quick consult solutions.



Opening up communication and support channels for patients to more conveniently manage their chronic conditions... and for care givers to more easily support their family members.



Creating access for certain hard-to-get services or those that carry some social stigma – dermatology, behavioral health.



Meeting expectation of longitudinal care – with so many other aspects of life living in the cloud, consumers will expect their health journeys to reside there, too.

## EXAMPLES OF SUPPLY-SIDE SOLUTIONS BEING USED BY PROVIDERS:



Engaging chronic populations at home to support ongoing management of conditions like COPD, CHF, diabetes, etc.



Supporting patients in managing their recovery post-discharge care.



Creating access to care – both primary and specialty – for geographically remote patients.



Improving access in constrained specialties (e.g. behavioral health).

## ROAD TO SCALE

*Leaders highlighted questions remaining as to how acceleration will play out and what “at scale” will actually look like.*



### FOR PROVIDERS...

- How will providers translate their trusted-partner status to stimulate use of telehealth?
- How can telehealth allow providers to differentiate and create better overall experience – for both patients and clinicians?
- How will consumers connect their telehealth experiences to their primary care and local (physical) providers?



### FOR PAYERS...

- How can payers effectively incent providers for best-case use?
- How will payers help consumers use telehealth options in positive ways, both for their own convenience and to relieve stress on the system?



### FOR CONSUMERS...

- When and how will consumers get comfortable with using telehealth in the construct of their benefits?
- For which applications will consumers embrace telehealth – primary care, condition management, remote access, and/or others?
- How do we lift the burden of figuring out the tool from the consumer?

# THE PATH FORWARD



The adoption of telehealth will be closely related to who is bearing the risk. **The entity bearing the risk – be it the insurance entity, the employer, the provider, or the patient – will have the greatest motivation to drive adoption**, and likely will drive the next phase of evolution.

Across Medicare, Medicaid and commercial insurance segments, the distribution of risk is highly diverse. **There is no single path forward because each application has its own set of risk and stakeholders.** Next steps will vary and will involve working through the tug-and-pull of the opposing forces on every one of the applications.

The future depends on all players understanding the complex dynamics of each application.

## THE OUTLOOK'S KEY INSIGHTS ON HOW TO SCALE TELEHEALTH



Telehealth is a horizontal platform that needs to be woven into all delivery modalities.



A useful way to categorize telehealth solutions is provider-driven “supply” versus consumer-driven “demand.” Each of these has its own dynamics, barriers, and opportunities.



There will be variability of adoption due to the complexity of populations, situations, and consumer choice.

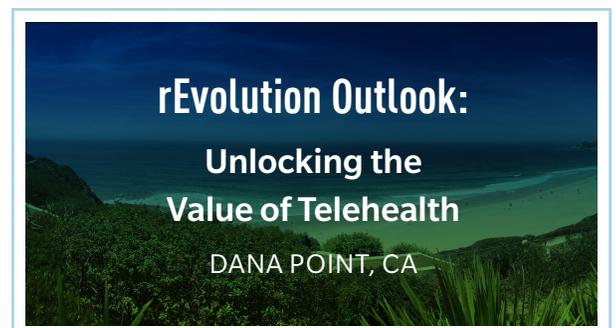


Stakeholder comfort will play a significant role in adoption, and should be considered and accommodated.



Also critical to scale will be information flow, and ensuring these encounters be integrated into the decision-making of the entire delivery system.

**rEvolution Outlooks** on Connected Health bring together leaders from across the industry to strengthen the leaders’ understanding of the art of the possible and how to create value by connecting with customers in new and different ways. These leaders convene and work together to identify which new technology-enabled models are creating value... and more importantly, what is necessary to drive success at scale going forward.



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