

Telehealth, is this just what the doctor ordered?

The COVID-19 pandemic ignited the need for remote access technology advances, fueling virtual healthcare and telehealth as a major source of health care delivery. While there were many reasons to catapult telehealth to the forefront as a first layer of healthcare, telehealth's best role is to compliment and augment face-to-face care, not replace it.

GROWTH

According to Peterson-KFF Health System Tracker, telehealth visits grew from "less than 1% of outpatient visits prior to COVID-19, to 13% in the first six months of the pandemic"¹, while settling back to 8% March to August 2021. Meanwhile, the annual revenue of US telehealth providers in 2021 was an estimated \$3 billion as reported in *McKinsey's 2020 Report on telehealth*. "Up to \$250 billion of US healthcare spend could potentially be shifted to virtual or virtually enabled care – a projection they stand behind a year later in their 2021 report."²

There's a virtual gold rush underway as some of the largest healthcare companies are investing millions into new telehealth platforms. "Recent polling shows that 83% of healthcare organizations are likely to invest in telehealth and 84% believe offering telehealth services will allow their organizations to increase their reach and coverage areas."³ Indeed, [The New York Times reports that five new telehealth start-ups each reached \\$100 million in funding in just the first 6 weeks of 2020](#).⁴ Expect to see more IPO, roll-ups and venture capital activity in this space in the coming year.

SATISFACTION & QUALITY

In a recent survey, Lee Schwamm, Director of the Center for Telehealth at Mass General Hospital reported that "62% of patients said the quality of telehealth visits was just as good as in-person visits: 21% said it was even better."⁵ At the same time the *Journal of American Medical Association* says that patients appreciate the relaxed home environment and reduced risk of Covid exposure in a telemedicine appointment. Not surprising as they're not taking time off work, driving to the doctor's office, searching for a parking space and waiting in a reception area; often times with other sick patients. Plus, "You're more comfortable when you're not sitting on a stool in some doctor's office waiting room. You don't have to dress up."⁶

Clinicians are not as enthusiastically in favor. In a recent *McKinsey & Company* survey (2021), "two-thirds of physicians and 60 percent of patients said they agreed that virtual health is more convenient than in-person care for patients, but only 36 percent of physicians find it more convenient for themselves."⁷ Some do say that being able to see patients outside their regular clinical hours and having the ability to see them in their home environment is beneficial. However, negatives include troubles with technology and hearing issues that are common in working with their elderly patients. While the home setting is seen as more relaxed, for some, it doesn't provide the privacy that the doctor's office does. In fact, doctors say that this can contribute to a lack of formality and loss of a patient's undivided attention.⁸ Both patients and clinicians alike lament the loss of social connection that the office visit promotes.

From a quality standpoint, physicians also see some downside to telehealth. Many view it as worse than face-to-face for accurately assessing and diagnosing disease. That's because doctors don't just take an incoming patient's word for something. They are trained to pick up on non-verbal signals - the way patients walk, talk, move, react, even smell can be used to detect emerging problems. None of which are as evident, or even observed, when the patient can only be seen through a screen. "It's not good medicine to not see people in person, the physical exam is really part of what we do... I'm always worried I'm missing something."⁹

WHERE DOES IT WORK BEST?

With the advances in technology and the growing acceptance of telemedicine there are a number of uses where this approach can be clearly beneficial:

- Triaging or diagnosing illness prior to determining treatment
- Extending coverage to remote access communities
- Monitoring and management of medical conditions and chronic diseases such as; diabetes, hypertension, kidney disease, asthma and many others
- Elder-care check-ins
- In conjunction with care-management apps.

WHAT SHOULD IT **NOT** REPLACE?

Some care simply cannot be provided solely via remote medicine. There are things that virtual medicine can miss and in-person care cannot be substituted for.

- Initial new patient onboarding and evaluation
- Examinations and hands-on diagnosis (reflexes, pain levels, etc.)

THE ECONOMICS

Healthcare providers continue to look for ways to cut costs in order to stay profitable while delivering quality patient care. At present many insurers are reimbursing telehealth sessions at the same level as office visits, making telehealth session much more profitable. That may not last though as providers and insurers are beginning to clash on what the appropriate differential should be. Patients will soon begin to question the cost of telehealth sessions that are billed to them at the same rate as an office visit. Expect to see some back and forth as all sides come to the table to advocate for what they think is best for their individual interests.

CONCLUSION

As AMN Healthcare stated last year "telehealth is a genie that's not going back in the bottle"¹⁰. In a recent study (*Amwell 2020*) of more than 2,000 consumers, nearly a quarter had used virtual medicine in some capacity and 91% were satisfied with the experience. Three-quarters expect to use it even after the threat of COVID-19 passes.¹¹

As a stand-alone option telemedicine is great for many forms of patient care, but not all. Determining the correct balance of in-person and virtual medicine is a challenge that holds great promise. However, telehealth is not the panacea for the shortcomings of our healthcare system and a doctor's touch will always be needed. Telehealth is, and should be, best used to augment and compliment face-to-face care, not replace it.

There is no arguing - telemedicine is here to stay. The pandemic expanded the need for it. The technology enabled it. The economics supported it. The patients accepted it, and investors are flocking to it. Employers will need to make sure that telehealth, either through stand-alone providers, or as part of their existing networks, is aligned with the rest of their healthcare delivery strategy.

ABOUT OPTIMUM SOLUTIONS

Optimum is a vendor management firm that focuses exclusively on the HR supply chain with turnkey solutions that improve the financial, operating performance, transparency and accountability of HR Benefit programs while still maintaining existing vendor relationships.

The coronavirus pandemic has brought new HR related considerations including disrupted medical spend trends, the need for flexible work arrangements and time off policies, retention considerations, technology related solutions etc. Additionally, economic climate changes have made bottom line savings more important than ever.

Optimum's clients routinely experience up to 10% savings on their healthcare spend through vendor management, HR harmonization, as well as general policy and process improvement. Please reach out to discuss how Optimum can support your navigation through this complex environment.

FOOTNOTES:

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