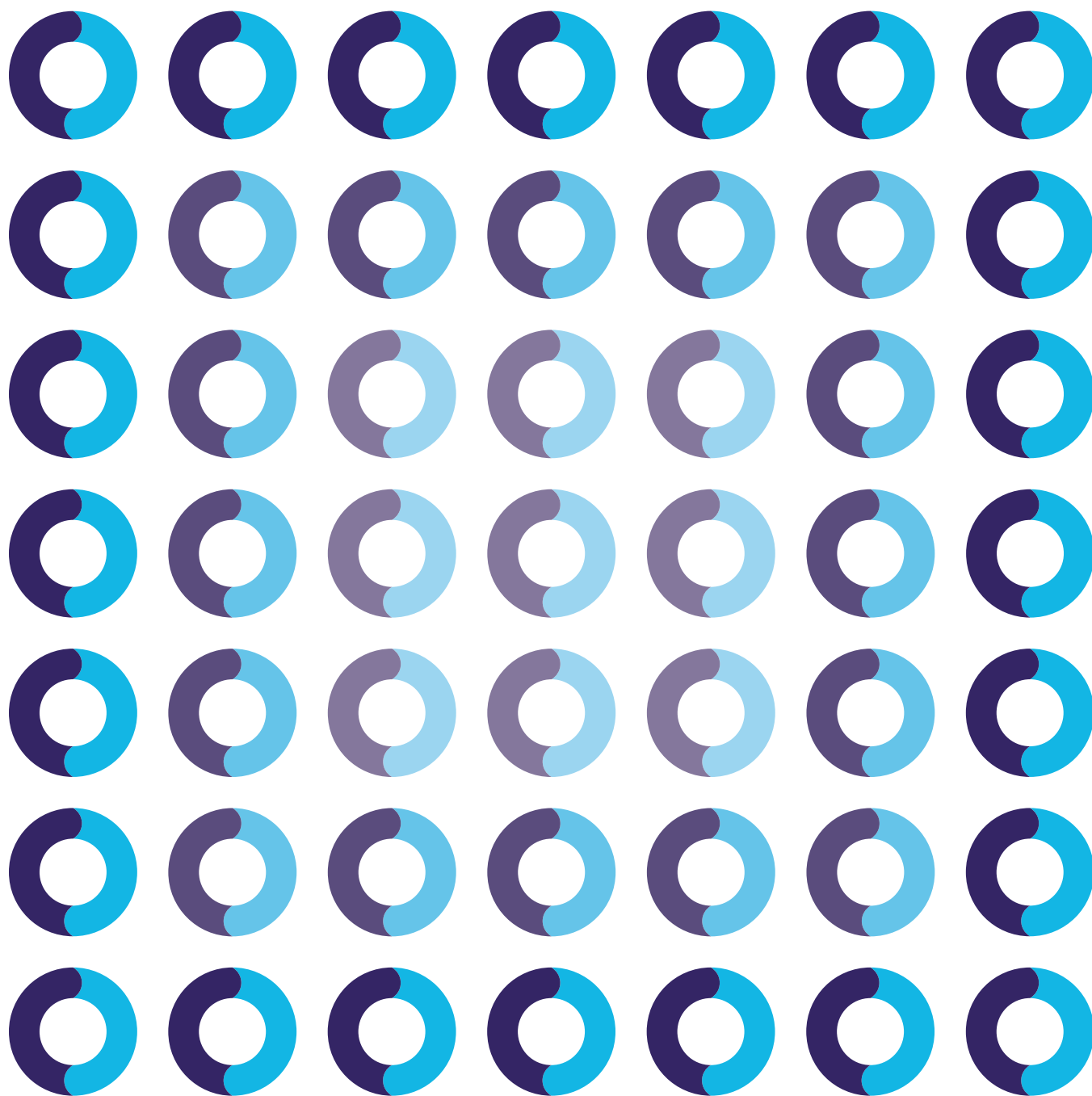


Providers Are Expanding Beyond Acute Care





Telehealth is often thought of as an acute care resource, but the reality doesn't match the perception. While most hospitals and health systems that have telehealth programs do provide acute care, they are currently prioritizing other use cases. In 2018 non-acute care accounted for the majority of consults for 57 percent of telehealth providers, and more providers used their telehealth platforms to manage patients with chronic conditions (73 percent) followed by acute treatment (72 percent).ⁱ

Some of the leading high-growth, non-acute telehealth services include chronic condition management, remote patient monitoring, post-surgical follow up, other check-in appointments, behavioral health services, oncology, occupational health and more. Widespread efforts were already underway to expand telehealth to new practice areas early in 2019, *before* the Centers for Medicare & Medicaid Services (CMS) approved reimbursement for check-in visits and several other non-acute services.

The growing use of telehealth to manage chronic conditions will help widen the gap between acute and non-acute consults. Approximately 60 percent of Americans has a chronic condition and 40 percent have at least two, according to the CDC.ⁱⁱ Since chronic conditions account for an estimated three quarters of total U.S. healthcare spending,ⁱⁱⁱ the transition to value-based care will force providers to take new and more aggressive measures to manage their chronic condition patients. Providers are clearly counting on telehealth to help meet the challenge – 64 percent of providers that have telehealth programs plan to expand their services in 2019,^{iv} and chronic care management is the most desired use case providers are planning to add, as shown on page 3.



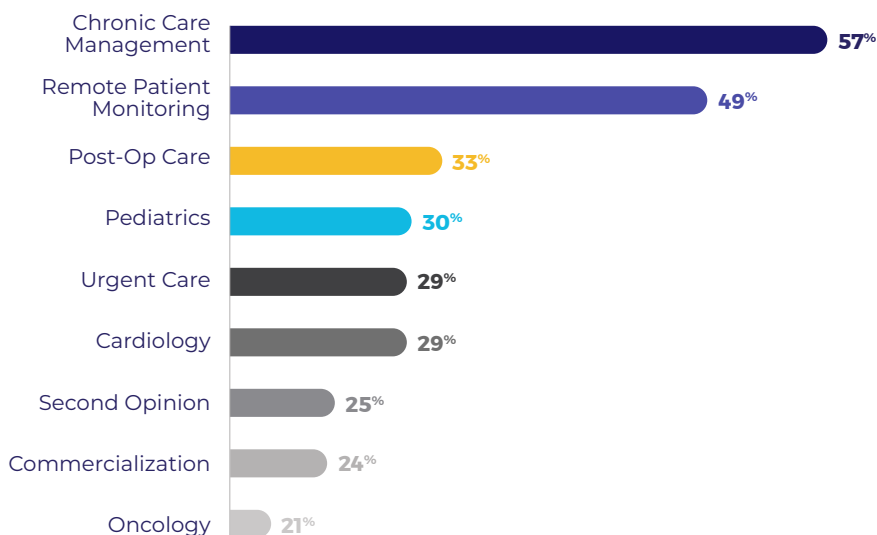
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Telehealth services are expanding

Projected in 2019



In January 2018, the American Medical Association reported a study that found **radiologists, psychiatrists and cardiologists** were the specialists most likely to use telehealth.

Teladoc Health is also seeing growing interest in using telehealth from oncologists, surgeons and occupational health providers. In January 2018, the American Medical Association reported a study that found radiologists, psychiatrists and cardiologists were the specialists most likely to use telehealth.^v The survey referenced in Figure 1 did not measure plans to expand behavioral health services, which could also become a high-growth area now that CMS has removed the requirement for reimbursable opioid addiction treatment to originate with an on-site visit.^{vi}



Reimbursement climate favors telehealth diversification

The shifting use of telehealth to more chronic condition management and other non-acute care aligns with the overall trends toward value-based care and increased emphasis on preventive care and population health. A rapidly changing telehealth reimbursement climate is another catalyst. Many hospitals and health systems believe they benefit indirectly from offering telehealth services by providing more preventive care, and by preventing unnecessary visits to the emergency department. Now insurers and CMS are providing more direct benefits to offering telehealth by reimbursing for more types of services.

For example, in April 2019, CMS approved reimbursement for several new, non-acute codes for the first time.^{vii} Some of the changes and newly covered services include:

- Remote check-in visits
- Prolonged preventive services
- The patient home can now be the originating site for substance abuse treatment
- Remote evaluation of video images
- Interprofessional consultation



Many hospitals and health systems believe they **benefit indirectly from offering telehealth services by providing more preventive care,** and by preventing unnecessary visits to the emergency department.



Other developments are also making more types of telehealth treatment clinically valuable and economically viable. A majority of U.S. hospitals now have remote patient monitoring capabilities, according to the American Hospital Association,^{viii} and telehealth is a top digital innovation priority for hospitals in 2019.^{ix} Those developments, combined with the increased use of remote monitors, health apps and other innovations, creates many opportunities for new telehealth services. Teladoc completes millions of successful telehealth consults each year and continually learns of new use cases through its work with hospitals, health systems, physicians, employers and other clients.

Telehealth's roots are in acute care, but emerging care models, telehealth advances and changing economics are converging to advance care in new directions. That includes a clear emphasis on prioritizing non-acute practice areas for telehealth expansion in 2019. Some of the short-term, high-growth areas for telehealth in 2019 and beyond include chronic condition management, oncology, opioid abuse counseling and other mental health services, post-surgical care and occupational health. Telehealth's expansion beyond acute care is clear, the limits are not.



Teladoc completes **millions of successful telehealth consults each year** and continually learns of new use cases through its work with hospitals, health systems, physicians, employers and other clients.

ⁱ Teladoc/Becker's Hospital Review State of Consumer Telehealth Benchmark Survey, March 2019.

ⁱⁱ Centers for Disease Control and Prevention. Chronic Diseases in America.

ⁱⁱⁱ <https://www.cdc.gov/chronicdisease/resources/infographic/chronic-diseases.htm>. Accessed May 21, 2019.

^{iv} Congressional Research Service. Telehealth and Telemedicine: Description and Issues. March 29, 2016.

^v <https://www.senate.gov/CRSpubs/757e3b90-ff10-497c-8e8c-ac1bdbb3aaf.pdf>. Accessed May 21, 2019.

^{vi} Teladoc/Becker's Hospital Review State of Consumer Telehealth Benchmark Survey, March 2019.

^{vii} Robeznieks A Which medical specialties use telemedicine the most? American Medical Association website.

^{viii} <https://www.ama-assn.org/practice-management/digital/which-medical-specialties-use-telemedicine-most>. Accessed May 7, 2019.

^{ix} For more information on 2019 CMS payment changes related to telehealth, see the CMS fact sheet at <https://www.cms.gov/newsroom/fact-sheets/final-policy-payment-and-quality-provisions-changes-medicare-physician-fee-schedule-calendar-year>

^x Federal Register Volume 84, Issue 73 (April 16, 2019) <https://www.govinfo.gov/content/pkg/FR-2019-04-16/pdf/2019-06822.pdf>

^{xi} American Hospital Association 2016 to 2018 AHA Annual Survey IT Supplement.

^{xii} American Hospital Association 2019 Environmental Scan.

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TeladocHealth.com | engage@teladochealth.com

About Teladoc Health

Teladoc Health is the global virtual care leader, helping millions of people resolve their healthcare needs with confidence. Together with our clients and partners, we are continually modernizing the healthcare experience and making high-quality healthcare a reality for more people and organizations around the world.