Overview

Telehealth is accelerating in 2015. As many as 37% of hospital systems have at least one type of telemedicine solution to meet a variety of objectives, including to fill gaps in care, reach underserved populations, and reduce the time and expense related to chronic disease management. Physicians are essential to the practice of telehealth. So we wanted to know: what do doctors think about the practice of remote care? Are there some conditions that physicians would treat via video visits, but not others? What benefits of video visits appeal to them most?

To find out, American Well conducted a large scale survey of physicians across the U.S. to discover physician perspectives and interests surrounding video visits with their patients. Our survey was fielded in May 2015 by QuantiaMD and gathered responses from 2,016 primary care physicians. This eBook reports on what we found and what it means for healthcare delivery.

Quick facts about Telehealth

We define telehealth, also called telemedicine, as a remote video consultation between a doctor and a patient. In 2014, the Federation of State Medical Boards (FSMB) established guidelines about what constitutes an appropriate telemedicine encounter.

Telehealth visits must:

- Be HIPAA compliant
- Have an audio and video connection
- Produce a record of the visit
- Allow patient to know with whom they are connecting with

Additionally, high-quality telehealth provides:

- On-demand and/or scheduled video visits
- The ability for physicians to see new and/or existing patients
- Optional EMR integration
- Advanced training for physicians

1 2014 HIMSS Analytics Telemedicine Study
Physicians see video as more effective for diagnosis than phone or email.

We wanted to know how physicians are communicating with their patients outside of regular office visits. And we discovered what we already suspected—physicians are spending time on non-reimbursable email and phone call communications, almost 4 hours per week for the typical family physician. And this is rising—phone calls to physician practices have increased as much as 50% since 2008. Rising deductibles and co-pays are contributing to this as patients want to avoid going to the doctor if possible. The problem for physicians is that email and phone calls aren’t reimbursable; it’s estimated that every phone call costs about $20 of the doctor’s time.

We then asked physicians to identify which communication method they thought would result in the most accurate diagnoses for a new patient complaint. The majority of physicians—69%—selected video. Physicians believe that seeing as well as hearing their patients makes it easier to assess a clinical complaint. Add to this the ability that most video systems have to upload images and use mobile phone cameras to, for example, examine a throat, and it’s clear why doctors prefer video. This finding also mirrors the perceptions of patients. Our Telehealth Index 2015: Consumer Insights survey found that 63% of consumers also think video is most likely to yield an accurate diagnosis. Physicians panned text messages and email for clinical assessment—a finding that should give employers and health plans pause before deciding to cover any telemedicine service that relies on text alone.

Physicians See Video As More Effective For Diagnosis Than Phone Or Email.

How Physicians Communicate With Their Patients Now

<table>
<thead>
<tr>
<th>Method</th>
<th>Percentage</th>
</tr>
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<tbody>
<tr>
<td>Phone</td>
<td>88%</td>
</tr>
<tr>
<td>Email</td>
<td>48%</td>
</tr>
<tr>
<td>Text</td>
<td>22%</td>
</tr>
<tr>
<td>Video</td>
<td>5%</td>
</tr>
<tr>
<td>None</td>
<td>6%</td>
</tr>
</tbody>
</table>

What Physicians Believe Results In The Most Accurate Diagnosis

- Video: 69%
- Phone: 25%
- Email: 5%
- Text: 1%

n=2,016

2 Typical Work Week of a Family Practitioner, Sermo Blog, November 2014

3 The Doctor Won’t Take Your Call, The Wall Street Journal, July 2013
Many doctors are willing to see patients over video.

We asked physicians: Provided it is clinically appropriate and you could be reimbursed, would you be willing to have a video visit with a patient? A total of 57% of physicians said that yes, they would be willing. Considering only 5% of physicians we surveyed reported ever having had a video visit, this presents a significant opportunity for physician adoption and may be an indication of the future of video visit use by primary care physicians. Just 12% of physicians were unwilling to see a patient over video.

**Physician Willingness To Have A Video Visit**

<table>
<thead>
<tr>
<th>Willing</th>
<th>Not Sure</th>
<th>Not Willing</th>
</tr>
</thead>
<tbody>
<tr>
<td>57%</td>
<td>31%</td>
<td>12%</td>
</tr>
</tbody>
</table>

* n=2,016

**Top Reasons Not Sure / Not Willing:**

- Questions about clinical appropriateness
- Unsure about reimbursement
- Concerns about security, HIPAA
- Lack of training in clinical protocols for telemedicine

**Top Reasons Willing:**

- Flexible work-life balance
- Opportunity to earn more income
- Improve outcomes for my patients by making follow-up easier
- Be on the leading edge of telemedicine
- Attract new patients to my practice
- Retain existing patients
Physicians’ reasons for being willing to see patients over video were numerous, including:

- **Work-life balance.** This was the most popular reason given for willingness to see patients over video. Flexible scheduling plus the ability to see patients from the home or office makes video visits seem very attractive.

- **Improve outcomes.** Physicians found video visits appealing for making follow-up care available at the touch of a button. Pediatricians were especially interested in providing convenient follow-up care via video visits for their patients (74%).

- **Earn more income.** The ability to convert phone and email communications into reimbursable consultations provides additional income for physicians, without the paperwork. Video visits also enable physicians to see patients after-hours and fill gaps in physicians’ schedule due to cancelations.

- **Retain existing patients.** Just over a third (37%) of physicians identified retaining existing patients as a primary attraction of telemedicine. Yet our consumer survey showed that 64% of patients want video visits with their doctors, and 7% are even willing to switch primary care doctors in order to get virtual visit services.

For those not willing or unsure about whether they would have a video visit with a patient, the top questions revolve around the clinical appropriateness of telemedicine, reimbursement, and security. In addition, few physicians have been trained specifically in the use of telemedicine.

The top reasons physicians were not sure or not willing to have a video visit included:

- **Clinical questions.** Clinical appropriateness of this new care delivery method is naturally a key concern for physicians. But while telemedicine is still evolving, many telehealth-specific clinical guidelines have already been created by adapting existing evidence-based guidelines.

- **Uncertainty about reimbursement.** It’s no surprise that physicians want to ensure they are fairly paid for their work. Fortunately payer reimbursement is on the rise- over half of all states mandate reimbursement, and private payers are moving towards coverage as well.

- **Concerns about security and HIPAA.** Physicians want to ensure that their patients’ data is protected. Fortunately, it is getting easier to tell when a telehealth service is secure. Quality telehealth vendors are HIPAA compliant, certified by the American Telehealth Association (ATA), and meet standards set by the Center for Internet Security (CIS) Security Benchmarks Division and the National Institute of Standards and Technology (NIST). Importantly, telehealth vendors should store and protect all of their data in secure locations; not in ‘the cloud’.

- **Lack of training.** Physicians want to feel confident they can deliver the same quality of care online as they would in person. Established telehealth vendors will provide robust training in both technology and clinical protocols to any physician who provides services through their platform.
Physicians see many applications for video visits.

Up until recently, telehealth was almost exclusively used for acute urgent care treatment and remote home monitoring. But doctors see a wide range of use cases for the technology. Among the most interesting are:

- **Medication Management.** Telehealth could transform medication management and prescription renewal – increasing compliance by making it more convenient for patients to renew needed medications. Perhaps even more importantly, a video based telehealth system can present physicians with information at the time of a virtual visit, allowing them to follow up with patients, adjust dosages, manage side effects, and avoid drug-drug interactions.

- **Chronic Condition Management.** Telemedicine offers the opportunity for physicians and allied health professionals to reach patients in their home to provide disease education, assess environmental risk, offer on-demand support, and schedule more frequent check-ups with less time, travel, and cost.

- **Behavioral Health.** Patients struggle to make it to and from needed counselling sessions, which are usually scheduled during workdays. Telehealth strips away the travel time and allows a patient to see a therapist regularly with complete privacy and minimal disruption.

- **Post Hospital Discharge.** Health systems are struggling to bring down 30-day readmission rates, which currently run around 18% on average.\(^4\) Telemedicine offers a cost effective way to provide follow-up care for patients and their caregivers – and, most importantly, offers a window into the home environment that can help providers identify and address issues that can land a patient back in the ER.

- **Concierge Medicine.** Telemedicine is so convenient for consumers that doctors see it as a mainstay for concierge medicine.

### Use Cases Physicians Selected As Most Appropriate For Video Visits

<table>
<thead>
<tr>
<th>Use Case</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concierge services for fee paying patients</td>
<td>91%</td>
</tr>
<tr>
<td>Medication management/prescription renewal</td>
<td>86%</td>
</tr>
<tr>
<td>Minor urgent care (for example fever, pink eye)</td>
<td>85%</td>
</tr>
<tr>
<td>Birth control counseling</td>
<td>83%</td>
</tr>
<tr>
<td>Home health care</td>
<td>82%</td>
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<tr>
<td>Chronic condition management</td>
<td>80%</td>
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<tr>
<td>Pediatric after hours needs</td>
<td>79%</td>
</tr>
<tr>
<td>Behavioral health</td>
<td>77%</td>
</tr>
<tr>
<td>Post hospital discharge</td>
<td>73%</td>
</tr>
<tr>
<td>Post surgical follow up</td>
<td>59%</td>
</tr>
</tbody>
</table>

\(^4\) Data Shows Reduction in Medicare Hospital Readmission Rates During 2012, Medicare & Medicaid Research Review
Video can help physicians address the reimbursement gap.

Physicians can be fairly paid for the work they do by moving non-reimbursable phone and email follow ups – especially those that require more clinical judgement - to telehealth. Currently all 50 states have some form of reimbursement for telehealth, and twenty-seven states and Washington, DC mandate commercial insurers to reimburse for telehealth services. Private payers such as Anthem and most Blue plans, as well as United Healthcare cover or have announced plans to cover telehealth video visits for their fully insured individual and group members. In addition, these payers have built telehealth benefits into their plan designs for self-funded employers. Health plans and employers see telehealth as a significant cost savings since as many as 10% of virtual visits replace ER visits which cost hundreds, if not thousands, of dollars for relatively minor complaints.\(^5\)

We asked physicians who were willing to have video visits with patients what percent of their email and phone calls they would move to video and found that 48% would move a quarter or more follow-up phone and email visits to video. Beyond shifting existing phone and email visits, many physicians believe that a portion of all of their in-office visits can be moved to telehealth for the sake of efficiency. A recent study by PwC’s Health Research Institute reported that half of physicians believe that digital visits can replace more than 10% of all of their in-office patient visits.\(^6\)

Physicians Would Move Follow-up Visits To Video If They Could Be Reimbursed.

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\(^5\) American Well system data, 2015

\(^6\) Healthcare Delivery of the Future: How digital technology can bridge time and distance between clinicians and consumers, PwC Health Research Institute, November 2014
Health Systems can increase referral revenue with video consults.

Primary care physicians heavily consider patient access when deciding where to refer their patients. So we asked primary care physicians whether access to video curbside consults with specialists from nearby hospitals would tend to increase their referrals to that hospital or not. Well over half said that it would.

Physicians also identified specialties that they would find most helpful. Dermatology ranks highest with 76% of physicians reporting video visits would influence their likelihood to refer. In fact, studies show that telemedicine is an effective way to serve patients who need a dermatology referral. The time between referral and actual encounter with the dermatologist was significantly shorter via telemedicine, regardless of the diagnosis. Psychiatry is also a top need, with primary care doctors increasingly seeing patients requiring psychiatric diagnosis and medication, often as a co-morbid condition. And assistance with diagnosing infectious disease ranks highly as well among primary care physicians. For hospitals and their specialists, increased referrals can mean significant increases in revenue. A 2013 UC Davis study showed that after deploying telemedicine, pediatric transports doubled per year leading to an increase in annual hospital revenue of $1.6 million. All in all, it appears that primary care doctors see broad applicability for telemedicine consults as part of a vibrant referral relationship with local health systems and specialist resources.

7 Reasons for Choice of Referral Physician Among Primary Care and Specialist Physicians, Journal of General Internal Medicine, May 2012
8 Telemedicine Versus In-Person Dermatology Referrals: An Analysis of Case Complexity, Telemedicine and e-Health, June 2012
Market Impact

While there is still much to learn about the impact of telehealth on the way physicians practice medicine, we believe this survey uncovers information that is valuable to health systems, individual physician practices, ACOs, and health plans.

- **Health Systems.** Both patients and physicians find interest and significant value in what video visits can offer, and are willing to consider how this technology would improve their lives. The next thing that health systems can do to prepare for a future with video visit technology is to consider the opportunities within their own ecosystem- perhaps beginning with acute urgent care services, and then begin to think beyond to chronic care management, post hospital discharge, or home health. Health systems should also consider their particular regulatory environment and payer reimbursement. An experienced telehealth vendor can speak to these considerations.

- **Individual Physician Practices.** Telehealth enables individual physicians and independent practices to grow their patient panel and provide valuable video visit services to their patients. The ability to use video visits is easier than ever, whether the goal is to strike a work-life balance, extend physician hours, or monetize non-reimbursed communications. For physicians who are interested in getting started, the next thing to do is identify goals specific to their practice, and start exploring the options. You’ll want a partner that can offer easy to use technology and clinical training as well as a community of like-minded clinicians.

- **ACOs.** Now that patients are ready to embrace seeing their physicians online, ACOs can extend care through telehealth at a low cost. This enables ACOs to envelop patients with needed clinical services at a low cost for a variety of clinical engagements, including post-discharge visits, long-term chronic care management, and home health. Telehealth makes it easy for patients to stay engaged by reducing barriers such as travel, time, and mobility.

- **Health Plans.** With physicians moving closer to offering virtual visits to their own patient panels, health plans must consider how they reimburse for telemedicine – not just for urgent care, but for a wider variety of visit types. Telemedicine offers great scope to reduce cost to the system overall, but can only achieve this in partnership with payers.
Telehealth resources.

Additional eBooks
- Telehealth Index 2015: Consumer Survey
- Why ACOs are hot for telehealth
- Telehealth for Health Systems: Guide to Best Practices

Articles
- Forbes, “Your Next Doctor’s Visit Might Be Through An iPhone”
- Wired, “Why Telemedicine Needs to Redesign the Doctor’s Appointment”
- Hospitals & Health Networks, “Telehealth Promises to Reshape Healthcare”
- Modern Healthcare, “Telehealth Services Surging Despite Questions About Value”
- Becker’s Health IT & CIO Review, “Best of Both Worlds”
- Medscape, “Virtual Visits Benefit Physicians as Well as Patients”
- The Advisory Board, “Nine things you should know about telehealth, from American Well”

American Well Webinars
- Telehealth Index: 2015 Consumer Survey Insights
- Becker’s Hospital Webinar: How Telehealth Can Help Organizations Beat The Competition
- Inside a Telehealth Practice
- Getting Started with Telehealth: Urgent Care and Beyond (EBN & Oracle)

Additional Literature
- Frost & Sullivan Telehealth Services Award, 2014
- Federation of State Medical Boards Telehealth Policy

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