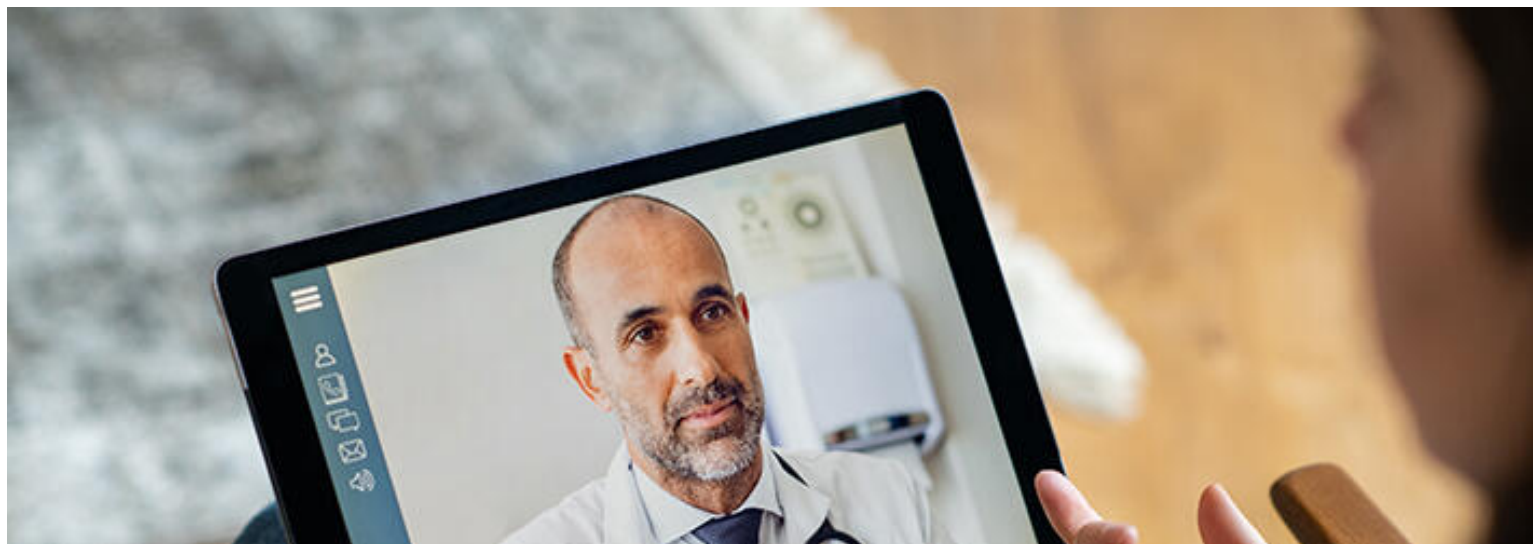


## Six Factors to Consider As You Advance Your Telehealth Offerings



**Your projected telehealth use will also impact your future facility needs, and you will want to plan accordingly.**

As the nation slowly re-opens amid the COVID-19 pandemic and patients return to doctors' offices in-person, demand still remains high for telehealth visits. According to [a report](#) earlier this year, virtual health care visits in the U.S. are on pace to top a record 1 billion by year's end. What makes that statistic all the more remarkable is that just 24 percent of health care programs in the U.S. had an existing virtual health care program at the start of 2020.

This year's rapid increase in demand for telehealth has been borne out of necessity, given that due to the pandemic, in-person patient visits were quickly deemed unsafe or infeasible nationwide. Many prior rules and regulations pertaining to telehealth usage, such as those around HIPAA regulations and payer coverage standards, were relaxed to encourage telehealth use. Providers and patients alike quickly cast aside any prior concerns they may have had about telehealth quality, efficacy and ease of use, particularly for using telehealth to resolve pandemic-related health concerns. Of the 1+ billion telehealth visits projected for 2020, noted above, 90 percent are related to COVID-19.

It remains to be seen if the relaxed regulatory and payer standards for telehealth will remain long-term. Many providers are naturally hesitant to invest further in telehealth right now, preferring to see what CMS and other payers decide long-term regarding telehealth visit rules and reimbursement standards.

That doesn't mean, however, letting your telehealth plans languish. Here are six factors to consider when charting your organization's future telehealth strategies.

### **Six Telehealth Factors to Consider**

1. **Ongoing high demand** – As society re-opens, and providers and patients again have the option of office visits, the demand for telehealth is still expected to remain high. A [2020 study](#) forecasts a sevenfold increase in telehealth demand by 2025, which would be a compound annual growth rate of more than 38 percent. You will want to monitor regulation changes closely to ascertain how future demand for your telehealth services will be impacted, and prepare accordingly.
2. **Reimbursement rates** – At the start of the pandemic, many organizations struggled to obtain full payment for telehealth visits due to a lack of payment parity between telehealth and in-clinic visits, and varying policies by state and plan. In response, CMS and some private payers [announced plans](#) for telehealth payment parity during the pandemic. You can expect that these policies will likely shift anew. As revised telehealth reimbursement rules are lifted, it will be critical to continue to monitor all coding and billing policies closely to ensure you're able to maximize your payments going forward.
3. **Revenue impact** – Will telehealth become an additive revenue stream for you, or remain an offset revenue stream? While the answer to this question partly depends on regulations and payer decisions, there is also significant unmet demand in some areas of clinical care, such as in behavioral health. As more is known long-term around telehealth-related regulations and coverage, you should decide how you want to strategically and financially position telehealth in your organization.
4. **Technology changes** – In response to the pandemic, the Department of Health and Human Services relaxed HIPAA rules to allow providers to conduct telehealth visits via video applications such as through FaceTime, Skype and Zoom. HIPAA rules are expected to be restored, so providers who have relied on these applications to meet demand during the pandemic need to consider what technology to use in the future, and how to fund it. What will be the preferred telehealth technologies of the future? Keep in mind that many providers used non-secure consumer video applications either because some patients had trouble accessing providers' secure telehealth applications, or because these secure applications could not handle the increased demand. In assessing future technology needs, consider the high likelihood of a number of new vendors entering the market, which should drive down vendor costs but will also make vendor selection more challenging. To ensure you can get the optimal solution in place as soon as possible, consider the added value of employing an experienced and objective resource for system selection and implementation using Agile methodology.
5. **Return on investment** – If you've been actively using telehealth throughout the pandemic, you'll want to ensure you've amassed data throughout this time to help determine your return on investment (ROI). Your past ROI data related to telehealth will prove invaluable as you seek to forecast future ROI in order to inform

your decision-making about the magnitude of your future telehealth investments. You may also wish to expand your definition of ROI to also factor in the value of telehealth as a competitive differentiator for your organization.

6. **Facility planning** – Your projected telehealth use will also impact your future facility needs, and you will want to plan accordingly. For example, if your organization is thinking about expanding its services, might it be possible to meet increased patient demand, relying in part on telehealth, within your existing ambulatory footprint? Organizations that historically planned two exam rooms per provider may now see an opportunity to plan for just 1.8 or 1.6 exam rooms per provider, thereby freeing up exam room space for other growth. You should also be considering how to adjust your facility design to accommodate private, non-exam space for telehealth video visits. This will be especially important for clinics that have already been driving toward greater office space efficiency and clinical collaboration by eliminating physicians' private offices.

## **In Conclusion**

Considering that full-scale telehealth is still new to most providers, and that regulations, reimbursement rules and even technologies for telehealth are still in a state of flux, you will likely have many important future decisions to make regarding your telehealth offerings. The only absolute certainty is that telehealth is here to stay.