Measuring and Maximizing the Value of Telehealth

Ceci Connolly, President and CEO

May 23, 2023

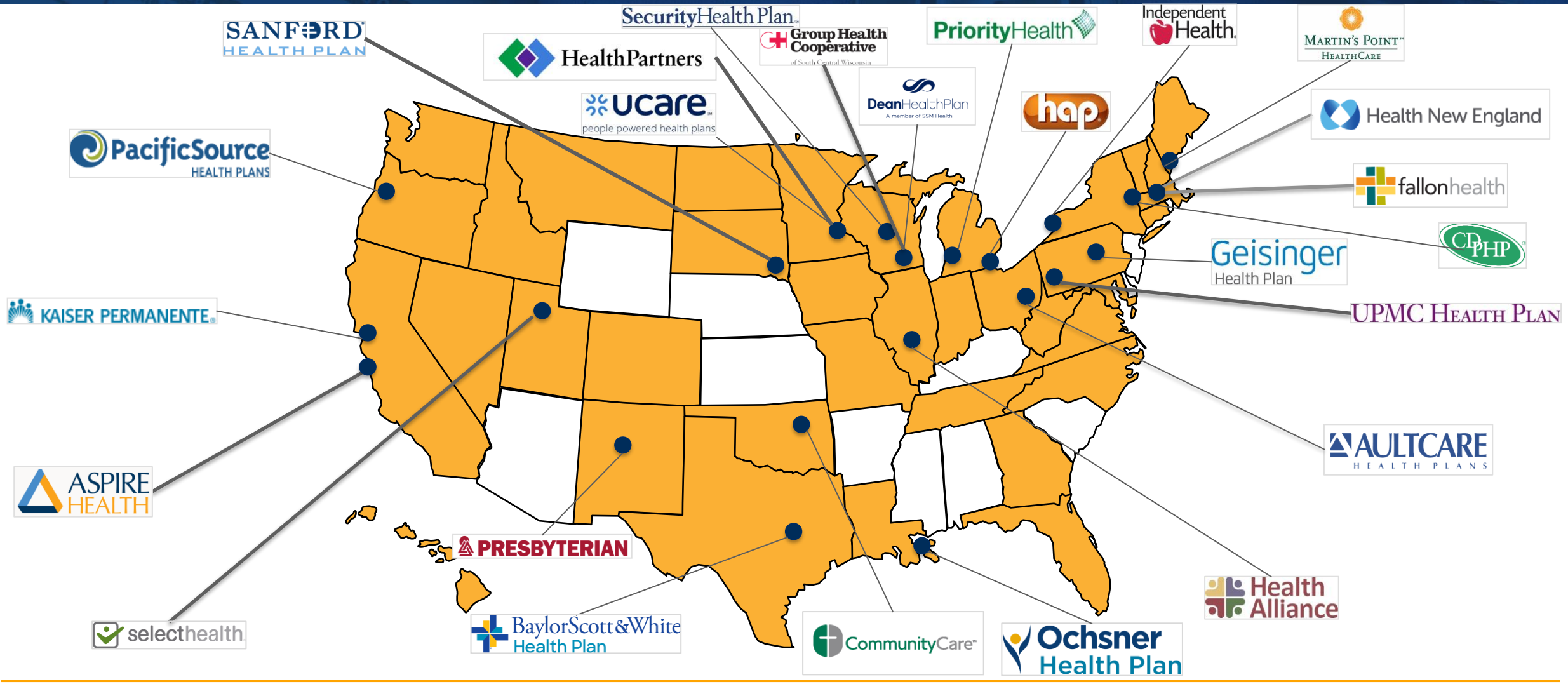
MAKING HEALTH CARE BETTER

ACHP
ALLIANCE OF COMMUNITY HEALTH PLANS

www.achp.org

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ACHP's Provider-Aligned Regional Plans



05/23/2023

States with an ACHP member plan.

SOURCE: AIS Q3 2022 DATA

The U.S. Health Care System is Facing More Acute Challenges Than Ever Before

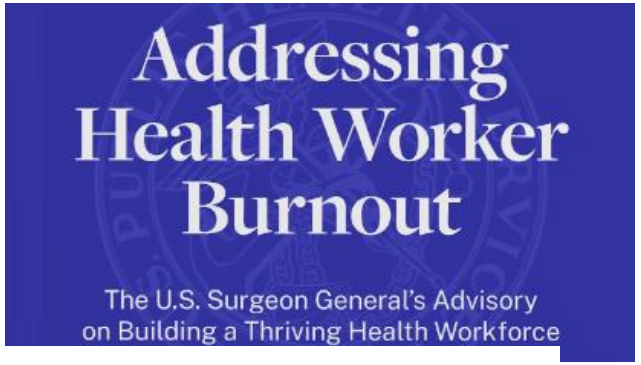
- Financial Constraints
- Provider Workforce Shortages
- Changed Consumer Behavior

KaufmanHall

National Hospital Flash Report: April 2023

MAY 3, 2023

Hospital finances improved slightly in March as hospital leaders navigate high expenses and economic pressures. While margins continue to stabilize, they remain below pre-pandemic levels—leaving hospitals in a vulnerable position should a recession or new public health emergency arise.



HEALTHCAREDIVE

Lawmakers stress urgency of healthcare worker shortage

Addressing the education pipeline is one thing that legislators could focus on to improve nurse and physician shortages, medical school and health system leaders said.

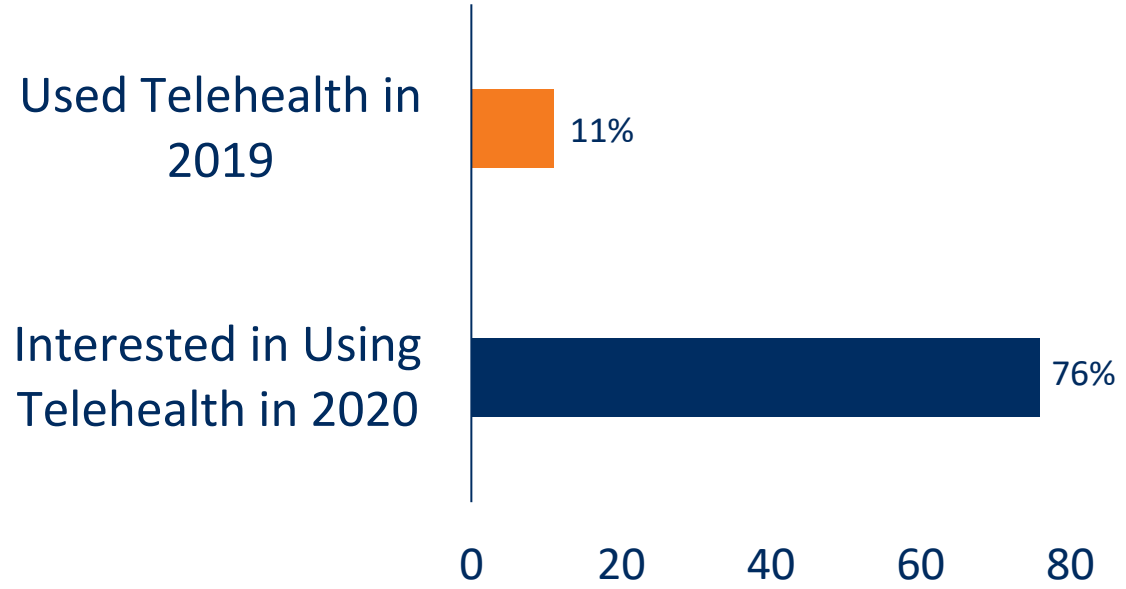
Published Feb. 16, 2023

COVID-19 Altered the Telehealth Landscape, Increasing Consumer Uptake

Sample of Federal Policy Changes:

- HIPAA Flexibilities
- Interstate Practice Exception
- Interstate compacts
- Reduced or waived cost sharing
- Medicare telehealth expansion
- Virtual Prescribing

2020 McKinsey Survey: How has COVID-19 changed the outlook for telehealth?



Source: McKinsey & Company, 2020.

In 2022, Consumers Still Prefer Virtual Care

67% of respondents accessed telehealth; nearly double pre-pandemic levels

94% of respondents plan to use telehealth in the future

Telehealth preferred over in-person services for certain types of **routine care**

Source: J.D. Power, 2022.

Physician Experience Also Changed with Pandemic



85%

Physicians using telehealth

INCREASING USAGE



1/2

Physicians looking to increase use of telehealth

GROWING SUPPORT



35%

Consumers who saw a different PCP or specialist

CHANGING RELATIONSHIPS



20%

Percentage difference between physician and consumer opinion on telehealth experience

REMAINING HESITANCY

Sources: McKinsey, 2022.; AMA, 2021.

Care Anywhere Meets Patients Where They Are; Reduces Overhead

By partnering with providers, virtual care can *reduce costs, expand access* for underserved populations and foster an *improved patient experience*.

Virtual-first plans save

20%

on premiums and co-pays.

3/4

ACHP plans moved acute and recovery services out of expensive hospitals.

Payers and Providers Need to Chart the Course of Care Anywhere Together

Intention

- Identify a virtual care strategy that centers on consumers.

Investment

- Appropriately invest in resources to achieve and scale goals.

Integration

- Consider how integrated partnerships and virtual care tools can improve patient experience.

Evaluate and inform

- Use data to inform and improve strategy.

The Full Suite of Care Anywhere Expands beyond Telehealth

Digitally-enabled care blends technology with human care, which can include tools such as:

- Hospital-at-Home
- Remote patient monitoring
- Telehealth
- E-Consults
- Patient portals
- Virtual-first products

Case Study:

Virtual hospitals in Australia and the U.K. **expanded bed capacity, reduced costs,** and **improved patient and provider experience**

Hospital-at-Home Program in Wisconsin a Win-Win-Win

SecurityHealth Plan℠

Marshfield Clinic Health System
Home Recovery Care
Powered by Contessa

44% lower readmission rates

Cost savings 15-30% per episode

90% satisfaction

Virtual-First Plans Meet Consumers' Demand for Innovative Care Delivery

PriorityHealth

MyPriority HMO Bronze 8550- Telehealth PCP

MyPriority HMO Silver 5500- Telehealth PCP

MyPriority HMO Silver 5500- Off-Marketplace- Telehealth PCP

KAISER PERMANENTE®

Virtual Plus Care Plan

- Launched Jan. 1, 2021



Digitally-Enabled Program Reaches Chronically Complex Patients



Tailored, coordinated care for Medicare Advantage members with chronic conditions.

As of January 2023:

- Enrolled **2,000 members** and growing
- Preventable hospital admissions **reduced by 54%** and hospital readmissions **reduced by 45%**
- Future plans for a Medicaid-focused program

Barriers to Robust Telehealth Adoption and Utilization Still Persist

- Doubts about cost savings
- Insufficient infrastructure
- Varied patient access and trust
- Physician hesitancy
- No clear payment and coverage structures
- Pandemic policies not permanent

Data is Key to Developing Successful, Future Programs



Legacy Organizations Must Pay Attention to Disruptors







Further Policy Needed for Telehealth Sustainability

HEALTHCARE FINANCE

JAN 27 | MORE ON TELEHEALTH

Telehealth payment parity only good through 2023

The omnibus spending bill continues telehealth waivers for two years past the PHE, but was silent on the issue of reimbursement.

Telehealth.HHS.gov

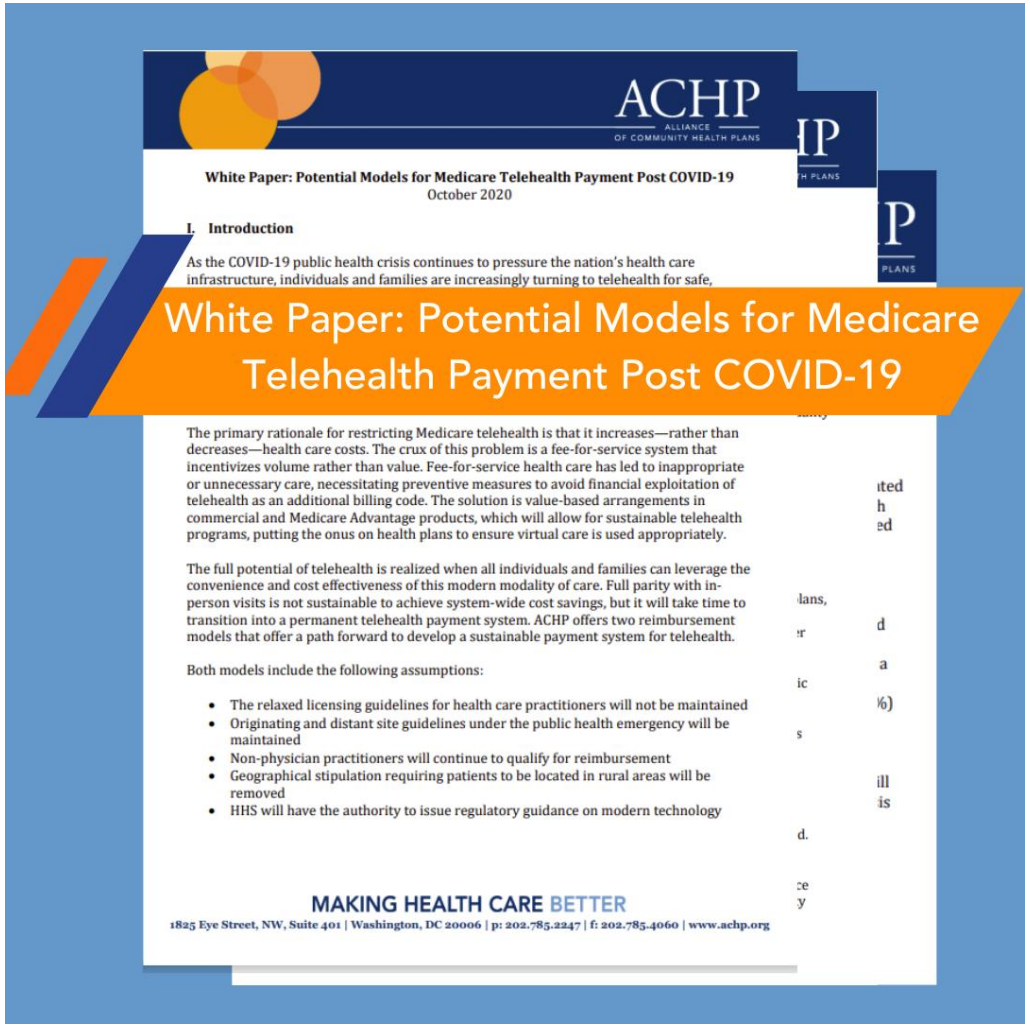
Telehealth policy changes after the COVID-19 public health emergency

The U.S. Department of Health and Human Services took a range of administrative steps to expedite the adoption and awareness of telehealth during the COVID-19 pandemic. Some of these telehealth flexibilities have been made permanent while others are temporary.

AMA

Telehealth is here to stay, but payment is key to future use

NOV 8, 2021



Think Big, Start Small, Act Fast