

Financial Overview

Figuring out how to pay for (or financially support) the telehealth program is often a major barrier for organizations. Both short-term and long-term options need to be considered.

Grants are one option...and a popular one at that! They should be considered as short-term support only and not as long-term or on-going operating dollars. Grants should never be looked at as “free money” as most come with many requirements, expectations and strings. However, if you can work comfortably within the constraints of the granting structure, it is still an option that is of considerable interest as it can significantly reduce the initial budgetary impact to the organization.

Special Note: A long-term reliance on grants can undermine the long term program success by ignoring the importance of securing organizational budgetary support, at some level.

Establishing a budgetary line item for telehealth services is very important to your program’s long term survival. If the only dollars your program relies on are grant-related dollars, then what level of real commitment does your organization have once those dollars are gone? One way to accomplish this is to educate your organization how specifically telehealth helps them meet the mission and annual strategic goals of the organization. By establishing on-going, base-level budgetary support for telehealth efforts, the on-going functionality of the program is supported and viewed as important by the organization. Grant dollars can then be looked to support program enhancement and service expansion activities.

There a variety of ways to determine how to justify financial support for your telehealth program. A formal study on your “return on Investment” is certainly one option. However, the gpTRAC would like you to consider some additional aspects that a formal “ROI” may not consider. Incorporating telehealth into **the business/operation structure** of your organization is also important. Helping your organization understand that telehealth is another tool to be used to provide quality healthcare services to the patients they serve can help build confidence in your providers that this is something they need as part of their practice.

The organization must also develop an understanding of the positive **financial impact** telehealth can or has made for the organization. By tracking, documenting and regularly reporting information like the volume of patients seen thru telehealth, the ancillary services provided because of the availability of telehealth services, the improved patient outcomes, and the reduction in readmissions, organizational leadership becomes educated on the value the telehealth program brings to the organization and understands the positive impact.