

MDLIVE®

Wellness Gone Wireless:

Top 5 Trends Driving Telehealth in 2018



When it comes to telehealth, the future is now – and bringing with it a whole new meaning to the term “house calls.” In a rare instance where innovation is moving at the same speed as consumer comfort, the provider and patient communities are of like mind about the opportunities that telehealth represents to drive improved service and outcomes in healthcare.

Take, for example, that:

- Nearly three-quarters of U.S. consumers (74%) would use telehealth services.
- 76% of patients prioritize access to care over the need for in-person human interactions with their healthcare providers.
- 70% of patients are comfortable communicating with their healthcare providers via text, e-mail or video, in lieu of seeing them in person.
- More than 60,000 health-related Google searches occur every minute.
- More than 75% of U.S. counties are considered mental health shortage areas, with wait times for a first visit with a psychiatrist averaging 45 days.
- There are less than four dermatologists per 1,000 people in the United States, with average wait times for an appointment as long as three to six months.
- Nearly 75% of all physician, urgent care, and emergency room visits classify as unnecessary or manageable by phone or video.
- The nearly 20% of Americans living in rural areas stand to benefit from telemedicine services, as they live far away from healthcare providers.

These statistics are nothing though, without strategy and committed action to lift them up and

drive them forward. Telemedicine is like a high-speed train. It covers long distances in the most efficient manner possible, freeing up time and energy that can be better spent elsewhere.

However, as of June 2014, about 6,100 U.S. regions were federally designated as Health Professional Shortage areas. Telemedicine removes geographic limitations on access to care, making it easier to match providers to community needs. It significantly reduces the cost of care and provides new opportunities to improve care. Considering its reach and effectiveness in treating both behavioral conditions and chronic disease, telemedicine presents a unique solution that improves both access and outcomes.

Even though most health plans and many employers have adopted telemedicine, reaping the return on investment is often slower than anticipated. This is partly because both health plans and employers are concerned that they may wind up paying more when the consumer seeks additional care because their illness isn't effectively treated with virtual care. But it's also because consumers simply don't know they have telehealth benefits, much less how to access them.

Health plans are also unclear on how to reimburse virtual care services, which means they may be reluctant to promote it to consumers. Most health insurers determine

their reimbursement structures based on those developed by the Center for Medicare and Medicaid (CMS), and CMS has been slow to adopt telemedicine. But once CMS makes it universally available to Medicare and Medicaid lives and establishes a reimbursement structure for it, health plans will follow this reimbursement language.

As we wait for concrete telehealth policy, a keen eye toward industry trends can help provide an adequate framework for executing a nationwide strategy to drive telehealth innovation. With that mindset, these five trends are the ones to watch:

1. Explosion in cloud-based smartphone technology and health/wellness wearables creates more engaged consumers.
2. Innovation in artificial intelligence allows for more refined data analytics and a more personalized patient experience.
3. Reduced reliance on reimbursement models expands both the provider and patient populations.
4. Consumer satisfaction drives greater demand along with reduced costs.
5. A renewed, disciplined focus on data security further drives consumer confidence and vendor oversight.

TREND 1: Explosion in cloud-based smartphone technology and health/wellness wearables creates more engaged consumers.

By 2018, it's estimated that 65% of healthcare interactions will occur via mobile. We're already well on our way: 80% of doctors currently use smartphones and medical apps, with 72% regularly accessing drug info via smartphones. Paper charts stored in giant file rooms? Gone and forgotten. Hospitals, insurance companies, and increasingly doctors' offices are now storing patient medical records in the cloud, and creating patient-facing portals for patients to access lab results, office visit notes, disclosure notices, forms and more – anywhere, anytime.

Mobile technology also is reinventing the way providers can invite greater patient engagement in care and treatment. Remember when getting your blood pressure checked meant going to the doctor or using the machine at the grocery store? Now, as the saying goes, there's an app for that. Mobile devices have the capability to perform complex functions like ECGs to simple ones like reading body temperature – all without leaving home. Mobile automation also can prompt patients to check their weight, pulse, or oxygen levels, and enter results into patient portals, which can be transmitted to physicians in real time.

Leveraging these innovations can save time for patients and physicians, save money in reducing costly ER and office visits and administrative red tape – and ultimately, save lives as well.

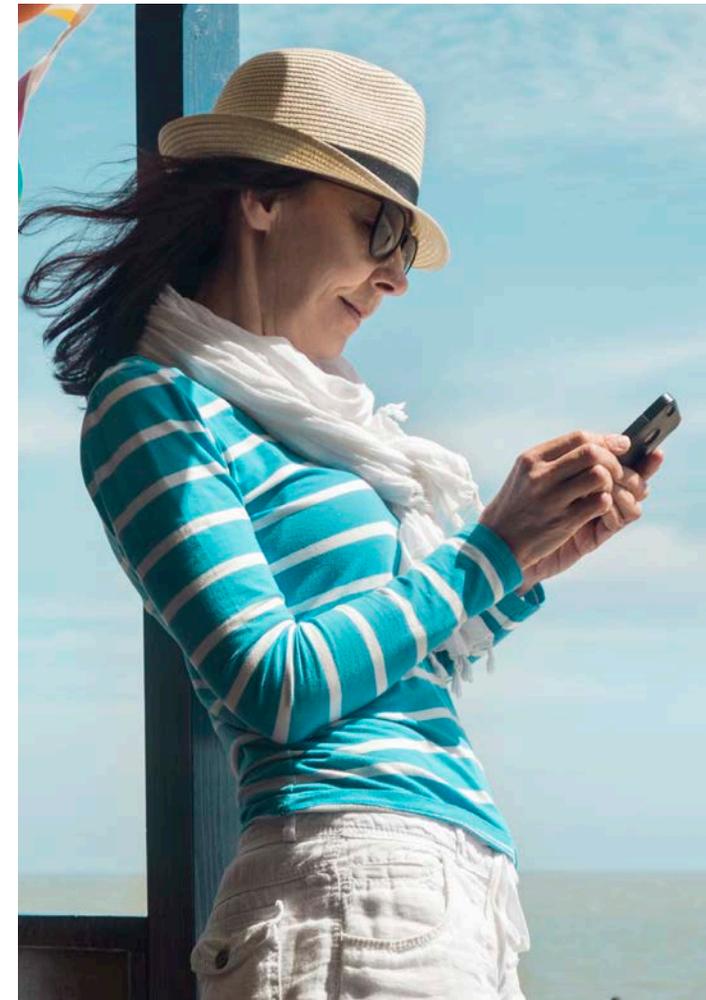
Case in point: Christian Care Ministry

In 1993, Christian Care Ministry formalized an approach to sharing healthcare burdens with the Medi-Share healthcare sharing program. Now more than two decades later, the Medi-Share program serves more than 290,000 members across the country and more than \$1.8 billion dollars in medical bills have been shared and discounted.

Historically, Christian Care Ministry did not offer a telehealth solution and noted excessive spending on emergency room visits for treating low acuity conditions. The organization selected MDLIVE as its virtual care partner and introduced the service to their members in May 2016.

Providing members with 24/7/365 virtual access to board-certified physicians with an average 15+ years of practice experience has helped Medi-Share members better manage their healthcare spending by providing ease of access to lower-cost virtual care for nonemergency conditions.

Significantly, Christian Care Ministry offers MDLIVE virtual care with a \$0 copay to remove any financial obstacles for members to use. However, the organization didn't rely solely on the low cost barrier to entry to stoke member registration and engagement. Leaders also leveraged three key initiatives to drive success:



1. Registration. Campaigning members to educate them as to the importance of registering prior to a medical need. Without this important first step, members would be less likely to use virtual care when the need occurred.

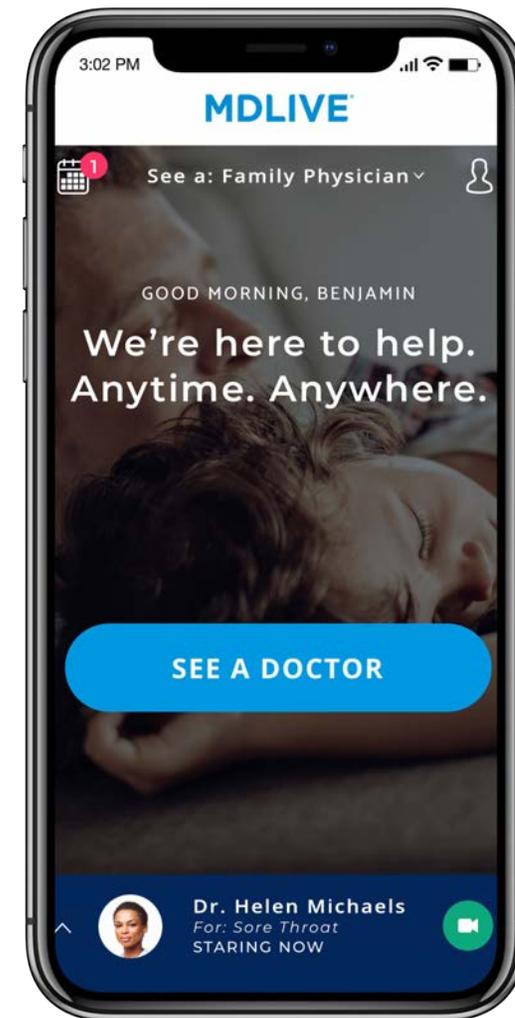
2. Education. Encourage members to consider telehealth for non-emergency care and identifying those instances for them. A “Welcome Aboard Guide” helped members think about the right care at the right time based on the condition. Members were educated through multiple channels, including social media, newsletters, and email campaigns.

3. Reminders. An ongoing campaign reminded members about virtual care service availability and reinforced the benefits of convenience, time savings, no copay, and electronic prescriptions.

The outcomes, both physical and financial, speak for themselves: In year one, Christian Care Ministry experienced:

- Nearly \$4 million in medical savings
- \$79 savings per registered user
- 3:1 ROI
- 47% utilization rate for registered users
- 53% of registered users are dependents
- 95% satisfaction rate
- 79% net promoter score

“With MDLIVE virtual care, we have improved our program for our members providing convenience and more immediate care through telehealth access,” said Michael Gardner, director of communications at Christian Care Ministry. “We have significantly lowered out-of-pocket costs for our members and reduced the impact of ER and urgent care visits ministry-wide.”



TREND 2: Innovation in artificial intelligence allows for more refined data analytics and a more personalized patient experience.

Big data is king in today's digital world – nowhere more keenly than in healthcare. Data covers all aspects of health management: consumerism, treatment, record keeping, risk identification and management, preventive care, and on and on. The problem, though, is all of that information is disparate, creating a frustrating experience for providers and patients alike. The cliché, “Water, water everywhere, but not a drop to drink,” can apply to the siloes that exist in healthcare information: “Data, data everywhere, but not a byte to share.”

Breaking down data siloes and enhancing data analytics is an exciting and critical frontier in telehealth that, aided by mobile and wearable health devices, can create a more connected healthcare system with a more personalized patient journey.

MDLIVE recently announced the launch of Sophie, an artificial intelligence-powered personal health

assistant – marking the first usage of a chatbot by a virtual care platform. Sophie adds a new method of increasing consumer adoption by resolving registration, one of the biggest barriers to adoption.

Sophie aims to improve the platform user experience by creating a tailored, conversational registration process for each individual. Conversation is initiated with a user based on demographics and information entered throughout the registration interaction. Sophie's name is rooted in Greek ideology and symbolizes “wisdom.” Its abilities to recognize registration-related commands and address these needs will continue to advance as utilization of it progresses.

“The launch of Sophie supports one of our primary goals of improving the overall virtual care experience for consumers. Virtual care is intended to be a convenient and appropriate alternative to an emergency room or urgent care

visit, but oftentimes the registration process is so cumbersome that it removes the convenience factor,” said Randy Parker, founder and chief business development officer of MDLIVE. “As technology continues to advance, and consumers demand more convenience associated with their care, healthcare must meet that demand. MDLIVE's ability to do this breaks a barrier that historically has prevented consumers from embracing virtual care.”

Sophie is just one of the breakthroughs marking the rise of artificial intelligence adoption in healthcare. The use of this technology can result in substantial improvements, including reducing costs, coordinating care more effectively, enhancing the experience between patient and physician and improving the overall consumer experience. For virtual care, artificial intelligence helps strike a balance between human interaction and technology, creating a more personalized experience for the consumer.



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Physician shortages in the U.S. are large and growing. Americans are waiting longer and traveling farther to see a doctor. And the longer they wait, the costlier their care could become. This is America's largest – and potentially costliest – gap in care, and **telemedicine can help bridge it with high quality care delivered anytime, anywhere.**



24.1

Average number of days to wait to see a doctor in 15 major U.S. metropolitan areas and 15 medium-sized markets. New patient wait times are often much longer.¹



149K

Projected shortfall of primary care physicians in the U.S. by 2020.²



65M

Number of Americans living in designated Health Professional Shortage Areas for primary care.³



80M

Number of Americans living in designated Health Professional Shortage Areas for behavioral health.³



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TREND 3: Reduced reliance on reimbursement models expands both the provider and patient populations.



It's no secret that payment for services has hampered the advance and adoption of telehealth; fortunately, that's changing thanks to stronger leadership from the federal government and insurance companies.

"Historically, telemedicine services have been handled differently from in-person services by both Medicare and Medicaid," Alexis Gilroy, a partner with the law firm Jones Day, told MedCity.com. "The significant hurdle is that payers, likely concerned with increased costs from utilization, restricted payment for services provided via telemedicine arbitrarily while still covering such service when provided in-person. This has led to restrictions such as only allowing payment for telemedicine services when the patient is located in a rural area. But the tide seems to be turning."

The Medicare Sustainable Growth Rate legislation is one indicator of incremental change, as it works to transition federal programs away from the traditional fee-for-service model toward payment systems based on quality and outcomes.

Private payers have been moving toward telemedicine services at a faster pace than the government programs. State-level telemedicine parity laws mandating equal payment regardless of where the patient is located drive some of this.

"The private insurers are very positive about telemedicine and are covering services even in states that don't have parity legislation," said Gilroy. "They are incentivizing cost savings for those who seek services remotely as it often costs less than going to an urgent care clinic. Private payers are analyzing costs and seeing the savings telehealth can bring."

To her point, Independence Blue Cross, which serves 10 million U.S. customers, has partnered with MDLIVE to deliver and pay for telehealth services to its members. MDLIVE telehealth services will be available to select members, depending on the benefits offered by their employer. Offerings from members' primary care physicians will be reimbursed so long as they are provided via HIPAA-secure video in non-emergency situations.

"Telemedicine is emerging as a consumer preferred channel and we're pleased to offer our members the opportunity to take advantage of communicating more quickly and easily with their doctors through a secure video on their cell phone, iPad, or other digital device," Daniel J. Hilferty, president and CEO of Independence Blue Cross, said in a statement. "These virtual visits won't replace the important relationships our members have with their primary care physicians, but rather expand the options for access to convenient, timely health care, which also include our network of retail health clinics and urgent care centers."

TREND 4: Consumer satisfaction will drive greater demand along with reduced costs.

The advancement of telehealth means that for the first time, a patient's care options are not limited by geographic location. Even patients in remote areas can receive the highest quality of care, with only a smartphone connected to the internet. Patients no longer have to schedule their days around routine follow-up visits (and long office waits). Rather, they can receive treatment and/or prevention, potentially bypassing barriers related to cost, location, and/or lack of trained professionals – an acute concern in geographic areas where there is a provider drought.

Case in point: Cone Health

Cone Health is an integrated not-for-profit network of healthcare providers serving customers in multiple counties in North Carolina. As one of the region's largest and most comprehensive health networks, Cone Health has more than 100 locations, including six hospitals, three ambulatory care centers, three outpatient surgery centers, four urgent care centers, a retirement community, more than 100 physician practice sites, and multiple centers of excellence. The organization's tagline – "The Network for Exceptional Care" – highlights Cone Health's commitment to excellence, which is shared by more than 14,000 employees, 1,300 physicians, and 1,200 volunteers.

In an evolving healthcare environment of patient-centered accountable care, and with competitors touting new low-acuity telehealth offerings, Cone Health recognized it was time to develop its own virtual-care program, and chose MDLIVE as its virtual-care partner in March 2016. Since then, Cone Health has become one of MDLIVE's most trusted healthcare allies, with several lines of business currently operational and multiple pilot projects underway, with more being planned.

At the initial rollout, Cone Health launched an employee-focused telehealth offering that allowed Cone Health employees to access quality medical care 24/7. The program helped employees save money and time by offering an alternative to more expensive urgent care, emergency room (ER), and in-person doctor visits for conditions like the flu, sore throats, and other nonemergency health issues. This translated into savings for Cone Health by reducing employees' claim costs to the group healthcare plan.

Cone Health implemented a Direct-to-Consumer program in December 2016, integrating the MDLIVE platform into the community. Soon after, Cone Health expanded into reselling opportunities with local businesses that packaged Cone Health's branded telehealth service as a health and wellness benefit to employees.

Companies could offer their workers access to affordable, convenient care, reducing absenteeism and mitigating longer-term health expenses and lost production from missed work days.

Cone Health and MDLIVE reached out to the community in other ways. When Rockingham County Healthcare Alliance (RCHA), a rural health clinic serving indigent, under-insured and uninsured patients, lost its only healthcare provider, patients were left with no care options other than traveling to the nearest ER. MDLIVE rapidly deployed a telehealth platform and fully trained all staff at the facility, enabling RCHA to provide comprehensive low-acuity care to their patients in need.

Recently, MDLIVE integrated with Cone Health's Epic EHR platform for health records, patient scheduling, and documentation, enabling Cone to extend its telehealth offering into chronic disease management. The MDLIVE platform is highly flexible, synchronizing Cone Health's infrastructure and assets with customers' existing physician workflows and documentation tools – creating a seamless experience on both sides of the virtual visit

Two new pilot programs are underway to address the growing need for connected care in an aging population. For one pilot, cancer patients undergoing chemotherapy can schedule follow-up visits to see a healthcare provider via videoconference at a Cone Health Symptom Management Clinic. In another pilot, Cone Health is incorporating telehealth into a primary care site for managing annual Medicare wellness visits and ongoing chronic care management. Cone Health is currently assessing the feasibility of several additional pilots, which include the following:

- A telehealth platform to augment school health services by linking students with their pediatrician.
- A partnership with a 340B specialty pharmacy that gives Cone Health employees access to lower-cost specialty medications, which may improve patients' adherence to treatment.

Cone Health will continue to expand its reseller program to support a wider range of constituents. Cone Health is excited about the future challenges in telehealth, and believes it has the right partner in MDLIVE to help navigate the rapid change of pace in virtual care.

"We're an organization that fosters a culture of innovation to help transform healthcare delivery. The MDLIVE team is a willing partner throughout that journey," said John Jenkins, MD, SVP and Chief Clinical Officer of Connected Care, Cone Health.

Case in point: WellHealth Quality Care

WellHealth Quality Care established itself in 2011 as Nevada's first and only commercial Accountable Care Network (ACO). It has a network of more than 3,000 healthcare providers as well as a multi-specialty medical group that includes obstetrics and gynecology, anesthesiology, cardiology, endocrinology, and primary care. It has become the network of choice for local providers, offering pay-for-performance and value-based models that measure patient care and control costs based on standard quality criteria and metrics.

WellHealth Quality Care recommended that Teachers Health Trust (THT), a health benefits provider to the Clark County School District, add telehealth to its core benefits package. Telehealth could offer THT's roughly 40,000 employees convenience and lower costs for low-acuity health care during the busy school year, while also bridging gaps in care during holidays and the summer travel season. When THT agreed to incorporate telehealth into its benefits plan, WellHealth selected MDLIVE as their virtual-care provider.

Since the program began in January 2016, 34% of THT members have used the medical telehealth benefit – a rate 5.5 times higher than the typical utilization rate in the second year of a telehealth program.

In a constantly evolving healthcare landscape, there remains a significant need to provide new avenues of access to quality, affordable care when other avenues are closed. Telehealth has gained a foothold in the industry by creating new entry points to connect patients appropriately and rapidly to the services they need – making healthcare more efficient for patients, providers, and payors.

WellHealth Quality Care is looking to expand its telehealth offering through further collaborations with MDLIVE. An initiative is being planned to integrate telehealth into WellHealth's Patient Centered Medical Home (PCMH), an innovative delivery model that streamlines health services across the care network.

"We have received nothing but positive feedback on the call center advocates who specialize in telehealth," said Adam Volker, Manager of Healthcare Advocacy, WellHealth Quality Care. "They add a nice human touch to ensure participants fully understand this important benefit."

TREND 5: A renewed, disciplined focus on data security will further drive consumer confidence and vendor oversight.

With long-standing HIPAA and HITECH laws relating to patient privacy – as well as high-profile data breaches like the one at Equifax – it's no surprise this has also led to an increased focus on data protection and security. According to one report, "the black-market value of medical data is greater than even that of financial information."

Another report notes that a major challenge facing telehealth is that "it often involves transmission of protected health information (PHI) over insecure connections. Think of how often financial and other information is exposed via mobile devices, and then apply those risks to highly sensitive health data. While one would hope patients aren't attending telemedicine appointments over a Wi-Fi network in a local coffee shop, college students might well connect from a dorm, and patients in remote areas might have to go to a library or other public location with an Internet connection. And while consumers are becoming more security conscious, not everyone has their home network properly secured."

Going forward, investments in data encryption technologies and embracing standardized patient identification processes already entrenched in traditional office visits will need to reach the telehealth space as well. Vendors that build and maintain online infrastructure for protecting patients not only from data exposure but the increasing problem of medical identity theft will be the ones that gain the trust of providers and patients alike to be most successful.

This and the other four trends outlined here are a blueprint for ambitious and forward-thinking telehealth service providers. Vendors – and by extension, providers – that position themselves strategically on the leading edge of these five trends will be ones that ultimately take telehealth's potential today and leverage it for profit in years to come.

About MDLIVE

Founded in 2009, MDLIVE is a leading telehealth provider of online and on-demand healthcare delivery services and software that benefit patients, hospitals, employers, payers, physician practice groups and accountable care organizations.

Its cloud-based Virtual Medical Office software platform makes it possible for patients, medical professionals and plan administrators to collaborate seamlessly and securely via voice, video, email and mobile devices. Payers and providers can

also utilize the HIPAA-compliant system to collect and share clinical data from patient medical records, lab results and in-home biometric devices for real-time risk assessments, wellness advice, diagnosis and treatment.

MDLIVE provides affordable consultations via a nationwide network of board certified physicians, dermatologists, licensed therapists, and psychiatrists.

Moving in the right direction: **Removing barriers and getting consumers on board with telemedicine**

While Americans are waiting longer and longer to see the doctor, the costs of care continue to rise. As states quickly work to create the legal infrastructures necessary to make virtual care available to more Americans, telemedicine is moving at full speed to remove barriers to accessing quality care from coast to coast. Telemedicine removes geographic limitations on access to care, making it easier than ever to match providers to community needs. Considering its reach and effectiveness in treating both behavioral conditions and chronic disease, telemedicine presents a unique solution that improves access and outcomes while reducing the cost of care. But can the healthcare industry overcome the barriers to telemedicine utilization?

Getting consumers on board and generating ROI for plans and employers

Even though most health plans and many employers have adopted telemedicine, reaping the return on investment is often slower than anticipated. This is partly because health plans and employers are often concerned that they may wind up paying for additional care when illnesses are outside the scope of virtual care. Health plans are also unclear on how to reimburse virtual care services since the Center for Medicare and Medicaid (CMS) has been slow to adopt telemedicine and health insurers base their reimbursement models on those established by CMS. All of this can make employers and health plans reluctant to promote the telemedicine benefits they offer to their members. The problem is that, even though demand for telehealth continues to rise, most consumers won't utilize it if they're not sure it's covered.

MDLIVE is committed to keeping things moving in the right direction

MDLIVE partners with health plans and employers to resolve the challenges of utilization – the main driver of telehealth ROI. We are also constantly expanding the range and depth of the services we offer to include new specialties like behavioral care and dermatology, with chronic disease management on the horizon soon.

We also provide an online warehouse of marketing support materials that health plans and employers can access to help their members understand the value of replacing some types of traditional, routine and episodic care with telemedicine services. These materials can be customized to your brand. Finally, we've also launched MDLIVE Engage, a fast-track, consumer-centric communication strategy designed to continuously upgrade the consumer experience, to reach and educate our clients' members, and to directly and consistently build and nurture these relationships.

WHY CHOOSE MDLIVE?

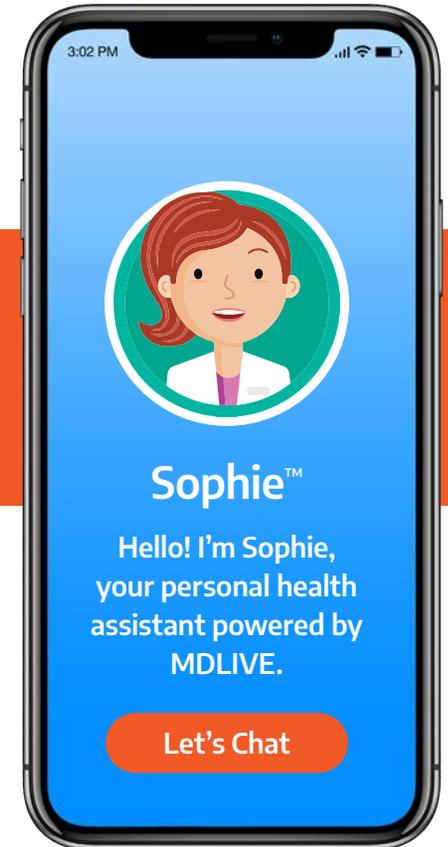
Companies are adding MDLIVE's virtual care services to their health benefits packages to save employees time and money by providing convenient, quality access to 24/7/365 healthcare. To learn more about how MDLIVE is using telehealth innovations to improve the delivery of healthcare, call us toll-free at 800-400-MDLIVE or visit us at www.MDLIVE.com

MDLIVE Reduces Barriers to Entry with Personal Health Assistant Meet Sophie

MDLIVE conducted research which showed that registration is a major roadblock to adoption of telehealth. While consumers largely support telehealth, many find the registration process to be cumbersome and time consuming, and abandon it before completing all the necessary steps.

To simplify registration, MDLIVE launched Sophie, a state-of-the-art artificial intelligence (AI)-powered Personal Health Assistant (PHA). Sophie utilizes an intuitive interface that walks consumers through the steps needed to set up a personal telehealth account. Once registered, users can interact with Sophie to navigate the MDLIVE platform. Among its many functions, Sophie can assist with scheduling doctor's appointments, answering medical questions and generating reminders and follow-up to help maintain users' daily health and wellness.

MDLIVE believes employee engagement is key to driving telehealth utilization. Sophie builds long-term relationships with members, keeping them participating and engaged in their own healthcare and optimizing the overall telehealth experience.



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