# 2017 State of Consumer Telehealth:
## Insights from Hospital Executives

#BeckersHR18

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BECKER'S HOSPITAL REVIEW

TELADOC®

# Presenter / Agenda

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| 1 | About Teladoc |
| 2 | Survey Overview |
| 3 | Key Findings |
| 4 | Success Factors |
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# Teladoc: The market leader

**NYSE:TDOC**

**23M MEMBERS**

**3,100+ PROVIDERS**

**10,000+ CLIENTS**

**5,000+ VISITS / DAY**

**10 MIN RESPONSE**

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# Hospital & Health Systems solution

| DEDICATED BUSINESS UNIT | LICENSABLE TECHNOLOGY | OPERATIONAL SUPPORT |
|---|---|---|

Workflow / Data Integration

Engagement Marketing

Commercialization


Private-labeled Software

End-to-end Operations

Provider Network

Teladoc's telehealth technology platform and licensable software solution has earned the exclusive endorsement of the American Hospital Association.

# Serving leading customers

10,000+ clients, including Fortune 1000 companies, hospitals and health plans

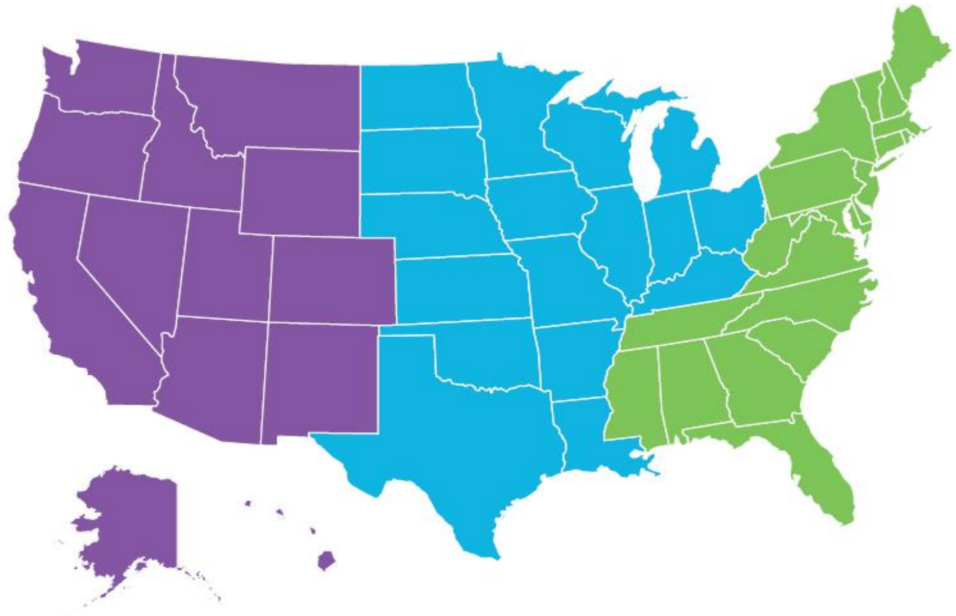
| HEALTH SYSTEMS | EMPLOYERS | HEALTH PLANS |
|---|---|---|
| Jefferson | pepsi | aetna |
| Adventist Health | SONY | blue of california |
| PARTNERS HEALTHCARE | DELL | CENTENE Corporation |
| Hackensack Meridian Health | Bank of America | PREMERA BLUE CROSS An Independent Licensee of the Blue Cross Blue Shield Association |
| Banner Health | GENERAL MILLS | Amerigroup RealSolutions in healthcare |
| Mount Sinai | T-Mobile | oscar |

# The Second Annual State of Consumer Telehealth Benchmark Survey by Teladoc

**75%** of U.S. hospitals have or will be offering telehealth by 2019.

# Respondent profile

## Responses by Region



■ 10% West ■ 59% Midwest ■ 31% East

## 274 Survey Respondents

**Titles**
- 30% Executives
- 39% Director/Manager
- 31% Other

**Hospital Type**
- 70% – Health Systems
- 12% – Short-term Acute
- 18% – Other

**Organization Status**
- 64% – Non-profit
- 26% – For-profit
- 10% – Unknown

**Bed Size**
- 27% – <100 Beds
- 30% – 100-500 Beds
- 23% – 500-1,500 Beds
- 20% – >1,500

Majority respondents executive/director level and hospitals > 100 Beds

# Summary of key findings on consumer telehealth

**75%** of hospitals have/will be implementing by 2019

**63%** that have programs are expanding

- 94% of hospitals rate as a top strategic initiative
- 3X shift to servicing existing patient populations
- Significant reduction in direct to consumer initiatives
- Hospitals are migrating to using own providers
- EHR integration as a barrier is decreasing
- Physician buy-in is critical to program success
- Claims and in-network referrals are most desired features
- Marketing support recognized as key success factor

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# Key market changes from 2016 to 2017

2016 FINDINGS

2017 FINDINGS

3X shift to existing patient populations

Significant reduction in DTC initiatives

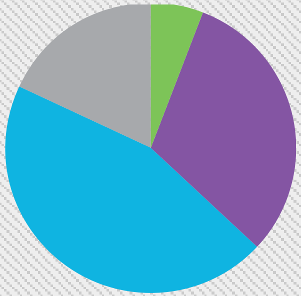
Hospitals are shifting to own providers

EHR integration as a barrier is decreasing

Marketing support is being recognized

# 75% of hospitals have or will be implementing telehealth by 2019

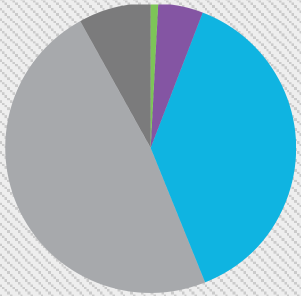
## LONGEVITY



- **6%** – Just launched
- **31%** – Less than a year
- **45%** – 1 - 3 Years
- **18%** – Over 3 Years

**82% of programs in place < 3 years**

## PRIORITY



- **1%** – 1 Lowest
- **5%** – 2
- **38%** – 3
- **48%** – 4
- **8%** – 5 Highest

**94% rate as a top initiative**

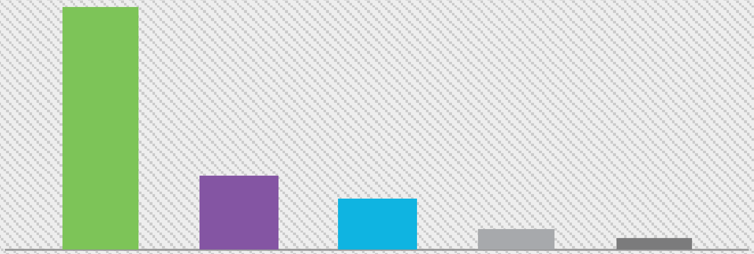
## GOALS

- **60%** – Improve care
- **38%** – Reduce wait times
- **33%** – Manage at-risk
- **30%** – Chronic conditions
- **28%** – Post discharge

**Increase access to care is top goal**

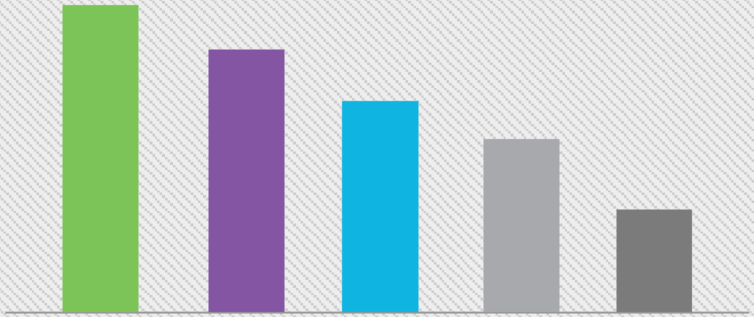
# 63% of systems with programs in place are expanding

## PROGRAM STATUS



- **63%** – Expanding
- **19%** – Pilot
- **13%** – Maintenance
- **3%** – Re-evaluating
- **1%** – Switching vendors

## PATIENT POPULATIONS



- **48%** – Existing patient populations
- **41%** – Lives in which we participate and hold risk
- **33%** – Our own employees and covered dependents
- **27%** – Direct to consumer
- **16%** – Local employer groups

Three fold increased focus on existing patient populations

# Organizational goals aligning with value drivers

**TOP TELEHEALTH GOALS**

| FINANCIAL | ACCESS | GROWTH |
|---|---|---|
| **38%** Reduce ER utilization | **60%** Improve Access | **12%** Compete in Market |
| **33%** Manage At-risk | **28%** Post-Discharge/ Readmission | **5%** Grow Revenue |

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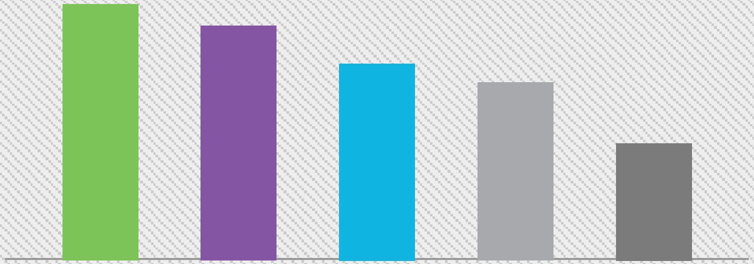
# Shift in focus to existing patient populations

## CURRENT PATIENT POPULATIONS



- **68%** – Existing patient populations
- **62%** – Our own employees and covered dependents
- **52%** – Direct to consumer
- **47%** – Lives in which we participate and hold risk
- **31%** – Local employer groups

## SHIFT AFTER Y1

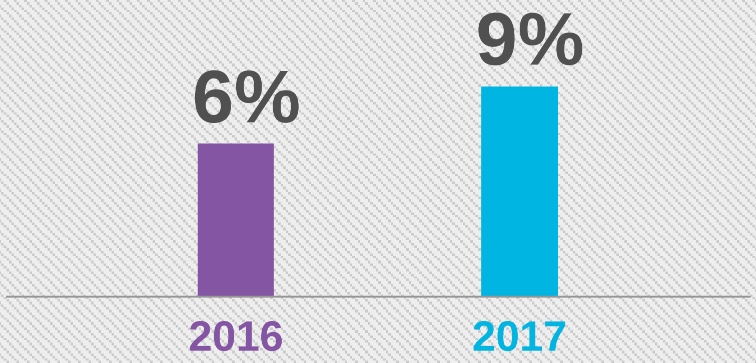
**31%**

- **Increase in existing patients**
- **Decrease in DTC**

## Moving away from pure retail

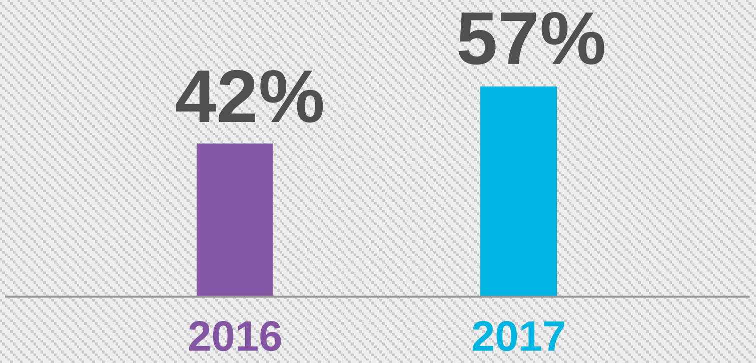
# Program volumes are increasing

## HOSPITALS WITH >10,000 ANNUAL TELEHEALTH VISITS




**50% increase in hospitals with >10,000 visits**

## STAFFING WITH OWN PROVIDERS

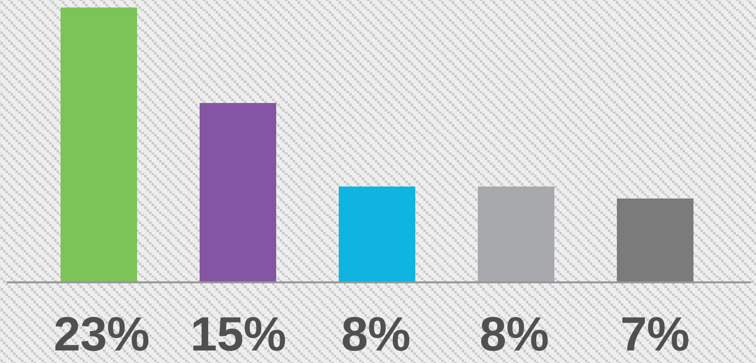



**36% increase to own providers**

Hospitals are shifting to staffing with their own providers

# Reimbursement remains a top challenge

## TOP BARRIERS

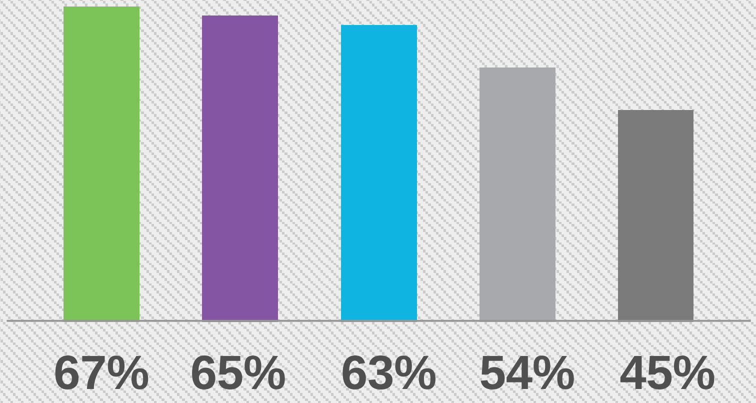



1. Reimbursement
2. Other priorities
3. Lack of physician resources
4. EHR integration
5. Physician reluctance

EHR integration as a barrier decreased 62%

# Program success factors

**SUCCESS FACTORS**




1. Secure physician buy-in
2. Engage leadership
3. Align with organization
4. Operational support
5. Drive adoption

Physician buy-in is critical to program success

# Desired features in a consumer telehealth solution

**65%** CLAIMS SUBMISSIONS

**57%** IN-NETWORK REFERRALS

**43%** IMAGING

**43%** WEARABLES

**43%** PERIPHERAL DEVICES

**39%** LAB

# Highest rated telehealth vendor attributes

**68%** SATISFACTION

**59%** SOFTWARE

**40%** OPERATIONAL SUPPORT

**25%** MARKETING CAPABILITIES

## Hospitals recognizing the importance of marketing

# Comparisons of the different group attributes

| | PROGRAM IN PLACE | IMPLEMENTING | NOT PLANNING |
|---|---|---|---|
| **Hospital type** | Health system | Health system | Short-term acute |
| **Hold Risk** | 33% | 27% | Unknown |
| **Strategic priority** | High | Med | Low |
| **Top use case** | Existing patients | Existing patients | Unknown |
| **Current DTC focus** | 27% | 83% | Unknown |
| **Staffing model** | Own providers | Combination | Unknown |
| **Top barrier** | Reimbursement | Reimbursement | Other priorities |
| **Top partner attribute** | Satisfaction | Software | Satisfaction |

# Q&A

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