

Physician Telemedicine
Opinion Survey & Report

THE 2015 PHYSICIAN

TELEMEDICINE

REPORT



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The cure for the common physician.

ABOUT THIS REPORT

This report provides an overview of the current sentiment and opinion of telemedicine from the point of view of tens of thousands of clinicians and health care administrators all around the world. Most of the respondents are physicians with smaller segments of other clinicians (NPs, PAs, and RNs) as well as a smaller number of administrators. Their familiarity with new telemedicine technologies range from none at all to those already using telemedicine for patient care every day.

The purpose of this report is to provide some insight into providers' opinions and the current level of opportunity for telemedicine to have an impact on the delivery of health care.

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INTRODUCTION:

Telemedicine: The delivery of health care services at distance.

Telemedicine has made great strides in the last year with both an expansion of internal infrastructure on the part of big providers, and a growing acceptance of the value proposition that telemedicine offers for both providers and patients. Many countries have started to incorporate telemedicine as an add-on to traditional delivery systems as a means of scaling their health care delivery without the corresponding increase in hard costs, and early adopting hospitals, clinics and individual physicians who are more comfortable with technology than their predecessors have adapted consumer facing technologies like cell phones, texting, email and video conferencing to help deliver patient care.

This move to technology is not all driven by simple commercial interests (although telemedicine does extraordinarily well on this score). There are also drivers around shortcomings with existing practices that are reduced or removed by technology. For example, access to care in remote, lower population areas is an issue that telemedicine can address. The ratios of patients to practitioners in rural areas are out of whack – In the US alone, 20% of people live in rural areas but only 9% of physicians and 10% of specialists practice in these areas. Telemedicine provides an immediate plug-and-play solution.

More recently, telemedicine has begun to include or has even in some cases become interchangeable with the term “telehealth” – which is broader to include more than just curative aspects of medicine of preventative as well. At the end of the day, no matter what you call it, telemedicine is in the spotlight because it has many benefits that are well in excess of the costs and there is a convergence of drivers (aging population, growing acceptance, increasing disease prevalence, insurance coverage, healthcare reform, etc.) that will only accelerate the growth of these technologies.

There are other drivers as well. In the US physicians are fleeing primary care, and moving towards specialty care because the reimbursement scales are greater. Government is imposing regulations on everything from electronic medical records to patient based outcomes reimbursement. 25 million previously uninsured people are now eligible for health insurance, Obamacare is starting to take hold, and the baby boomers are now really starting to affect Medicare. Healthcare providers are being forced to find ways to decrease costs and increase revenues.

The changes in the market have created an opportunity for telemedicine:

- Technology is increasingly becoming an integral part of healthcare – particularly mobile
- Regulation is putting pressure on providers to be more efficient, reduce cost, and create better outcomes
- Macro-economic trends are putting even more strain on our healthcare system
- Providers spending time with low-revenue-generating visits
- Performing follow up visits via phone that are not reimbursable
- Healthcare providers seeking to differentiate services

Consider the national healthcare market in the US and it's pretty easy to see why people are talking about healthcare. It is a huge expenditure, nearly 20% of GDP in the US. Other nations are much more efficient – the UK and Japan spend less than 10% of GDP and, despite the outsized spending in the US, it lags on many outcomes and quality measures. (It is estimated that \$300 billion is spent annually on unnecessary, inappropriate or wasteful care.) For the US, these levels of spending are not sustainable. Drivers of health care costs include the supply of health professionals, scope of practice restrictions, lack of patient access, the reimbursement model, administrative burdens on the system, and the aging population coupled with rising rates of chronic disease and unhealthy lifestyles. The factors contributing to this problem are deep and entrenched in our society.

Telemedicine has been around in some form since the 1960s with the NASA program, but is just beginning to really take hold now because of the advancements in technology, connectivity, and computing devices. Internet access and smart phone technology are now available to a huge portion of the US population, and those figures are growing rapidly. Consumers are becoming accustomed to the convenience of purchasing goods and services online and healthcare is trending that way as well.

Healthcare reform is bringing with it innovative care models that are focusing more on the patient and proactive care. While likely over reported, telemedicine is becoming a standard of care in many healthcare settings. **42% of hospitals already use telemedicine technology**, and the number of patients using telemedicine in the world is expected to double by 2016. (Source: most wired 2011 survey, hospitals and health networks)

Note: While 42% is surprisingly high, it also takes into account areas like the medical outsourcing - like radiography - that is becoming increasingly common. In this report we've focused on treating telemedicine from the perspective of "direct interaction" between providers and patients.

Market Players

The broad telemedicine market is analyzed as far as market size, market share, etc. but it breaks down pretty quickly when you are trying to look at a very specific area such as video consultation. There are lots of expensive reports that claim to have market share data for the overarching telemedicine market but when you look at what is being included it is huge medical equipment companies that play in more established areas like remote patient monitoring or remote radiology services, not the interactions between patients and providers.

In reality the current “installed” telemedicine market is dominated by hardware based systems that only large hospital systems and governments can afford and are of increasingly limited utility due to the what that technology has developed, but there are upstarts who are bringing a ‘startup’ mindset and technical innovation into the mix and can roughly be broken into a couple of areas of interest:

Co-Opted Commercial Solutions

Consumer video communications that were not intended for or designed around telemedicine but are being used for that purpose: Skype, Google Hangouts. Benefits include ease of use, availability, and familiarity but these solutions are not complaint (in countries that regulate these activities or provide for patient privacy) and offer little value outside of communication. These have been most readily adopted by “fee for service” practices (cosmetic, concierge, etc.) but are being quickly replaced by integrated solutions (below) as they become available.

Consumer Facing “Doc-In-A-Box”

“Doc-in-a-box” B2C offerings (AmericanWell, MDLive, Care, 2ndMD, Teladoc). These offerings range from ‘general’ to ‘specialty’ clinicians and they do allow patients to get medical information and advice, but most often only from a clinician in their network. The benefits of these offerings are around first time medical ‘advice’ for consumers, limiting continuity of care and providing little value to primary care physicians who are actually treating these patients.

Integrated Telemedicine

More robust solutions are installed directly into providers work flows with more robust and flexible technologies (TruClinic) that allow providers to treat their existing patients, but to do it faster, more efficiently, and greater patient care. These technologies offer the most value to main stream health care since they fit and extend the existing delivery model while making it more efficient and scalable. However, they rely on adoption by providers who are generally reticent to change familiar processes (although this is changing due to need).

Who Was Surveyed?

The majority of respondents are self-identified as physicians in private practice but answers from other clinicians and providers were included to provide a holistic view of telemedicine technologies.

Where in the world are you?



Which of these best describes your title?



Which of the following best describes the place where you work?



Already Using Telemedicine

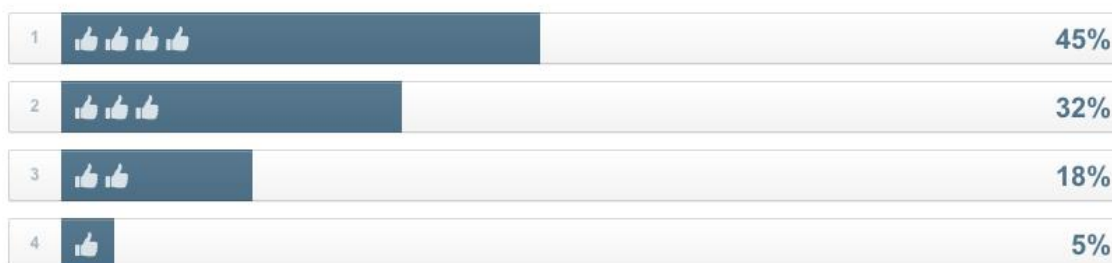
We wanted to get a sense of how many respondents were already using some form of telemedicine. We asked specifically about video to try and separate answers that might include simple phone calls.

Do you use any video telemedicine platform now?



While the vast majority of providers are not yet using any type of telemedicine, we were surprised to find that 16% of respondents are actually identifying themselves as using some kind of telemedicine solution. Respondents who answered “Yes” to this question were then asked to name which telemedicine solutions they used. Responses included: Skype, Smart House Calls, Facetime, Intouch, MD Live, Aperio, American Well, Doctor on Demand, HealthTap Prime, TelaDoc, Medisprout, 2ndMD, Google Hangouts, eICU, Vidyo, Me MD, and TruClinic.

How would you rate the video telemedicine solution that you currently use?

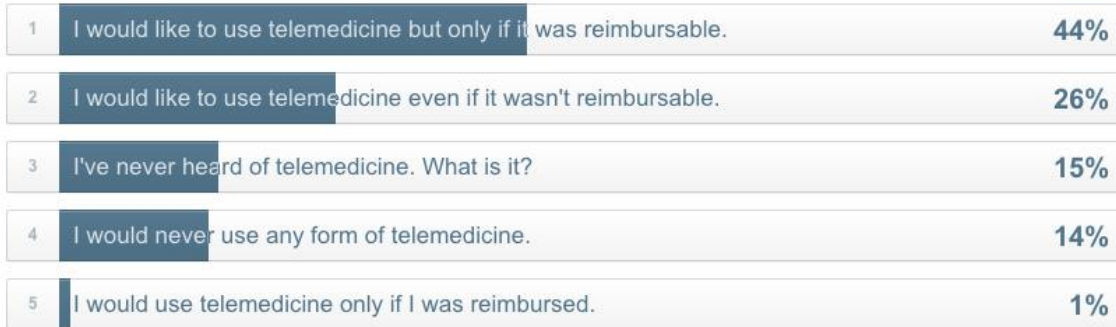


We found it interesting that even those solutions which were hobbled together and not intended as telemedicine solutions (Skype, Google Hangouts, etc.) scored about as well as the majority of “Doc-in-a-box” solutions (Doctor on Demand, TelaDoc, etc.). This might be due to a perception among physicians that these types of solutions are competitive and might become a threat or create a ‘mixed-signal’ problem with existing patients who might get differing opinions.

The solutions that stood out among the responses as building more value and providing the most benefits to providers were the integrated ‘built-in’ solutions (TruClinic) that integrated into existing processes and allowed providers to become more productive (and profitable) without trying to dramatically change their behavior. This is especially true in fee-for-service practices that don’t rely on third party reimbursement.

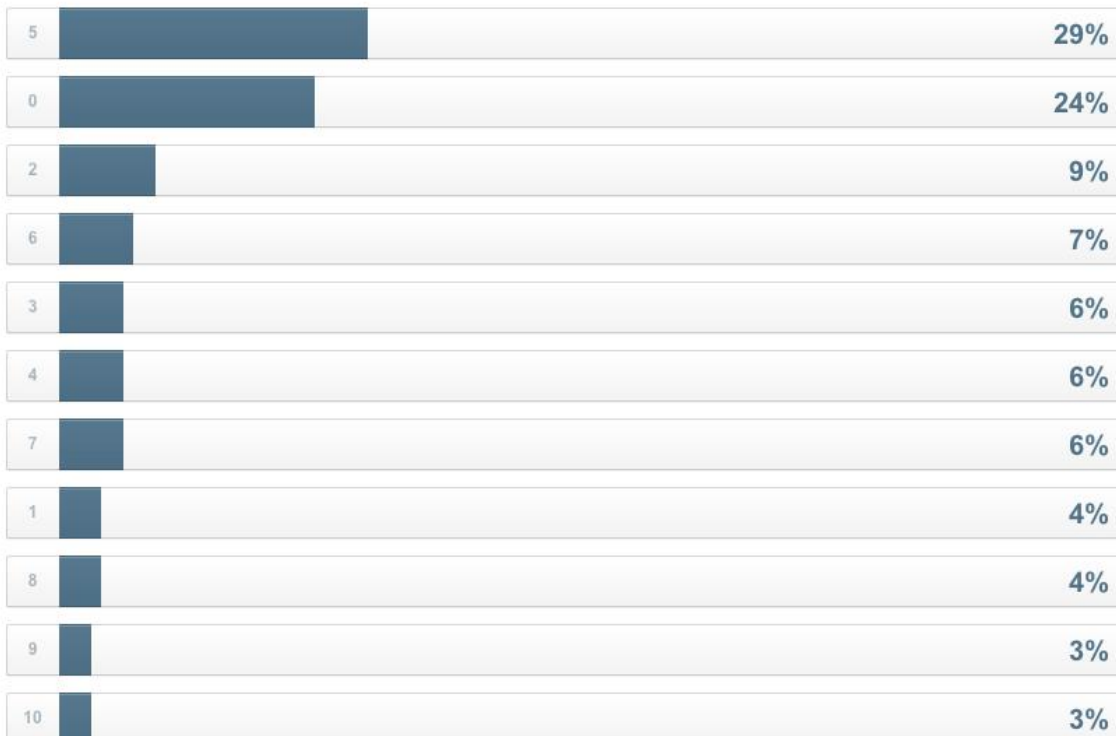
Telemedicine Opinions

Which of the following best describes your opinion of telemedicine?



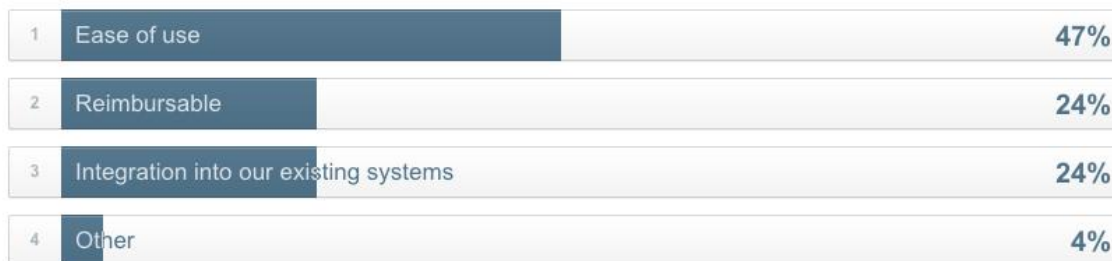
It's clear that the majority of physicians would like to use telemedicine and realize the many benefits of technology but that most are simply not willing to adopt it until it generates revenue for them.

How likely are you (or your employer) to buy some kind of telemedicine solution in the next year?



Surprisingly, there is a lack of certainty around the adoption of telemedicine which is often an indicator of pent up demand. With the largest group of respondents selecting “Completely Unknown” there’s every indication that most clinicians have moved out of the “No Chance” category and are becoming more comfortable with the idea of adoption. The bell curve shape of responses indicates that telemedicine is still in the pre-chasm stage of adoption, but that there’s far less reluctance than there was 18 months ago.

What would you consider to be the most important consideration for you to use some kind of video telemedicine?



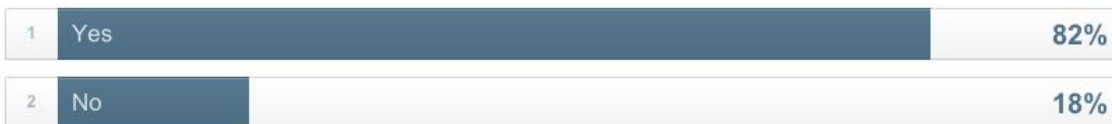
This answer also peaked our interest and wasn’t quite what we were expecting to see. Physicians will go to remarkable lengths to secure revenue (as evidenced by the hoops that US physicians must jump through with coding and insurance companies), but nearly half of respondents chose “Ease of use” as their most important consideration in adoption. While we can’t say for sure, there’s every indication that many physicians are seeing adoption as inevitable and are looking for telemedicine solutions that replicate the ease of use of the commercial software applications that they’re using every day.

What do you consider to be the biggest obstacle to widespread adoption of telemedicine?

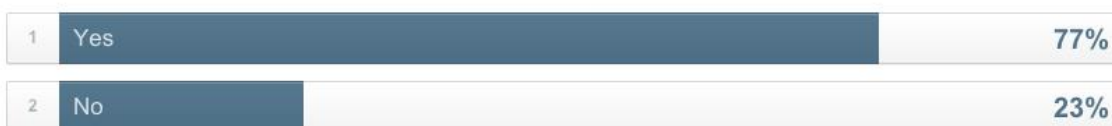


In looking at the responses by area, it was possible to see that this answer was moderated to some extent. In looking at responses from physicians in the US there was an even more dramatic skewing towards the biggest obstacle to adoption being insurance reimbursement and that physician and patient acceptance were even less of an issue.

Do you think that widespread adoption of telemedicine would benefit physicians?

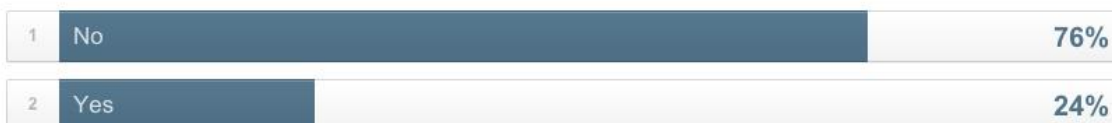


Do you think that widespread adoption of telemedicine will improve patient care and outcomes?

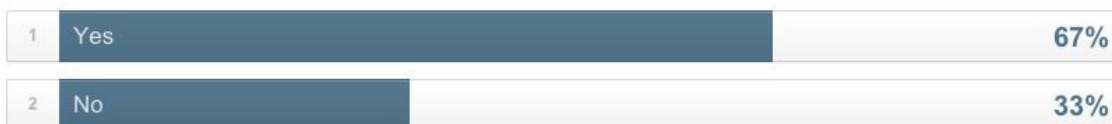


The answers above show very clearly that physicians think that telemedicine would benefit both physicians and patients.

Were you aware that some providers are being reimbursed for telemedicine appointments at the same rate as in-office visits?



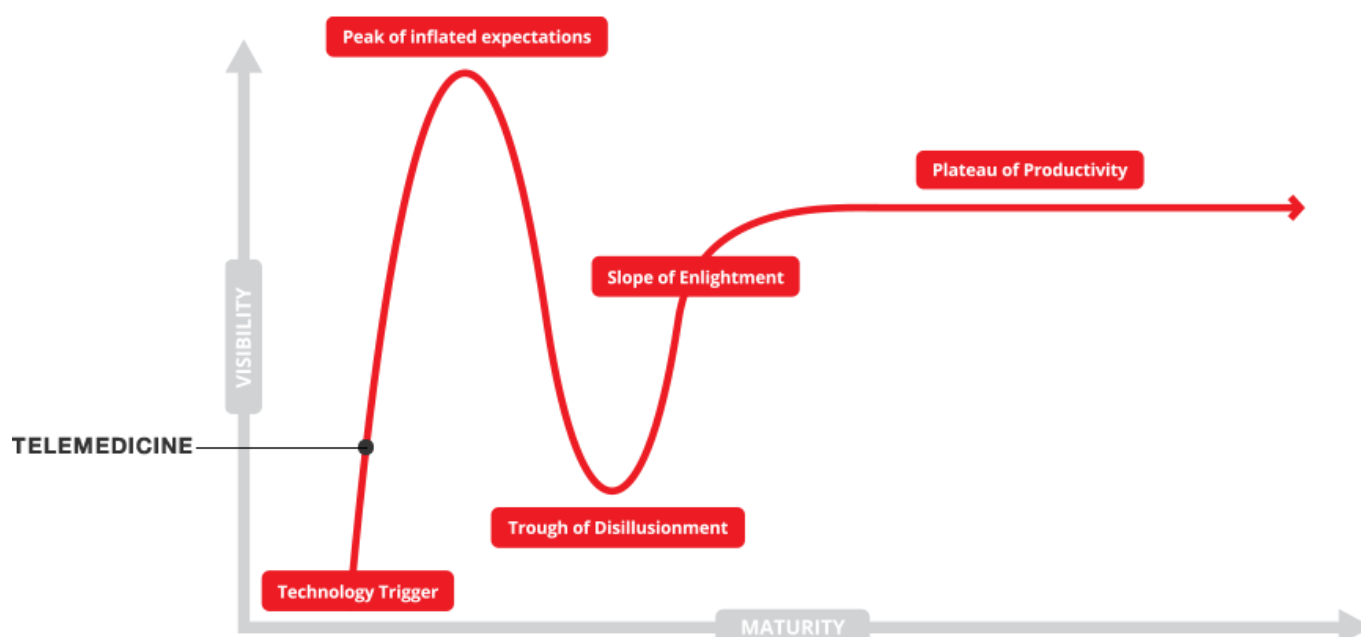
Would you be interested in receiving case studies about how other providers like you are using telemedicine?



CONCLUSIONS

Telemedicine is in its infancy but poised to gain wider acceptance and usage as health care providers and markets realize its potential to both scale delivery of services and cut costs (efficiency) and drive greater revenue by removing friction from provider-patient interactions (scalability).

The current view of telemedicine is just beginning to become a topic of mainstream discussions and excitement is growing along with expectations.

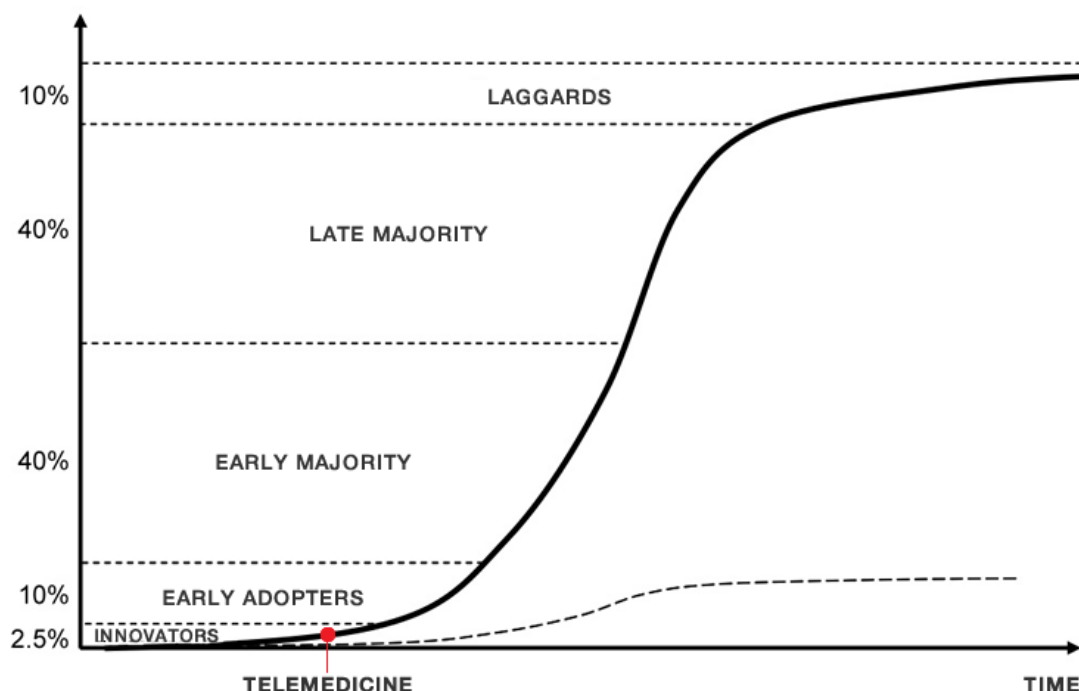


Expectations & Acceptance

With 82% of responses saying that widespread adoption of telemedicine would benefit physicians and 77% saying that it would improve patient care and outcomes, it's clear that adoption is not being hindered by physician concerns about telemedicine's benefits. Rather, it appears that the adoption of telemedicine is coming down to a purely financial discussion around third party reimbursement (31%) followed by litigation and compliance fears (26%). Widespread adoption by the majority of providers will be slow until providers are reimbursed for telemedical services.

There are indications that this is beginning to happen as insurance companies and others see this as a way to provide high-value services at a more reasonable cost while keeping patients healthy and without the need for more expensive intervention treatments. For example, Arches Health Plan recently [announced](#) that it will reimburse providers for home-based telemedicine

interactions. As this becomes more commonplace the few remaining impediments to adoption will be removed and telemedicine will begin to ramp from the realm of innovators and early adopters and towards the majority of providers.



Market Opportunities

As with all emerging technologies telemedicine is going to disrupt some traditional models and put others out of business. Telemedicine is inherently more efficient, more predictable, and less costly than any current delivery of care. While it cannot replace actual interventional or hands-on care, it solves entire categories of wasteful informational visits and begins to provide a platform where every provider and patient has access to the very best information and care. Early adopters are already realizing this in as evidenced by adoption trends being more pronounced in cosmetic and concierge medicine (direct pay) than family and general practice (third party payer).

Those providers who get out ahead of this macro-economic trend be best situated to capitalize on what will inevitably be a commercial marketplace with both winners and losers driven by the availability of big data and consumer choice.

RESOURCES

Referenced In This Report

Consumer Facing “Doc-In-A-Box” Models

- [2nd MD](#): Consumer facing second opinion site
- [American Well](#) - Consumer facing informational video/phone site.
- [MD Live](#) – Consumer facing informational video/phone site.
- [Teledoc](#) - Consumer facing informational video/phone site.

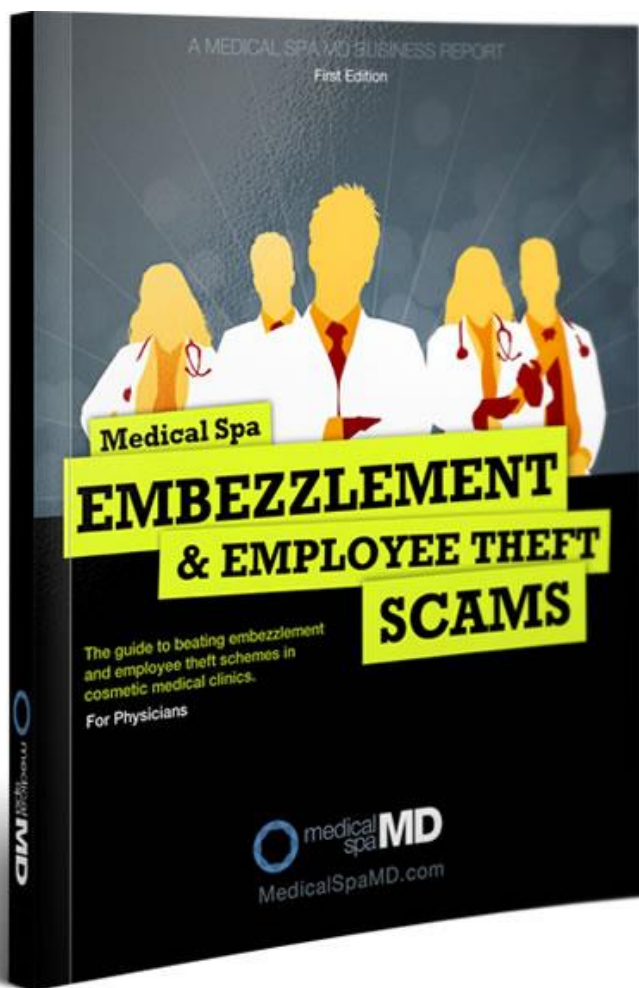
Integrated Telemedicine

- [Truclinic](#) – Integrated telemedicine for clinics and hospitals.



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ADDITIONAL REPORTS



[Medical Spa Embezzlement & Employee Theft Scams](#)

In a recent study, more than 82% of medical clinics reported experience with employee theft or embezzlement... that they were aware of. This new 40 page guide to beating embezzlement and employee theft schemes uncovers the hidden tactics behind how these scams work, and how you can find them before they capsize your business. [View Report >](#)

Great report! It should be required reading for all doctors — even for those of us who've been around!

Marguerite Barnett MD FACS PA, [Mandala Medspa](#)

A very eye-opening and sobering report. This is a must read for everyone!

Winnie Hayano, The Skin Inc. Dermatology and Laser Center

Opened my eyes! The information in this report is invaluable! I hadn't even thought of some of the scams mentioned in these testimonials!

Lori Robertson FNP, [Skin Perfect Medical Rancho](#)