



Telemedicine

Good Investment or Fad?

September 15, 2016



Today's agenda

- Telemedicine Overview
- Quality of Care
- Employer Savings
- Engagement / Utilization
- The Future of Telemedicine
- Behavioral Health
- Q&A

Telemedicine or Telehealth?

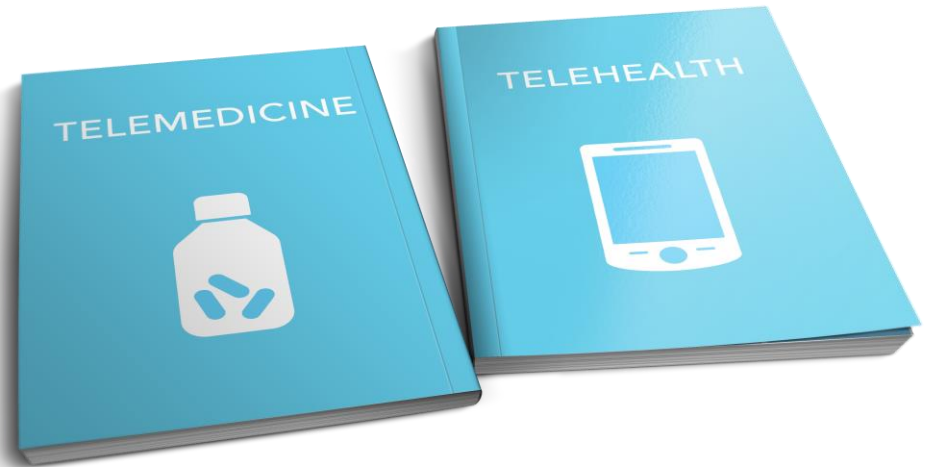
What's the difference?

Telemedicine:

The delivery of medical services remotely with physicians.

Telehealth:

Involves other practitioner types; nurses, PAs; and other services like wellness and preventative care.



There has been no clear definition

Who remembers this cartoon?



While the flying car is still futuristic, Telemedicine is not a new fad. Most of you already have access to Telemedicine today via:

- Medical Providers
- Health Plans
- Drugstores



Who remembers the name of this movie?

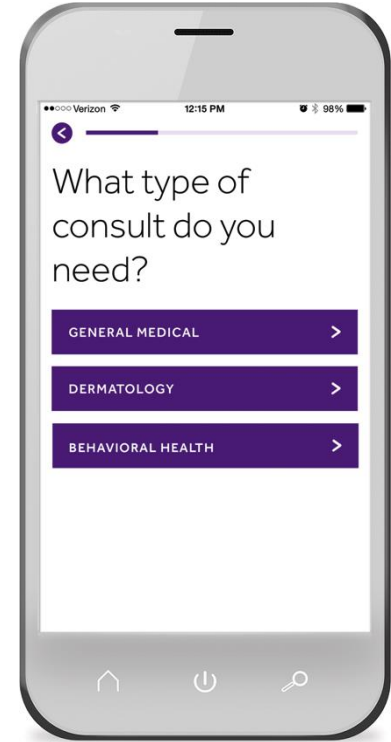
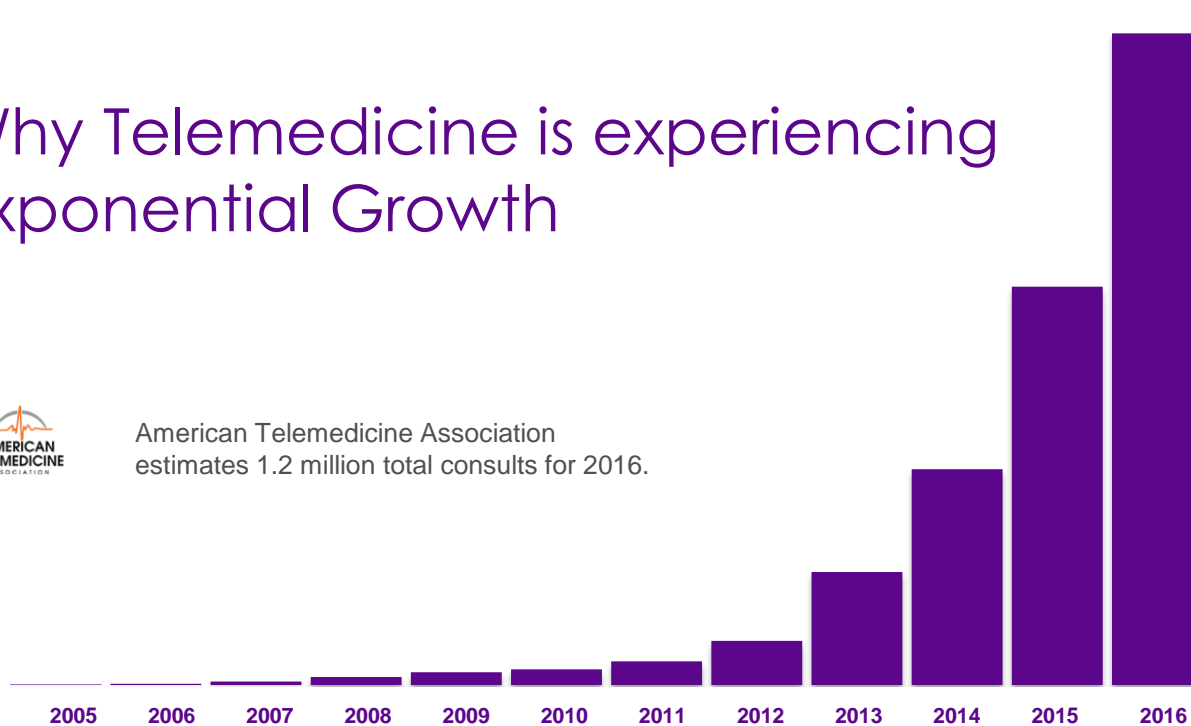


The Perfect Storm...

Why Telemedicine is experiencing Exponential Growth

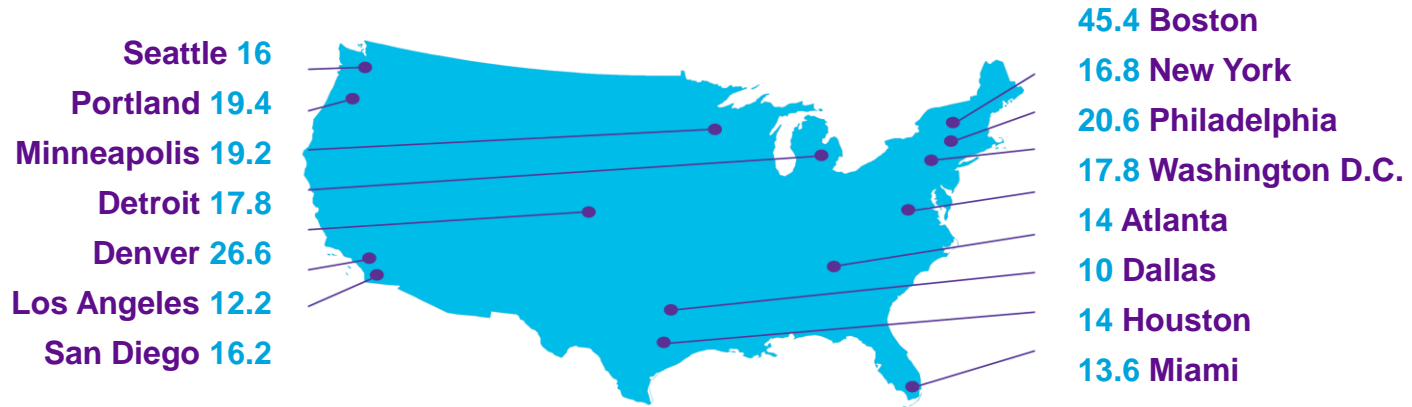


American Telemedicine Association estimates 1.2 million total consults for 2016.



Average appointment wait times

(in days)



Family Practice wait time is currently 18.5 days on average.
Telemedicine's median call back time is 8 minutes, with 94% resolution.³

Consumer expectations are in conflict with healthcare trends

CONSUMERS ARE MORE ACCESSIBLE & CONNECTED

80%+ of adults <50 years old **have smartphones** & are connected¹

1/3 of consumers have a health, fitness or **medical app**, 2x vs 2013²

LACK OF ACCESS IS DRIVING COSTLY CHOICES

Avg **wait time** for a first visit with a psychiatrist: 25 days³

65M people live in **primary care desert**⁴

71% of employer sponsored ER visits are **unnecessary**⁵

1. Pew Research Center, November 2016. 2. PwC, 2016. 3. HealthDay, October 2014.
4. MarketWatch, March 2016. 5. Truven Health Analytics, April 2013.

Regulatory is becoming increasingly progressive

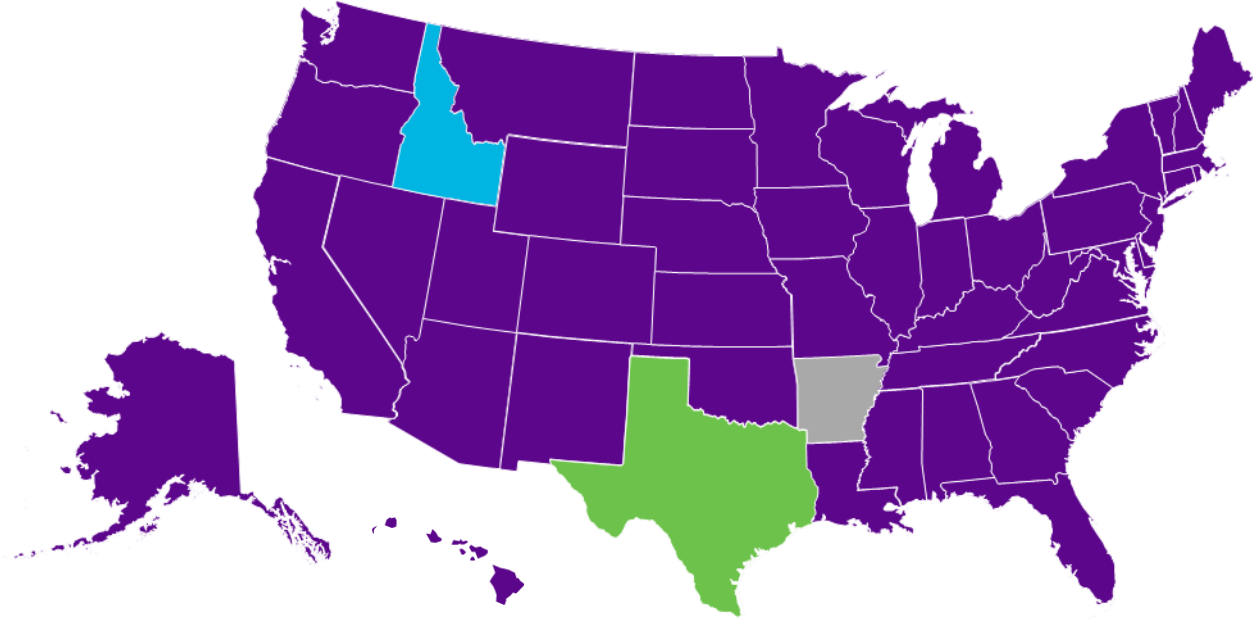
LIMITED ✓

Texas:
Limitations on video

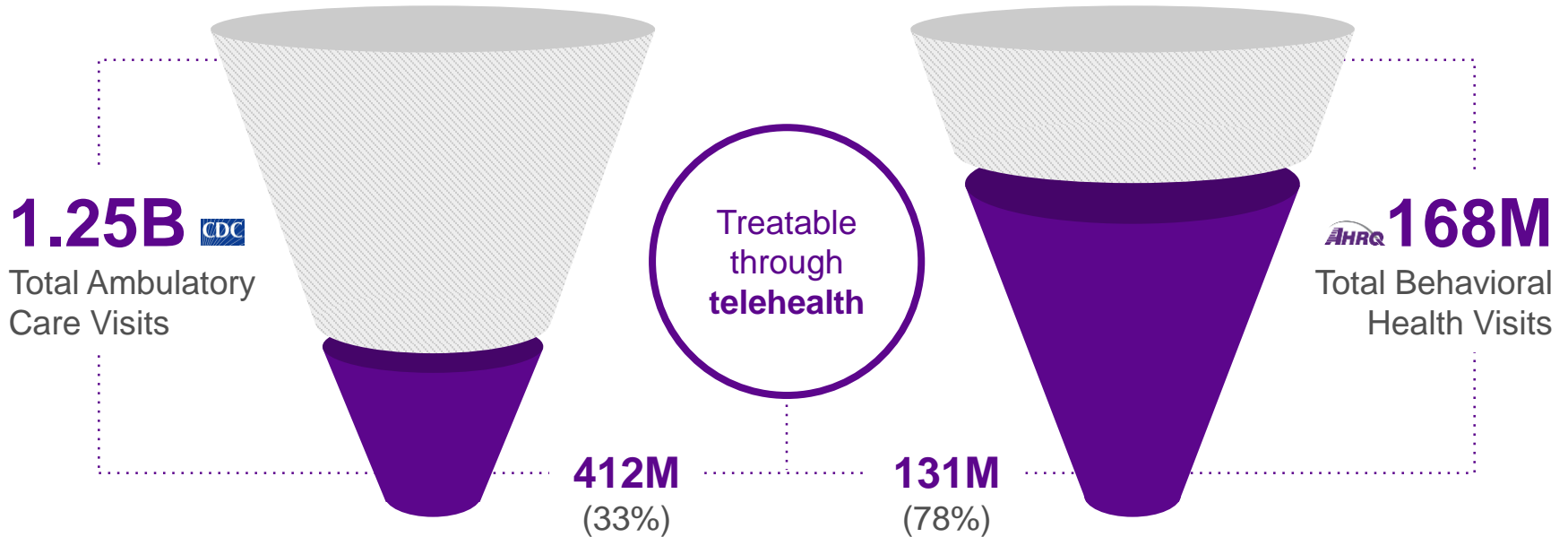
Idaho:
Limitations on audio only

NOT PERMITTED ✗

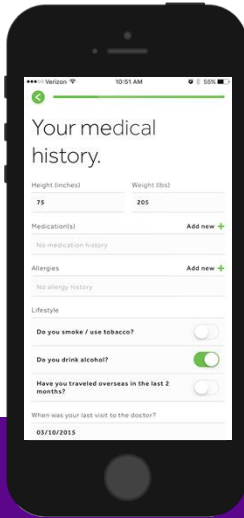
Arkansas:
Only state that does not permit any form of telemedicine



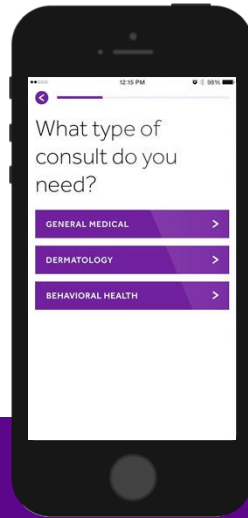
A solution with the potential to deliver meaningful savings



Telemedicine simplifies access



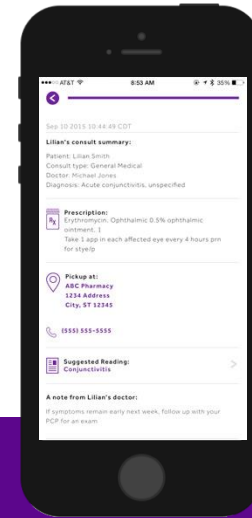
1: REGISTER



2: REQUEST



3: VISIT



4: RESOLVE

Who uses Telemedicine today?

Primary vs. Dependents	
Primary	69%
Dependent	31%

% Of Visits	
Female	63%
Male	37%

Age	% of all Visits
0-18	15%
19-24	6%
25-34	24%
35-44	24%
45-54	19%
55-64	11%
65+	1%

Age	Average Age	% of Visits	Female Visits	Male Visits
0-18	9	15%	52%	48%
19+	43	85%	65%	35%

● = Pediatric

A woman in a white lab coat is sitting at a desk, talking on a mobile phone. She is looking down at some papers on the desk. In the background, there is a bookshelf filled with books. The entire image has a semi-transparent purple overlay.

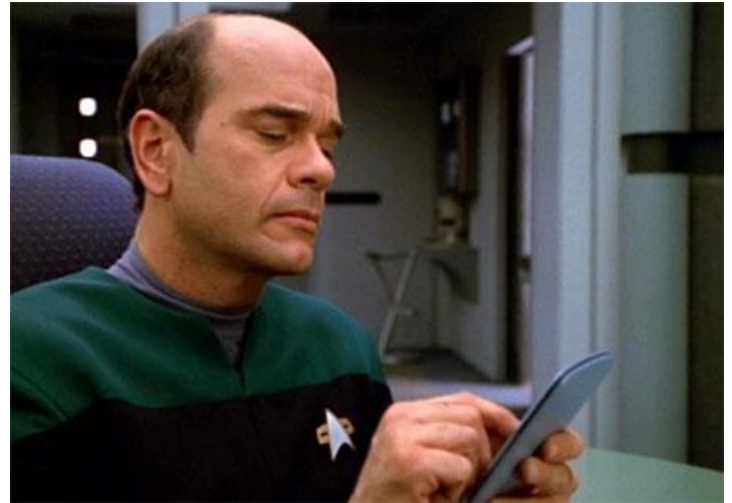
Quality of Care

Who was the Best Star Trek doctor ever?

75,000 votes cast on StarTrek.com

(Bones, Crusher, Bashir, The Doctor, Phlox, and Pulaski)

The Doctor. An Emergency Medical Hologram (EMH)



Patient Satisfaction



95%

Patient Satisfaction¹

90%

Would Use It Again¹

92%

Resolution Rate¹

1. Patient Satisfaction Survey 2015.

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Weekends
& Holidays:

Telemedicine = 34%
Emergency Room = 36%
Office Visits = 8%

Likelihood of a
follow-up visit:

Telemedicine = 6%
Emergency Room = 20%
Office Visits = 13%

21% of visits were made by patients who had **not accessed health care** in previous year

% of business the top
three categories of
diagnoses represent :

Telemedicine = 52%
Retail Clinics = 72%

Health Affairs, February 2014: 258-264 (Mehrota, Uscher-Pines)



Delivering quality clinical care

Directly recruit

- Match local supply with local demand & knowledge... at scale
- Board certified and licensed
- Specialties

Delivery of care

- No time limits for visit
- Not contractually obliged to refer patients to specific providers
- Stringent, condition specific prescribing guidelines



Credential & train

- NCQA-certified physician peer review credentialing program
- 100+ proprietary, analytics and evidence based telehealth guidelines

QA continuous monitoring

- 10% of medical charts reviewed
- Provider level patient satisfaction tracked
- Monitor medication frequency, continuously measured against industry benchmarks

EMC²

facebook

aetna[®]

max

blue shield of california



Employer Savings

BARRICK

accenture

nelnet
EDUCATION PLANNING
& FINANCING

Beth Israel

DELIVERING VALUE



OSCAR

Cash America[®]

COSTCO
WHOLESALE

Johnson & Johnson

Episode-of-care savings

\$191

Savings vs.
office visit

\$2,661

Savings vs.
ER visit

\$673

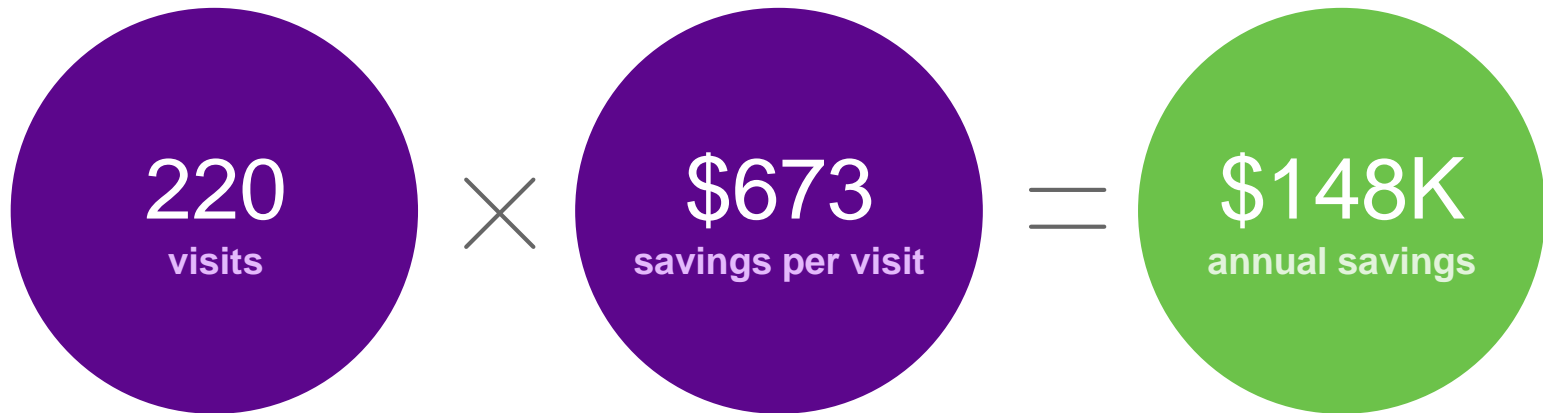
Savings vs.
weighted average
(office visit & ER)

Data is from research from Niteesh Choudhry of Harvard Medical School and Veracity Analytics.

Episode of care includes initial encounter and any subsequent utilization of follow up office visits, hospitalization, or ER utilization, resulting from initial encounter within a 30 day window for same and related diagnoses. Weighted Average is based on redirection rates determined using member utilization of bricks and mortar services: 75% OV; 20% ER; 5% Do Nothing.

What telehealth can mean to your business

A 1,000 life employer with a plan copay of \$0 can experience **22% utilization.**



Engagement Drives Results

Continual measuring and refining to deliver **better utilization** and **higher ROI**



INDUSTRY	Education	Utilities	Transportation	Healthcare	Cellular
EMPLOYEES	2,300+	3,500+	14,000+	15,000+	36,000+
PLAN DESIGN (Member Contribution)	\$10	\$10	\$0	\$0	\$40/\$0
2015 UTILIZATION	19%	13%	20%	24%	17%
NET SAVINGS	\$370k - \$550k	\$200k - \$300k	\$1.2M - \$1.8M	\$1.9M - \$2.7M	\$2.9M - \$4.3M

*Savings range based on consult volume by client multiplied by Rent-A-Center and "Home Improvement Retailer" savings per consult

A woman is shown from the side, sitting on a couch and talking on a mobile phone. The background is a living room with a bookshelf and framed pictures on the wall. The entire image has a purple color overlay.

Member Engagement

CUSTOMIZED TO FIT

Who Remembers Dr. Chuck?



Dr. Chuck was the NASA Flight Surgeon in the Movie Apollo 13



Telemedicine Distribution/Access

The diagram consists of three purple circles arranged horizontally. The first circle on the left contains the text 'Employers'. A vertical dotted line connects the right side of the first circle to the left side of the second circle. The second circle in the middle contains the text 'Health Plans'. Another vertical dotted line connects the right side of the second circle to the left side of the third circle. The third circle on the right contains the text 'Medical Providers'.

Employers

Health Plans

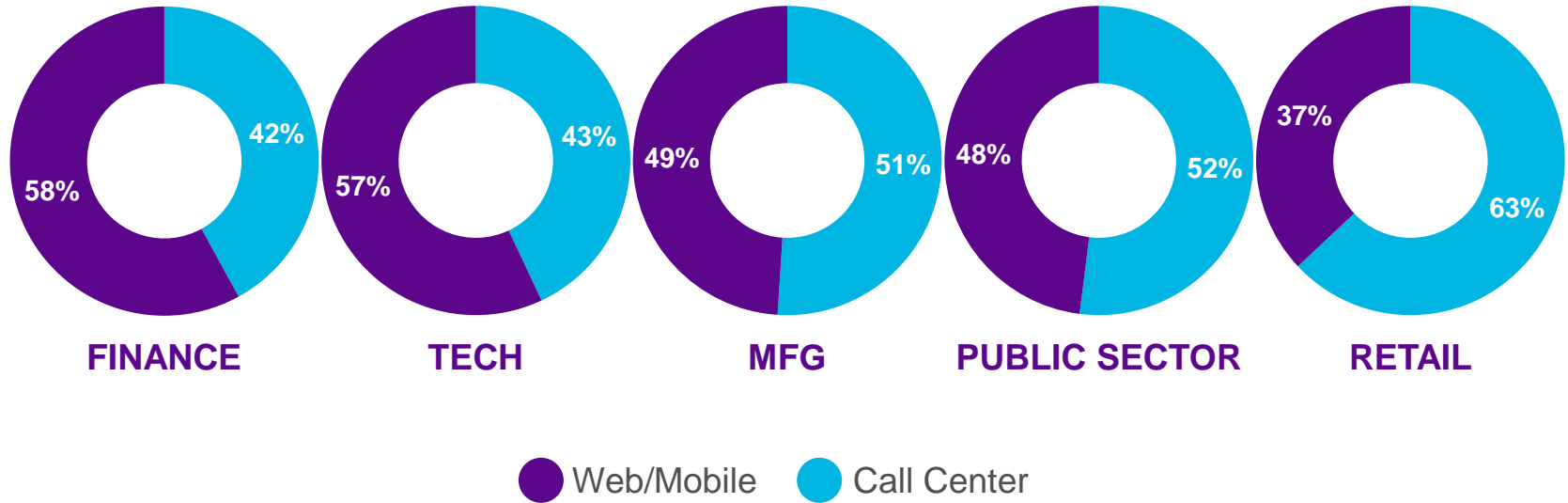
**Medical
Providers**

Call Centers Are Still A Key Component in Telemedicine

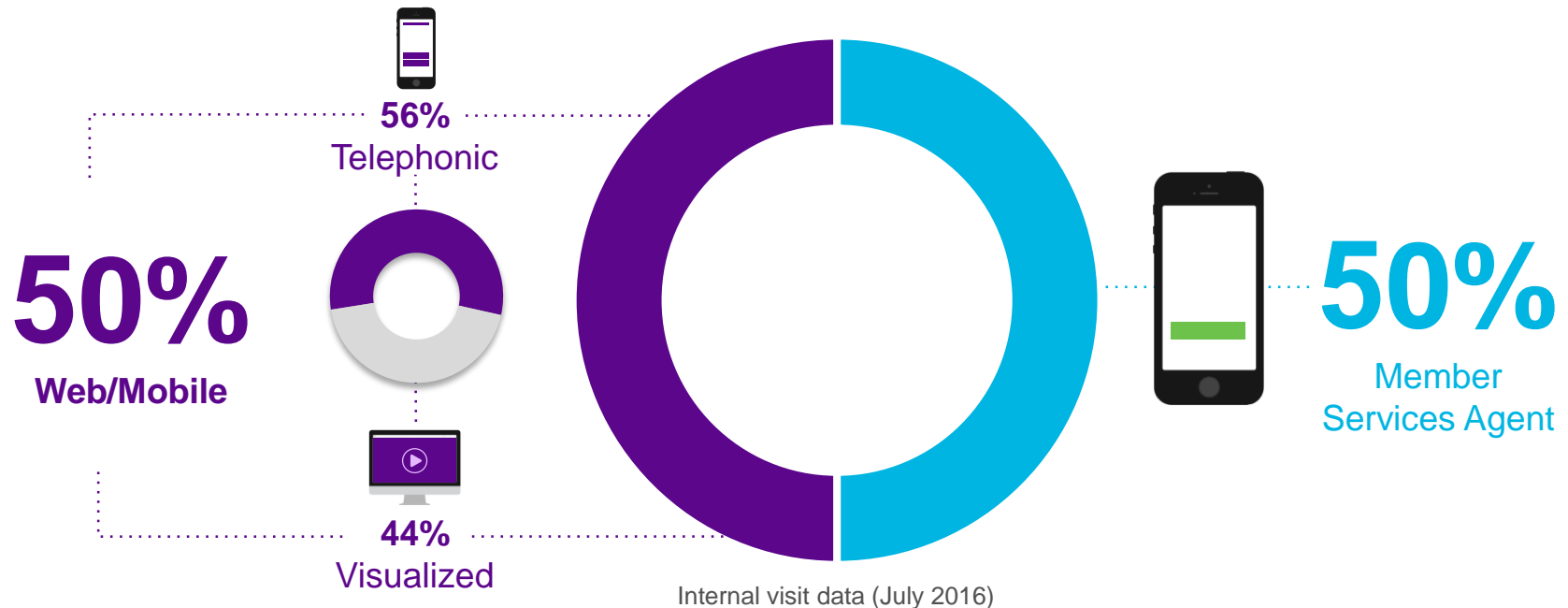


- Account set-up, including dependents
- Pharmacy searches
- 24/7 client and member issue resolution
- Multilingual services available
- Outbound Calling

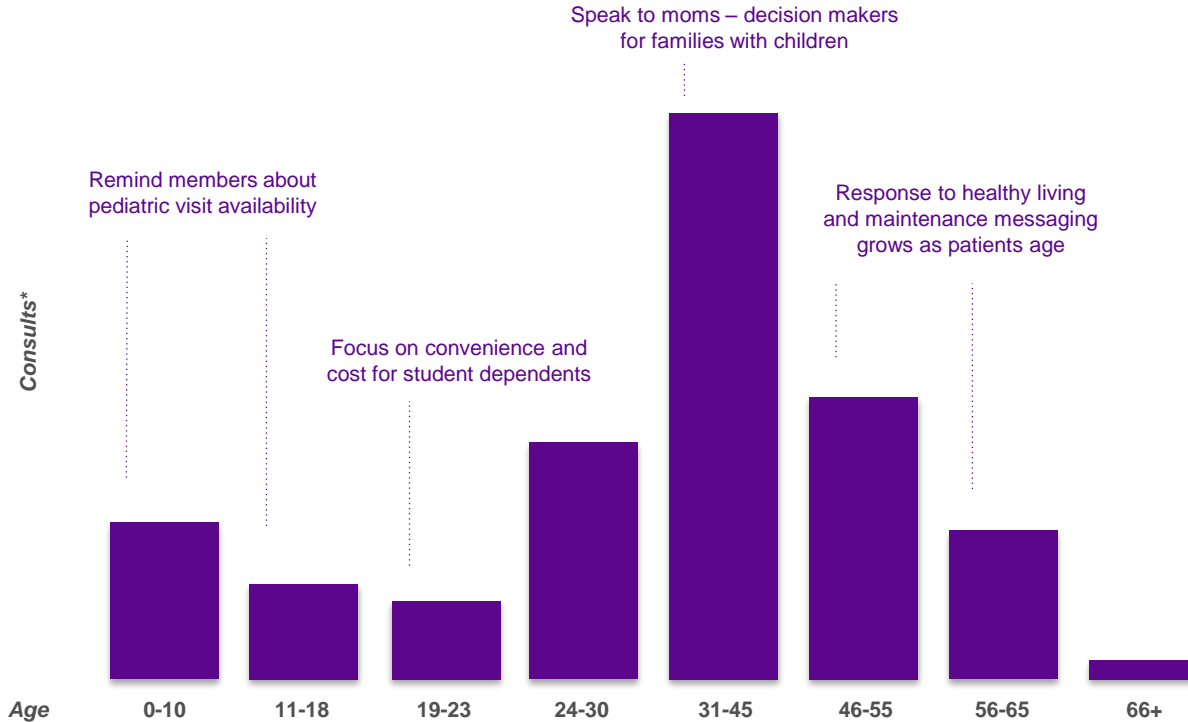
Variation in how members engage by industry



Member preference and need drive how care is received



Segmentation drives relevance



Relevant messaging outperforms all benchmarks

- **Mom targeted** emails performed **3x better** than average.
- **Heart Health** email targeting 45+ performed **4x better**.
- Industry, Regional, Demographic, Psychographic

Your approach should be rooted in *surround sound*



Customization at member and client level



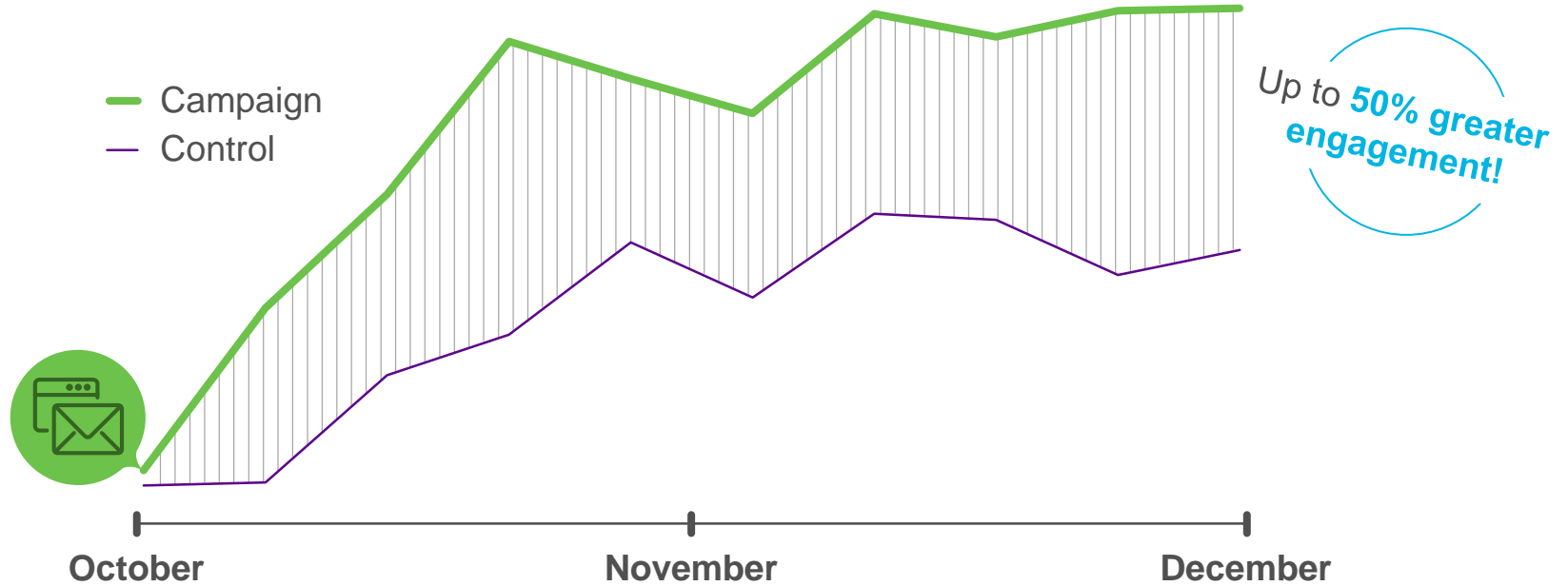
CLIENT CUSTOMIZATION


- Logos
- Plan specific member pricing
- Custom landing pages
- And more!

MEMBER PERSONALIZATION

- Library of imagery (multicultural, industry specific, lifestyle)
- Target preferred modality
- Spanish and bilingual materials

Proven to drive results



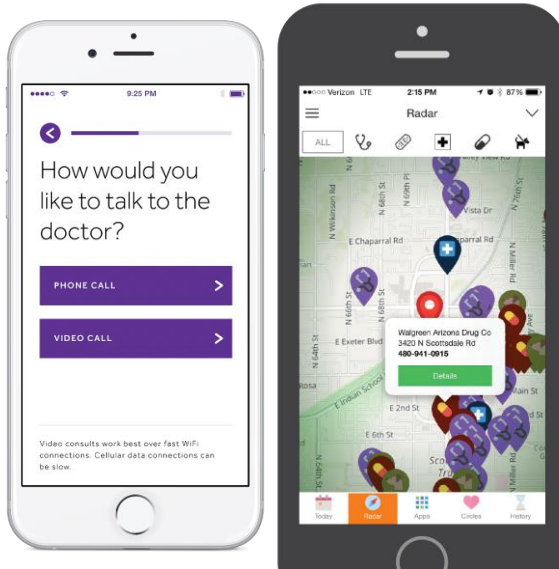


The Future of Telemedicine

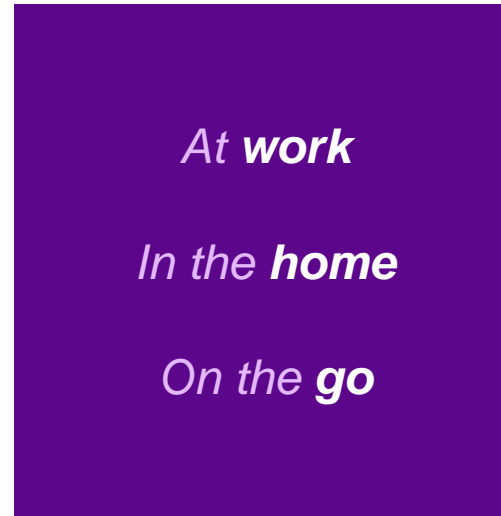
REMOVING THE BARRIERS TO CARE

Smart Phones are already changing how & when members engage

Telemedicine applications will be built into other tools:



An ecosystem around the decision maker



Telemedicine will transform access to care



CLINICAL SPECIALTIES

General medical
Pediatrics
Mental health
Substance abuse
Dermatology
Sexual health
Tobacco cessation



MEMBER CHOICE

Request via mobile, web, and call center
Visit via video, phone, and images
On-demand & scheduled



ROBUST INTEGRATIONS

Health plans & benefit administrators
Prescription routing
Benefit vendors
Transparency tools
Worksite clinics
EMR integration

Additional services are being added to telemedicine:

Behavioral Health

Dermatology

Tobacco Cessation

Referrals

Sexual Health

Chronic Disease Mgmt.



Behavioral Health

DELIVERING VALUE

Who Remembers This Doctor?



Dr. Frasier Crane, Psychiatrist

Radio host and Psychotherapist



Behavioral health issues today

ACCESS CHALLENGES



EXPENSIVE CARE

INCONSISTENT CARE

Major provider shortages

Mental health parity increases demand for care

Stigma of seeing a BH professional

Almost half of mental health professionals do not accept insurance

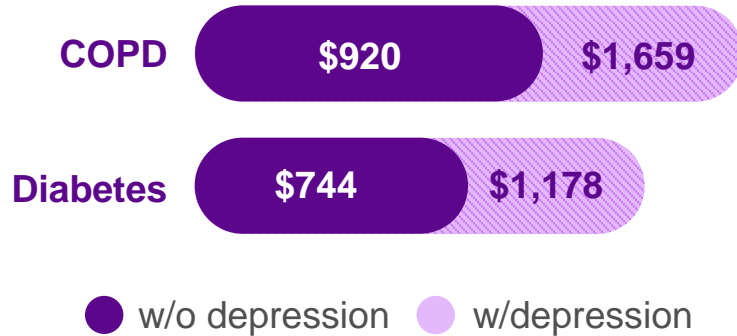
45% of those untreated cite cost as a major barrier to care

Only 41% of U.S. adults with a mental health condition received services in the past year

48% of behavioral health patients only receive prescription drug treatment

Ignoring behavioral health now increases costs later

Mental disorders increase the cost of treating chronic diseases:



Depression leads to lost productivity and more short-term disability:

9.9 days avg annual sick days due to depression

4.6 hrs presenteeism lost per week



Milliman 2008, Chronic Conditions and Comorbid Psychological Disorders.
Milliman 2011, Revisiting Chronic Conditions and Comorbid Psychological Disorders.

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Thank You

I APPRECIATE YOUR TIME

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