

Welcome to the World of Telehealth: Physicians Reaping Significant Benefits

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With healthcare costs and red tape spinning out of control, telehealth companies have come up with a way to streamline patient access to physicians 24/7/365 while giving physicians more flexibility and a chance to supplement their income. This article demonstrates how telehealth companies, like TelaDoc, make it increasingly possible for physicians to diagnose routine, nonemergency medical problems via telephone, as well as recommend treatment and prescribe medication when necessary. This simple and efficient approach enhances the role of primary care physicians, supports the “medical home” model, and improves patient access to care. Telehealth services offer a simple alternative for patients who want to avoid unnecessary trips to the emergency department; cannot otherwise overcome barriers to care; need greater access to preventive care services; and need short-term prescription refills.

Key words: Telehealth; cost savings; convenience; flexible hours; patient-centered; medical home.

Amid rising costs and the growing complexity of healthcare delivery, telehealth has emerged as a simplified, straightforward approach that has proved to be particularly valuable in addressing illnesses that arise quickly and tend to run a brief course, typically 5 to 10 days. This includes such episodic, self-limited, and minor illnesses as respiratory infections, gastroenteritis, sinusitis, bronchitis, urinary tract infections, pharyngitis, and seasonal allergies. To maintain standards of excellence, physicians providing telehealth services may offer patients prescription refills as appropriate and only for short-term use of noncontrolled substances.

Telehealth consults are now characterized as an ideal solution for patients who have no alternative source for medical care and often visit the emergency department (ED) to determine if their condition is dangerous or to see if they need medical intervention. Telemedicine

provides a convenient, timely, and cost-effective alternative to the ED.¹

National ED utilization data demonstrate what hospitals and health plans see daily: that ED visits continue to rise and show few signs of slowing. According to the National Hospital Ambulatory Medical Care Survey, there were 110.2 million ED visits in 2004, and more than 25 percent were for non-urgent or unknown causes (Figure 1).²

In certain cases, telehealth can be used as a way of monitoring a patient’s preexisting condition, saving time and money across the board. One such example is congestive heart failure (CHF). According to the Center for Aging Services Technology, research has demonstrated that, on average, patients managing their CHF via telehealth can reduce their healthcare utilization—physician office visits, ED visits, and rehospitalization—by 30%. Based on the estimate that the cumulative costs of CHF from 2005 to 2030 will be nearly \$1.5 trillion, if telehealth could reduce CHF healthcare utilization by 30% during that period, there would be a cost savings of approximately \$442 billion.³

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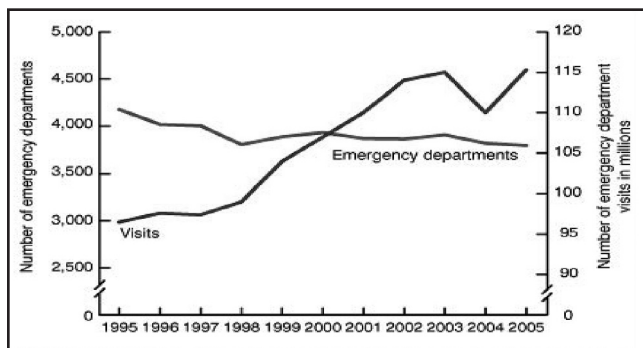


Figure 1. Trends in numbers of emergency departments and related visits: United States, 1995-2005. (Source: The National Hospital Ambulatory Medical Care Survey: 2005 Emergency Department Summary.)

Traditionally, physicians have utilized telephone consults to communicate with patients, families, and caregivers. Today, with the advent of telehealth, telephone-based medical care delivered by fully trained and qualified primary care physicians is a mainstream solution throughout the United States. Currently, more than 1.5 million Americans enjoy access to these services, providing access to physicians 24/7/365. The growing use of telephone-based consultations—particularly for physician cross-coverage—promotes more efficient interactions between patients and providers. Telehealth primary care doctors include family practice physicians, internal medicine physicians, and emergency medicine physicians.²

Physicians are discovering the opportunity to expand their scope of practice and supplement their present income.

This practice comes with great benefits to both patients and physicians, with many physicians discovering the opportunity to expand their scope of practice and supplement their present income. It is something of a surprise to many physicians that by engaging in telehealth, they can bill for medical telephone consults. In fact, there is now significant pressure upon health plans, payors, and regulators to reimburse for telehealth consults.

According to Devon Herrick, senior fellow and author of a recently released study by the National Center for Policy Analysis (NCPA), “By only reimbursing healthcare practitioners for face-to-face consultations and not allowing telemedicine to flourish, government and health insurers are keeping the practice of medicine in the Stone Age.”

The NCPA study notes the practice of reimbursing physicians only for in-person visits punishes healthcare entrepreneurs working outside the traditional health insurance payment system via telephone, e-mail, text messaging, and innovative computer software to make medical care more

accessible and convenient for patients.⁴ Physicians now have the opportunity to augment their present income levels. A primary care physician electing to participate in this type of telehealth program not only paves the way for serving new patients representing additional revenues, but he or she may actually generate increased income from existing patients. In exchange, patients access quality care at a reduced rate in any location they find convenient.

Telephone consult models are based upon simplicity and efficiency, with goals for improving patient access to care and enhancing the role of primary care physicians.

The physician can opt to take consults during off-hours, allowing the doctor to be reimbursed for telephone consults with patients. This is an area that has eluded primary care physicians to date.⁵

Telehealth delivers additional benefits to family practitioners and primary care physicians. Starting with the fundamentals of good medical practice and evidence-based medical guidelines, telephone consult models are based upon simplicity and efficiency, with goals for improving patient access to care and enhancing the role of primary care physicians.

Physicians appreciate the ease of 24/7/365 cross-coverage; regular and timely reimbursement for services; and, in some programs, malpractice coverage for all telephone consults. They like the option to practice with flexible hours, part-time or full-time. Select programs even offer a free electronic health record (EHR) system to all the physician’s patients when the doctor participates with the company.⁵

Telehealth consults provide opportunities for:

- Disabled physicians who would like to continue practicing but are unable to commute;
- Physicians who are raising families and would like to work part-time from home;
- Retired physicians seeking to remain active, but not on a full-time basis;
- Physicians who spend a period of time outside their home state, but would like to continue practicing;
- Physicians seeking additional sources of revenue;
- Physicians needing reliable cross-coverage;
- Physicians seeking EHRs for their patients;
- Physicians who want greater flexibility with a model that allows the physician to have somewhat of a mobile office; and
- Physicians looking for regular and timely reimbursement.

Additionally, certain companies, such as TelaDoc Medical Services, offer malpractice coverage for all telephone consults, offering coverage up to \$1 million per incident, capped at a total of \$3 million. TelaDoc reflects industry trends, charging patients \$35 per consultation,

of which the doctors are paid \$23. Doctors conduct medical consults for patients in states that they are licensed in, with an option to enroll in a program that pays for additional licensure in other states.⁶

TELEHEALTH SUPPORTS MEDICAL HOME MODEL

Proponents of the “medical home” model, including the most esteemed medical associations in the country, recommend fundamental changes in how primary care in America is financed and delivered.⁷ Furthermore, according to a new report by the Commonwealth Fund, the patient-centered medical home is key to eliminating racial and ethnic disparities in healthcare quality and access while improving the care and management of chronic conditions for all patients.⁸

The report, “Closing the Divide: How Medical Homes Promote Equity in Health Care,” is based on a 2006 survey of more than 2800 adults between the ages of 18 and 64. The report gauges the level of healthcare access and quality, especially among minority and low-income patients. It found that linking minority patients to a patient-centered medical home—a healthcare setting that ensures the provision of timely, well organized, and regular care—helps eliminate barriers to care, creates greater access to preventive care services, and leads to better management of chronic conditions, such as hypertension and diabetes. In the process, the patient-centered medical home helps eliminate racial and ethnic disparities in health care.⁸

Because costs are well understood, telephone consultations come with a transparent and typically low price tag.

Although the majority of all adult survey respondents who said they had a medical home reported that they could always get the care they needed when they needed it, only 27% of study respondents actually reported having the indicators of a medical home. The study defines those indicators as:

- Having a regular healthcare provider or place of care;
- Reporting no difficulty in contacting a provider by phone;
- Reporting no difficulty getting advice or medical care when needed on weekends or evenings; and
- Experiencing office visits that are well organized and efficiently run.

Based on these indicators, most healthcare providers were not considered medical homes because they did not provide care or medical advice after regular business hours. One-third of those surveyed who had a regular healthcare provider or source of care rather than a medical home said it wasn’t easy to get care or medical advice after hours, a statistic that has profound implications for

inappropriate ED use. Telehealth consults are clearly part of the solution to providing a medical home for every American, filling the gap in many cases for patients who are forced to seek care from hospital EDs because their regular healthcare providers are unavailable.

A board-certified family physician providing telephone consults is usually required to adhere to the quality and safety hallmarks of the medical home. These hallmarks include:⁵

- They are trained in evidence-based medicine and utilize clinical decision-support tools as a guide for decision making.
- They accept accountability for continuous quality improvement through voluntary engagement in performance measurement and improvement.
- They actively engage patients in decision-making and encourage feedback to ensure patients’ expectations are being met.
- In select models, they utilize information technology to support optimal patient care, performance measurement, patient education, and enhanced communication.
- They participate in voluntary recognition processes to demonstrate that they have the capabilities to provide patient-centered services consistent with the medical home model.

TELEHEALTH: A REALISTIC SOLUTION FOR OUR HEALTHCARE SYSTEM

Telehealth programs are bringing an improved new standard of care and delivery to our ailing healthcare system. Several models have now been introduced in the marketplace carrying many of the attributes offered under the TelaDoc model:

- Rapid access is provided via telephone to a primary care physician (the TelaDoc model has a *3 hours or it’s free* guarantee).
- Telephonic cross-coverage handles acute, episodic, self-limited, and minor illnesses; available to individuals age 12 or above.
- Fully portable EHRs are provided free to both patients and physicians, available 24/7, delivered on demand worldwide, and with fully CCR-compliant data structure.
- Data validate that telephone consultations are typically 10 minutes vs. national average for office visits running three to six minutes.
- Patients with preexisting conditions are welcome customers.
- Telephone-based services provide concierge-type medicine.
- Because costs are well understood, telephone consultations come with a transparent and typically low price tag.
- Ninety-six percent of patients are happy with the service.
- Physicians can make more money working inside an efficient model (see Table 1).

The simplicity of the TelaDoc model, its fully transparent pricing, and the use of a freely available EHR system

Table 1. Sample Physician Income Chart

	Consults per Hour	Hours per Day	Day per Week	Weeks' Vacation	Monthly Income	Annual Income
Physician 1	2	4	3	4	\$2208	\$26,496
Physician 2	3	6	4	4	\$6624	\$79,488
Physician 3	4	8	5	4	\$14,720	\$176,640
Physician 4	5	8	5	4	\$18,400	\$220,800

Source: TelaDoc Medical Services, 2008.

support TeleDoc's national goals for streamlined continuity of patient care and the development of the medical home. Telehealth medical consults support the following national trends:⁵

- Equivalent healthcare outcomes at lower costs for participating Americans;
- Increased focus on personalized, private consultations that are high quality, affordable, and readily accessible;
- Streamlined, coordinated care through the use of an open, privacy-protected, and Advanced Encryption Standard 128-bit-encrypted EHR;
- Widespread adoption of the medical home model and reliance upon primary care physicians;
- Timely care for rural Americans and the nearly one-in-four citizens who have problems missing work to see a physician for routine medical services;
- Consumer-centric programs and empowering individuals to purchase their own healthcare;
- Relieving pressures on overcrowded, understaffed hospital EDs; and
- Expanded practice options for physicians.

Delivered on a national level, telephonic medical consults emerge as a new frontier in telemedicine—one that offers convenient, cost-effective options for healthcare consumers and more attractive pricing for health benefits sponsors. There is growing recognition of the delivery of healthcare via telehealth as a safe, practical, and necessary practice.⁹

With increased adoption of this model among employers, health plans, and other benefits payors, the op-

portunities for physicians will expand. Physicians who are already participating are usually open to sharing their perspectives and can provide references to doctors who are interested in exploring the opportunities. ■

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