

## How to Screen a Telemedicine Provider

It's no surprise that telemedicine services are gaining in popularity. Both the drop-in nature of these services and the ability to access care without being exposed are appealing. If you're considering adding such a service to your employee benefit plan, we're here to help!

Telemedicine is a solution that works no matter where you're located: it shortens the distance to a doctor's office in rural areas, and eliminates the long wait in a crowded waiting room in more densely populated regions.

People with a primary care physician can get access to proper care more quickly. If you don't already have a primary care physician, telemedicine is a great way to access care without putting yourself at risk.

Telemedicine also aids in getting your members the correct care faster, whether it's a COVID-19 test or antibiotics for an infection.

Before you go shopping for providers, know that your local hospital may already have telemedicine services you can access. Most major cities have at least one hospital system offering telemedicine services. A simple reminder to your employees that these services are available and covered by their health plan can be an effective way to increase the usage of telemedicine.

If telemedicine services aren't offered by a hospital in your area, there are telemedicine providers you can partner with to give your employees access to care.

It can feel overwhelming trying to figure out which telemedicine service is a good fit (at a good value) for your enrolled employees (commonly referred to as a group). Here are some guidelines and considerations to keep in mind when you're screening potential telemedicine providers.



## What to Know About Your Group

### The biggest question to answer is: Who is your group's population?

This determines the kinds of service you're looking for. There are a multitude of telemedicine providers, and each one is a little different. Knowing your members will help you find one that is more effective for your group's population.

### How technologically-savvy is your group?

Telemedicine providers have a range of platforms, from phone calls to video conferencing, mobile apps to PC/tablet web services. Ease of use is in the eye of the beholder, and if your group is less comfortable with technology, you may want to look for a provider with a mix of access points that caters to everyone.

## Does your group have additional conditions or needs?

Some telemedicine services provide additional services beyond primary care: dermatology, mental health services, chronic condition management, and more. Your group may have additional needs that can be covered by the same service, enhancing a more basic telemedicine experience. And if you don't need extra services, look for a more basic primary care telemedicine provider- they should be more reasonably-priced so you only pay for what you need.

## What is your plan design?

It's important to understand your group's current benefit designs when you're adding new benefits. Most employers cover telemedicine at the same benefit level as in-person physician visits, although many incentivize telemedicine with lower or no patient copays.

In addition, the type of plan you offer can impact the fee structure of a telemedicine provider. High Deductible Health Plans with a Health Savings Account (HSA) typically are not permitted to cover medical services until the employee deductible has been met.\* If you don't have a High Deductible Health Plan, which is often referred to as a PPO Plan, there are no constraints on fee structure.

\*Per the IRS, during the COVID-19 crisis High Deductible Health Plans may cover all telemedicine services without the employee meeting their deductible.

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## What to Ask Potential Providers

### Who makes up the provider's network?

In order to access proper care from a telemedicine service, you need access to a licensed doctor in the state your employees live in. If your business is multi-state, make sure your desired telemedicine provider staffs doctors for every state you operate in.

### Who is included in the network of doctors?

If your group needs access to additional services beyond basic primary care, ask if this telemedicine provider staffs doctors who are specialists in additional services that are part of your plan.

### What are the vetting and onboarding processes used to add doctors to this provider's network?

You want a telemedicine service with a thorough vetting process, as well as robust training on using the telemedicine platform. Ask about the level of experience this service looks for in potential doctors, as well as the training they receive on using the platform's interface.

## What is the enrollment process for your group members?

You want your employees to be able to access care via this telemedicine service as quickly as possible. Ask about lead-time/implementation from the day you sign up and make a payment to the day your group members can access care. If there are additional training PDFs, or an enrollment process, be sure to communicate that to your employees upon set-up so that when they need to use this telemedicine service, it will be ready to go.

## How quickly can a member expect to receive a diagnosis and pick up a prescription?

Part of the appeal of telemedicine services is the ability to access treatment quickly. Ask about the average time from call to prescription pick-up, and what kind of drugs can be prescribed. This is also a great time to ask whether this telemedicine service's doctors can write an order for a COVID-19 test.

## What is this service's utilization rate?

There is no use paying for a service that your members will not remember to use. A good telemedicine service has a good average utilization rate- and this is oftentimes connected to their outreach and engagement strategy. High utilization rate indicates good engagement strategies.

When you ask about utilization rates, oftentimes providers will use the number of visits divided by the enrollment total. This does not account for single users who use telemedicine services more often, so ask about unique user data to be sure you have accurate data to make comparisons between services. Most providers say good unique user utilization by the group is between 20% and 30%.

To get the best utilization from your group and provider, look for several things:

- Performance guarantees in the contract
- Monthly reporting
- Assigned Account Manager
- Continual education and marketing to the employees

## What kind of member outreach and engagement strategies does this service use?

Good member outreach and engagement will ensure you get your money's worth when using a telemedicine service. Some telemedicine services send regular seasonal updates, reminders about open enrollment periods, flu season notices, and other general reminders. These reminders are sometimes tailored to your workplace- like sending signs to hang up in a facility that isn't an office environment. Continued outreach to members reminds them that this service is available, and keeps them top-of-mind when a member needs care.

## What are the potential savings?

Some services ask exit questions for feedback, or what patients would have done without access to

telemedicine services, to help calculate potential savings. This aids in getting good reporting, which is something to look for in a telemedicine service. Additionally, some services guarantee savings/ utilization rates and will compensate you at the end of the year if they're not met.

### **What is the pricing model?**

There are two pricing models telemedicine services tend to offer. The first is a flat Per Employee Per Month (PEPM) rate for each enrolled member, typically in the ballpark of \$3-\$5 for basic service. The second is a smaller PEPM administration rate of approximately \$1-\$2 plus a consultation fee per visit. Consultation fees can average \$40-\$60 per visit.

This is where your plan design comes into play. If you have a High Deductible Health Plan with an HSA, your pricing structure will be the lower PEPM rate plus a consultation fee\*. If you do not have a high deductible plan, you can pick between the two options (PEPM only, or lower PEPM plus consultation fee).

If you have a choice, and are uncertain about what your initial utilization may look like, it's often wise to choose the pricing model with the consultation fee, so that you're not paying for services your members don't use. This incentivizes telemedicine services to use prioritize member outreach and engagement.

\* Per the IRS, during the COVID-19 crisis High Deductible Health Plans may cover all telemedicine services without the employee meeting their deductible.

### **Are there set-up fees or annual renewal costs you don't know about?**

You want to be able to fit telemedicine in your budget, so it's good to be informed of all of the fees you'll be responsible for. Ask about any additional fees beyond the PEPM/consultation fees that you are already aware of.

### **Are they offering a short-term contract or a free trial?**

If telemedicine is not a service you or your employees are familiar with, ask if the provider you're screening has a short-term contract or free trial available. Currently, many of these service providers are offering shorter contracts and trials. This gives you the benefit of seeing what your utilization looks like before making a long-term commitment.

It's a good time to give your employees extra support and access to medical care- and telemedicine is a great way to do just that. If you need additional support, Roundstone's CSI Team is another great resource for assisting with cost containment recommendations.