



# THE GROWING FRONTIER: Telemedicine in 2016



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Telemedicine is a new alternative to the traditional way non-emergency health care is provided across the U.S. Already a required part of health care coverage in 29 states and the District of Columbia via parity law, the practice is poised to be a game-changer in the field of medicine, according to The American Telemedicine Association. Let's take a closer look at telemedicine and how it's impacting the world of health insurance coverage.

## THE DEFINITION

Before diving into telemedicine and what it means to the health field, it's crucial for companies to understand what the practice is. Telemedicine is the remote delivery of health care services by internet, telephone, or mobile app.

Today, close to 200 telemedicine networks and 3,500 service sites currently exist in the health care field. Experts are already predicting the industry will reach \$3.5 billion in revenue by 2020.



## WHY TELEMEDICINE?

There's a reason businesses are including a telemedicine aspect to their employer-provided health care. It is convenient for both companies and their employees as workers don't have to leave their home to receive a diagnosis and there is improved employee productivity – due to less time spent in the doctor's office. The practice is able to link doctors and patients from a variety of locations through a broad spectrum of technologies.

Telemedicine is not only offered, but paid for by employers. The practice is a qualified expense for health savings accounts, allowing workers participating in this type of program to use funds from their HSA to take care of the co-pay.

With the use of telemedicine, a patient has the ability to connect with medical professionals day and night, regardless of location. If someone wakes up in the middle of the night with flu symptoms or is away on a business trip with a scratchy throat, he or she can connect to a doctor for non-emergency health issues 24/7. By logging onto an established account, the connection time to a doctor is often within minutes. After a diagnosis, if a prescription is required, the doctor will call it in to a local pharmacy.

Besides these non-emergency situations, there are advanced medical treatment options available, but with specialized programs and providers. For those patients who are house bound or in rural settings, there are options to implement sensors to monitor people's heart, blood pressure, temperature, body position and respiratory rate at all hours of the day. The impact to provide health care services to those who traditionally cannot access quality care is enormous. Looking ahead, technology will become a major player in the arena. For example, Google received a patent for a contact lens that detects glucose level in tears. It has a monitoring system that will communicate when there are changes and alert patient to the issue. Imagine if that information is available to download and share with doctors.

Telemedicine companies follow the guidelines of the Health Insurance Portability and Accountability Act that protect customers' privacy and confidential information.



## WHO BENEFITS?

Offering telemedicine elements within company-provided health care is advantageous for multiple parties.

The practice offers convenience, providing 24/7 coverage, 365 days a year. In addition, the quality of care via telemedicine is just as high as that received when visiting a medical professional in person, giving patients access to specialists in various disciplines. Furthermore, this type of healthcare can result in serious savings for both employees and their companies. Not only are consults less expensive, but businesses can see reduced numbers of insurance claims for medical costs if patients are getting appropriate service from telemedicine professionals.

Residents of remote or rural areas as well as people who are homebound can gain more comprehensive and convenient coverage via telemedicine. Some telemedicine providers not only offer certified doctors who speak both English and Spanish, but behavioral health specialists, dermatologists and tobacco cessation coaches and treatment. Telemedicine companies offer patients a group of national board-certified medical professionals who are able to assess and diagnose patients effectively without needing to see people in person.



## PAYING FOR TELEMEDICINE

Although telemedicine offers multiple parties a number of advantages, there are challenges as well. Perhaps the largest hurdle is payment for technological health care coverage. Many insurance companies are reluctant to pay for telemedicine. Medicare only covers the practice in rural or medically underserved areas - and only when video conferencing is used. On the other hand, some Medicare Advantage plans cover telemedicine in a broader sense.

As a result, Medicaid members will turn to the emergency room or urgent care centers when their physicians are unavailable, causing inappropriate use of costly medical care. With telemedicine, non-urgent minor conditions that are not emergent can be treated efficiently without spending unnecessary amounts of money.

Today, 29 states and the District of Columbia have enacted parity laws regarding insurance coverage of telemedicine. If more states continue to pass these regulations, the insurance industry may have to change its current practice. This is important to note, as 34 percent of employers plan to add telemedicine to their health care offerings by this year

or 2017. The medical field is continuing to experience change as telemedicine becomes increasingly important to doctors, patients and employers alike.

The benefit for businesses comes in the form of cost savings. U.S. employers can reduce their expenses by \$6 billion per year by introducing telemedicine technology to their employees. The average cost per employee per month of offering telemedicine benefits is around \$2 to \$15, a considerable change for companies used to spending hundreds on worker coverage.

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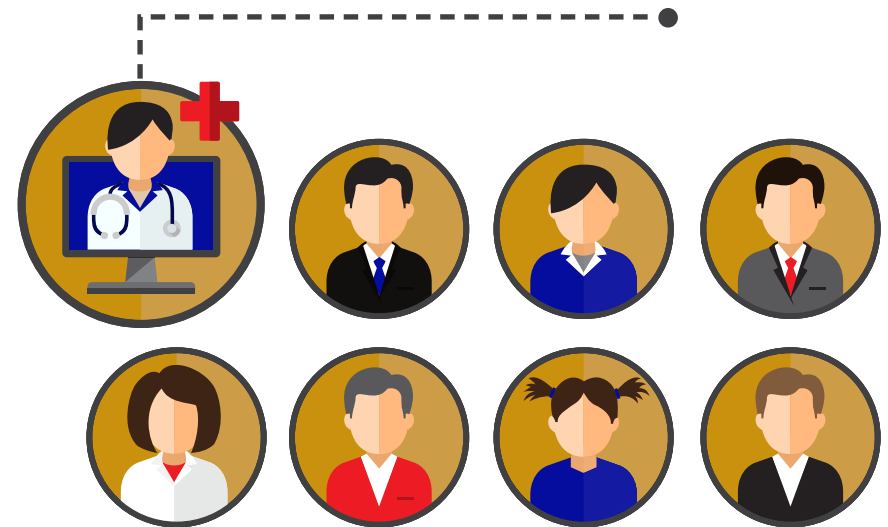


## TELEMEDICINE IN THE FUTURE

Telemedicine allows doctors to develop a network with a broadband connection, a web camera, secure video portal tied to electronic medical records and special software. As bandwidth increases and personal technology improves, technical obstacles for telemedicine have continued to fall dramatically. The practice is expected to expand as time goes on, especially with the introduction of new technology that will allow specialists, family and care-givers to participate in the conversation.

By 2018, seven million people will use telemedicine - a strong increase from years prior. Since the American medical field will lose 90,000 doctors within five years, telemedicine allows remaining medical professionals to see more patients in a shorter amount of time, while still making proper diagnoses. On a larger scale, the market has grown considerably as well. In 2014, the global telemedicine technologies industry was valued at almost \$18 billion. It is predicted to grow annually by a whopping 18.4 percent now through 2020. As conditions improve, telemedicine will continue to increase its influence on the medical field.

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## CONCLUSION

Employers have many choices to make when it comes to providing coverage for their workers. Telemedicine is one of the fastest-growing industries in the medical field, providing people from a variety of backgrounds - especially from rural or remote areas - quick and convenient health care at an affordable price. As more states mandate the practice and companies continue to implement technological assets, telemedicine will continue to gain importance.

Triton Benefits provides employers with comprehensive benefits consultation services, enabling companies to design a coverage program that is advantageous for both the company and its employees. Triton Benefits will work with businesses to ensure their offerings meet government standards and increase overall satisfaction.







**Sources:** [americantelemed.org/about-telemedicine/faqs#.VzDNVdlrKJA](http://americantelemed.org/about-telemedicine/faqs#.VzDNVdlrKJA) / [khn.org/news/telemedicine-expands-despite-uncertain-financial-prospects/](http://khn.org/news/telemedicine-expands-despite-uncertain-financial-prospects/) / [modernhealthcare.com/article/20140308/MAGAZINE/303089979](http://modernhealthcare.com/article/20140308/MAGAZINE/303089979) / [healthcareitnews.com/news/telehealth-takes-nationwide](http://healthcareitnews.com/news/telehealth-takes-nationwide) / [ncbi.nlm.nih.gov/pubmed/19720765](http://ncbi.nlm.nih.gov/pubmed/19720765) / [ncbi.nlm.nih.gov/pmc/articles/PMC1781442/](http://ncbi.nlm.nih.gov/pmc/articles/PMC1781442/) / [modernhealthcare.com/article/20151202/NEWS/151209972](http://modernhealthcare.com/article/20151202/NEWS/151209972) / [mhealthintelligence.com/news/telehealth-payment-parity-laws-rising-rapidly-across-states](http://mhealthintelligence.com/news/telehealth-payment-parity-laws-rising-rapidly-across-states) / [medicaleconomics.modernmedicine.com/medical-economics/content/tags/american-telemedicine-association/integrating-telemedicine-your-pract?page=full](http://medicaleconomics.modernmedicine.com/medical-economics/content/tags/american-telemedicine-association/integrating-telemedicine-your-pract?page=full) / [towerswatson.com/en-US/Press/2014/08/current-telemedicine-technology-could-mean-big-savings](http://towerswatson.com/en-US/Press/2014/08/current-telemedicine-technology-could-mean-big-savings) / [cchpca.org/what-is-telehealth](http://cchpca.org/what-is-telehealth) / [cnet.com/news/new-telemedicine-tech-maintains-patient-privacy/](http://cnet.com/news/new-telemedicine-tech-maintains-patient-privacy/) / [fiercehealthit.com/story/patients-using-telehealth-services-hit-7-million-2018/2014-01-17](http://fiercehealthit.com/story/patients-using-telehealth-services-hit-7-million-2018/2014-01-17) / [beckershospitalreview.com/healthcare-information-technology/already-a-17b-industry-telemedicine-poised-for-explosive-growth.html](http://beckershospitalreview.com/healthcare-information-technology/already-a-17b-industry-telemedicine-poised-for-explosive-growth.html) / [towerswatson.com/en-US/Press/2014/08/current-telemedicine-technology-could-mean-big-savings](http://towerswatson.com/en-US/Press/2014/08/current-telemedicine-technology-could-mean-big-savings) / [evisit.com/telemedicine-trends/](http://evisit.com/telemedicine-trends/) / [fshealth.com/blog/how-much-should-a-telemedicine-benefit-cost-employers](http://fshealth.com/blog/how-much-should-a-telemedicine-benefit-cost-employers) / [bmchealthservs.biomedcentral.com/articles/10.1186/1472-6963-7-6](http://bmchealthservs.biomedcentral.com/articles/10.1186/1472-6963-7-6) / [allyhealth.net/can-use-telemedicine-hsa/](http://allyhealth.net/can-use-telemedicine-hsa/) / [americantelemed.org/policy/state-policy-resource-center#.V4zzLvkrKUK](http://americantelemed.org/policy/state-policy-resource-center#.V4zzLvkrKUK) / [hipaajournal.com/hipaa-guidelines-on-telemedicine/](http://hipaajournal.com/hipaa-guidelines-on-telemedicine/) / [medcitynews.com/2016/07/telemedicine-effective-tool-addressing-physician-shortage?hootPostID=4a6273d24d6b69c4aa837753c17270c8](http://medcitynews.com/2016/07/telemedicine-effective-tool-addressing-physician-shortage?hootPostID=4a6273d24d6b69c4aa837753c17270c8)

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