

A prediction we got right: Doctor on Demand moves in on mental health coaching

Article



Telemental health provider **Doctor on Demand** <u>announced</u> it's adding a new chat-based coaching service to address consumers' "subclinical behavioral health needs" like coping skills

and stress management. This service will be an expansion of its Behavioral Health solution, which already includes virtual therapy and psychiatry services.

- This move arrives shortly after its merger with employer benefits navigation firm Grand Rounds. A comprehensive mental health solution should generate high ROI for the duo. For example, Telemental health firm Lyra Health also offers coaching, and it claims it's reduced employee turnover rate by 40%.
- This also means our <u>2020 prediction</u> that Doctor on Demand would build a suite of mental health solutions to include stress management coaching was right on the money. Doctor on Demand will be able to fill in care gaps that don't require full-blown therapy or psychiatry services: For example, telemental health startup **Ginger** offers members personalized coaches to help patients improve work life balance, recover from loss, etc.

Doctor on Demand is among a pack of telehealth cos plunging into the mental health space —narrowing in on child psych services could be wise to differentiate and plug in a gap in mental healthcare:

- In-person providers for pediatric mental health are scarce, so there's a massive gap in supply for kids with conditions like anxiety and ADHD. Almost three-quarters of US counties don't have a child psychiatrist within their vicinity—and even when a psychiatrist is present, many offices don't have in-person appointments available. Remote, on-demand pediatric telemental health option would produce lots of traction among parents seeking child psych care with limited access to adequate care services.
- In pediatric telemental health space is relatively nascent—so there's a large runway for larger telehealth players to establish a foothold. Entrants like Little Otter just recently nabbed \$4.2 million in funding to launch digital mental health services for kids with ADHD and depression, and some larger players like Amwell offer teletherapy for kids. However, most larger players like Teladoc and Doctor on Demand have yet to move in on the pediatric digital health space—something that could begin to change as demand rises for this type of care and the market opportunity grows: About 1 in every 6 US child suffers from a treatable mental health condition, which has worsened amid the pandemic's mental health crisis.

Where Did US Telehealth Users Receive Their Follow-Up Care After the Initial Telehealth Service?

% of respondents, Feb 2021

Another telehealth visit 57.9% Face-to-face in provider's office 15.8% In-person visit to a lab 8.1% In-person visit to another specialist's office 5.3% Hospital 2.3% Urgent care center/emergency room 1.3% Other 9.3%

Note: ages 18+; among those who had at least one telehealth encounter during March 1, 2020-Jan 30, 2021
Source: The COVID-19 Healthcare Coalition, "Telehealth Impact: Patient Survey Analysis," April 11, 2021

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