

# New Amwell data proves the future of telehealth will be colored with consolidation

Article

**The data:** Telehealth company **Amwell** released the results of its national telehealth [survey](#) of hospitals and health systems, health plans, and clinicians.

The survey explores the staying power of telehealth and the factors that'll contribute to it, what steps healthcare stakeholders are planning to take next, and barriers that still stand in the way.

**One big thing:** While healthcare providers understand the value of telehealth, there are a number of barriers still holding them back from driving utilization and delivering care.

- **Health plans' top telehealth barriers:** In terms of driving member utilization of telehealth, health plans feel most half back by a **confusing member experience (46%)**, **lack of awareness of virtual care offerings (40%)**, and **inability to leverage data collected from remote monitoring devices (40%)**.
- **Hospitals' and health systems' top telehealth barriers:** And in terms of delivering care, providers are most hampered by **staff resources to implement virtual care (41%)**, **uncertainty around reimbursement (39%)**, and **security risks (35%)**.

**The bigger picture:** Beyond overcoming these hurdles, healthcare stakeholders are honing their telehealth strategies now that the tech is a permanent fixture of healthcare.

- Health systems and insurers will need to target specific healthcare areas and improve user experience for consumers and providers to ensure the stickiness of the tech.

Insurers and providers are developing strategic plans to milk the most out of their telehealth investments:

- For example, **38% of insurers** plan to add musculoskeletal care to their virtual care offerings in the next 2 years, per Amwell's survey.
- And **36% of insurers** plan to expand behavioral health offerings.
- Meanwhile, **56% of hospitals and health systems** plan to invest more in virtual care over the next two years.

Notably, improved interoperability wasn't at the top of health execs' investment priorities, despite it being a commonly cited barrier with the tech.

- This will be important to provide a streamlined user experience for both providers and patients—which would help maintain the momentum telehealth gained during the pandemic and fuel greater returns on telehealth investments.

## What's next? In a word, consolidation.

The telehealth market, and digital health space at-large, is maturing quickly—and we've seen digital health M&As ramp up this year in response to the pandemic-era funding boom.

- For example, in August, **Headspace** and **Ginger** announced plans to **merge** and form a telemental health giant (**Headspace Health**).
- Genetic testing co **Invitae** **acquired** consumer health platform **Ciitizen** for \$325 million in September
- And digital musculoskeletal care company **Hinge Health** **acquired** computer vision startup **Wrnch** (its second acquisition this year).

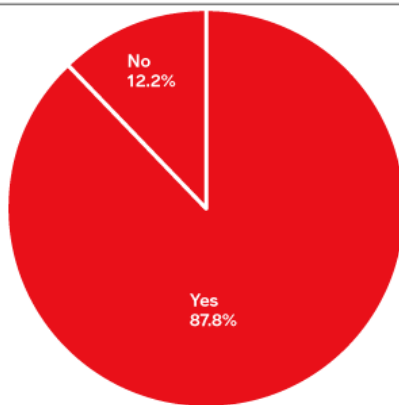
Ultimately, health systems and insurers need integrated telehealth platforms that meld easily with existing workflows and streamlines care delivery, healthcare administration, and EHR integration—digital health startups are using M&As as a way to get there.

- Around a quarter of both health systems (24%) and health plans (29%) reported having five or more virtual care platforms/services/vendors. Having too many disparate virtual care offerings, vendors, and digital front doors can be confusing and actually stave off telehealth adoption since users have to navigate different virtual care offerings in different places.

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**US Telehealth/Telemedicine Users Who Wish to Continue Using Telehealth/Telemedicine Post-Coronavirus Pandemic, March 2021**  
% of respondents

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Note: n=1,117 ages 18+; for nonurgent medical consultations  
Source: Sykes, "2021 Telehealth Survey" conducted by Pollfish, April 2, 2021  
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