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Teladoc's new virtual care framework could help employers enhance their virtual care strategies

Article

The news: **Teladoc** launched its Virtual Care Transformation Model for employers, which aims to help employers and insurers lower their healthcare benefits costs by figuring out how to best integrate virtual care into their benefits packages.

How it works: Payers assess their existing benefits to determine how they can offer better access and lower costs through virtual care tools.

- The framework evaluates five core categories: plan design, program offerings, member experience, performance measurement, and governance.
- Employers can use the framework to identify what gaps need to be addressed to reach their goals of using virtual care to reduce healthcare spending.
- For example, a company that's experiencing growing diabetes health benefits spending could augment its benefits with a larger range of digital chronic condition management solutions that connect with something employees already use (like primary care).

The bigger picture: The pandemic triggered a flood of digital health solutions—meaning employers have to sift through a lot more options when deciding which best fit into their healthcare benefits.

- **45% of US HR decision-makers** anticipate that **virtual care/telehealth solutions** will be a **top area of investment in the next 2-3 years**, per Evernorth's Health Care in Focus survey
- But at the same time, many employers are feeling overwhelmed by the sheer number of digital health options in the market.

On the flipside, there's confusion on the employee end, too:

- **Most (76%) employees don't understand their health benefits**, and a **minority (10%) of employees actually use their benefits,** per Castlight Health data.
- Ensuring health benefits are being used by employees will be key for reducing long-term employer costs. Virtual care tools can solve for this by encouraging patient engagement and connecting with patients at different parts of their healthcare journey.

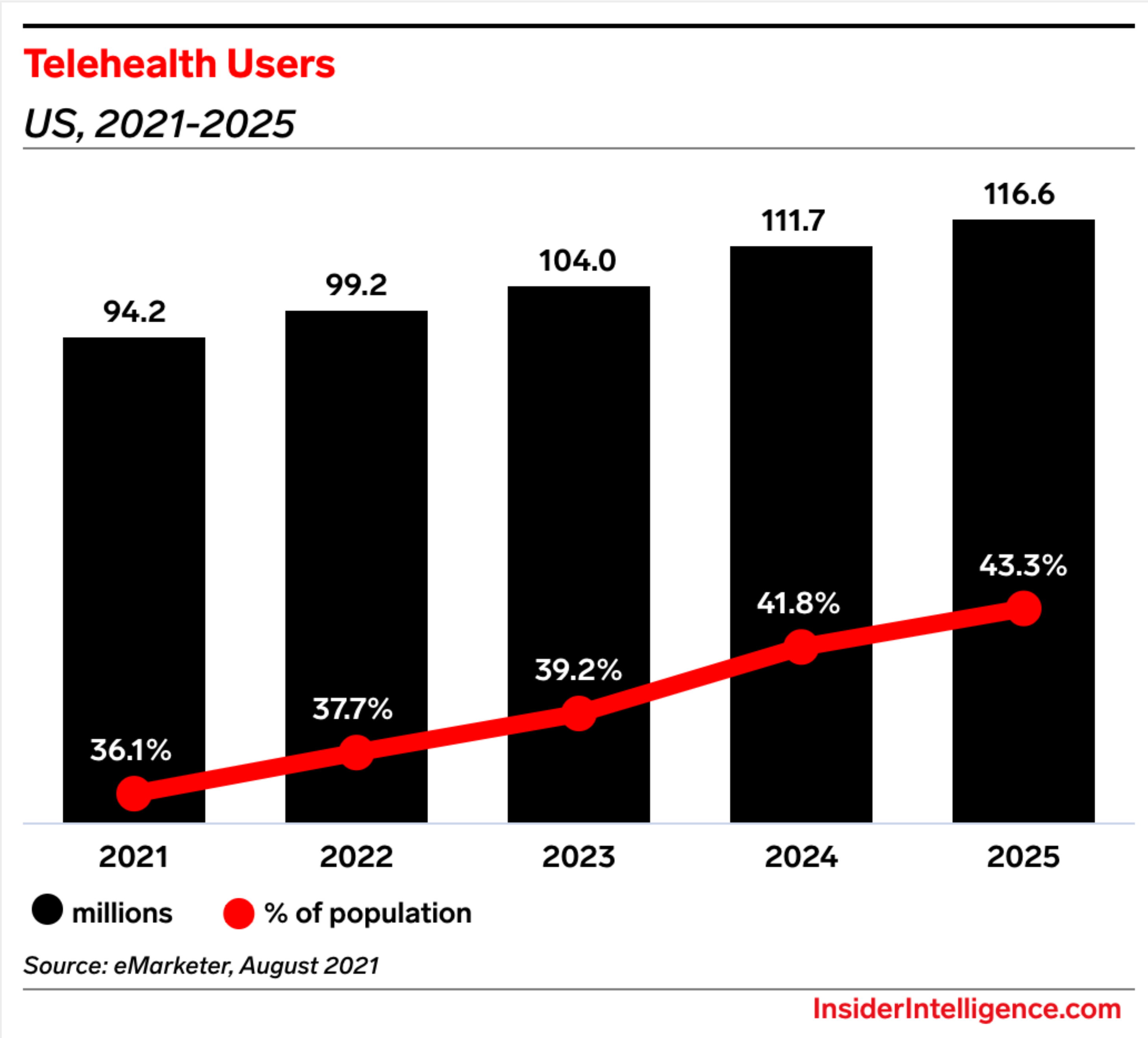
The big takeaway: The virtual care wave isn't slowing down, so employers will have to find the best way to keep up with rising telehealth trends. A clear framework could help guide employers in their virtual care endeavors.

- **Telehealth utilization is 38 times higher** than pre-pandemic levels, per McKinsey.

- And we project that **telehealth users in the US will jump from 37.7% of the US population (99.2 million) in 2022 to 43.3% of the population (116.6 million)** in 2025.

Market snapshot: While Teladoc dominates the telehealth market and contracts with over 12,000 clients globally, it still faces the threat of other large companies clawing at a share of the employer-focused virtual care market.

- For example, **Cigna's Evernorth** acquired virtual care platform **MDLive** in February 2021.
- Digital health benefits platform **Accolade** acquired telehealth company **PlushCare** for $450 million in April 2021.
- Telehealth provider **Doctor on Demand** merged with healthcare navigation platform **Grand Rounds** to cater to more employer clients.
- And **Amazon Care** is quickly expanding its employer-targeted virtual care services, only a year after it scored its first employer client.



Dig deeper: *Check out our US Telehealth Trends 2022 report to learn more about what consumers want from virtual care and how providers and payers can make it happen.*