Delivering high-value care with a virtual-first plan

Even before the COVID-19 pandemic, virtual-first health plans were already gaining momentum. In 2019, Humana partnered with Doctor On Demand to launch On Hand, a first-to-market virtual primary care plan that provides members with easy, convenient access to quality primary care at significantly lower premiums, without having to visit a doctor’s office. COVID-19 only accelerated the adoption of telehealth, with health plans recognizing the need for both high-quality telehealth and a strategy behind offering a virtual-first approach.

According to the Centers for Medicare and Medicaid Services (CMS), virtual visits increased by more than 11,000% in the pandemic’s early weeks versus pre-COVID rates. Many healthcare leaders predict the demand for access to remote care is here to stay. Clinical leaders surveyed by Deloitte think that in the future, about 1 out of 3 primary and chronic care management visits will be conducted virtually, versus pre-COVID estimates of 1 out of 20 visits.²

As consumer demand grows, health plans have an opportunity to shape a new environment which includes the convenience that members have grown accustomed to, along with the reduced price point for virtual visits that health plans have now come to expect. However, the financial costs of potential over-utilization is a long-term concern for the health insurance industry. This concern raises questions about how payment parity requirements (paying a physical provider the same amount for an in-office appointment, as for telephonic or video visits) should be handled. Stakeholders won’t realize the full value of virtual care if it becomes just another piece of the old healthcare puzzle. The virtual-first care experience realistically needs to be 10x better than legacy models.² Otherwise members will revert to legacy care delivery patterns, which are transactional, costly, and confusing. In order to deliver that 10x better experience and usher in an era of virtual-first care, health plans should focus on these key areas:

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Virtual primary care

35–50%+ of previous in-person care will be delivered in a virtual primary care setting.

Access to high-quality virtual primary care is the cornerstone of any high-value, virtual-first offering. With a digital solution serving as the front door to the continuum of care, health plans must ensure multi-modal access to care, supported by a highly capable care team. Additionally, coordination with a health plan’s network and wider ecosystem for referrals and data exchange is critical. Without these features in a digital solution, care can be fragmented, leading to poor clinical and financial outcomes for both health plans and members.

Virtual-first designs offer a streamlined member experience, resulting in better health outcomes and higher member satisfaction. Practicing physicians estimate that about 90% of the care they deliver can be provided virtually given the rapid advancement of technology, devices, and digital health tools. As more virtual-first plans launch, competition will drive improvements in quality and solve for challenges such as:

- **Access disparities & inequities in healthcare**
  
  We will continue to see higher population health costs and suboptimal clinical outcomes until access to equitable care improves, especially for those facing increased impacts of social determinants of health. Fewer barriers to care through the virtual setting helps ensure that members are able to receive urgent care, primary care, mental healthcare, preventive care, and the consistent support necessary to adhere to treatment plans and avoid unnecessary health escalations and expense.

- **Long wait times for appointments and travel**
  
  Even prior to COVID-19, getting an appointment with a primary care physician could take up to 122 days. Such scarcity is a significant barrier to care and a major contributor to poor health outcomes. Inadequate access occurs more frequently in rural communities and among underrepresented populations. A study by NPR, the Robert Wood Johnson Foundation, and the Harvard T.H. Chan School of Public Health found that one out of every four people living in rural areas said they couldn’t get the healthcare they needed recently. A quarter of those respondents said the reason for the lack of access was that care was too far or difficult to visit in person. A virtual care model can level the playing field to provide high-quality, inclusive care for all populations.

> The time spent seeking out care costs the American economy approximately $89 billion annually.
Virtual-first health plans

- **Quality-of-Care outcomes**
  As health plans work to redesign virtual care models, measuring clinical and member-centered outcomes should be prioritized. Commonly tracked metrics include member satisfaction, access to care, and wait times. Another area of focus is how well remote patient monitoring (RPM) devices can track members managing their conditions. RPM devices enable doctors to conduct a video call with the member, while running the same diagnostics available to them in the office. Data from these measurements can help drive health improvements, as well as provide insight into the barriers members face in achieving optimal health.

- **Millennial and provider preferences**
  Within six years, millennials will make up 75% of the workforce and will soon account for a large portion of practicing physicians. More so than previous generations, millennials have a strong focus on daily health and wellness, and value better living through technology. Up to 79% of PCPs already report burn out, driven by workplace inefficiency, and schedule inflexibility. These providers will be attracted to high-quality virtual primary care programs, where they can practice more holistic medicine powered by digital tools.

2 Front door to care
Virtual-first platforms as one-stop shops

To gain true market share and adoption, virtual-first health plan offerings must eliminate sources of friction in accessing care across the healthcare continuum. Members want a simplified and personalized experience, with easy access to on-demand providers. The current model of in-person care lacks easily accessible resources before and after the visit. Routing to external niche services and disjointed point solutions only increases hand-offs and doesn’t streamline the member experience.

Health plans can help eliminate these traditional sources of friction and fragmentation by partnering with a virtual care provider to create a truly virtual-first healthcare experience where members can navigate health resources and receive care for all their needs. This means integrating virtual health capabilities and multichannel communications into clinical workflows for a holistic, 360-degree view of individual member health. It also means providing access to a fully integrated health plan ecosystem which includes in-network services in addition to integrated primary care, chronic condition management, and behavioral and physical health.
Virtual-first health plans

3 Virtual whole-person health
Chronic condition management, with integrated physical + behavioral medicine, goes mostly virtual

In 2016, chronic condition management, driven by diabetes, hypertension, and osteoarthritis, accounted for $1.1 trillion in healthcare costs — equal to 6% of GDP.\textsuperscript{13} Common treatments for these conditions consist mostly of medication management, medication adherence, active monitoring, and physical therapy, all of which can be delivered by a virtual primary care team. We could expect to see the majority of regular chronic condition management transition to a virtual setting.

Meanwhile, members with debilitating chronic pain are more susceptible to depression and anxiety, and those suffering from depression are less likely to adhere to medications. Given the current behavioral health access crisis, the convenience of virtual care combined with the effectiveness of integrated physical and behavioral healthcare will draw unprecedented volumes of members. These members could even serve as first adopters and regular users of virtual primary care.

68% of adults with behavioral conditions also experience medical conditions. Healthcare costs for those with co-morbid behavioral and physical conditions can be over 2x the cost of those without behavioral conditions.\textsuperscript{13,14}

Remote expert medical opinions
Helping members stay in-network

The stakes are highest for members with complex conditions, which is why providing access to high-quality expert medical opinions is critical. After a specialist or sub specialist provides expert guidance, there’s often an urgent need to get in-person care at a leading institution. As we all know, actually getting an appointment usually involves long and frustrating wait times. A high-quality expert medical opinion delivered virtually can guide members with complex needs to get the right diagnosis and treatment, while preventing unnecessary care, poor health outcomes, and thousands of dollars in medical bills. Such services become particularly valuable for those who may not live in metropolitan areas or lack resources to locate high-quality providers.
Conclusion

As health plans seek to add a layer of competitive advantage and differentiation in their benefit offerings, virtual care emerges as a strategic business imperative. By designing the virtual-first experience with a whole-person needs in mind, from routine primary care to integrated behavioral health, health plans can help improve outcomes and lower total healthcare costs, while facilitating timely, convenient, and equitable access to high-quality care for all.

References

1. Deloitte Team (2021), “Virtual Care Accelerated”
6. Ibid
9. Goldman Sachs Investment Research