



# More Than a Trend: Why Telehealth Is the New Standard Post-Pandemic



Virtual care's rapid evolution has permanently transformed the healthcare landscape. Is your business capitalizing on this cost-saving benefit?

Walmart  Health  
Virtual Care

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**Business Group on Health reports more than three-quarters of today's employers offer virtual services within their healthcare benefits programs, and businesses that have leveraged telehealth's potential have seen an uptick in ROI, employee retention and company-wide productivity. In fact, half of all organizations offering telehealth in 2022 cut 10% or more of their annual benefits spending, according to a Foley & Lardner Study.**

**But it wasn't always this way.**

Telehealth comprised a modest share of all healthcare visits prior to 2020. Patients and providers were accustomed to in-person care, and even though medical literature pointed to telehealth's efficacy, cost-effectiveness and value, it simply wasn't on their radar. Consumers, especially, were not educated on their options and instead dealt with the inconvenience, expense and complexity built into the nation's healthcare system. What's more, federal and state regulations often created major barriers to access.

It wasn't until COVID-19 that the rapid, widespread adoption of telehealth happened. Increased patient and provider willingness to use telehealth, as well as evolving governmental policies, led to a **63-fold boom** in utilization during the first six months of the pandemic, according to the U.S. Department of Health & Human Services.

Telehealth use has already stabilized at a far higher rate compared to 2019, and as virtual primary care and telebehavioral health solutions continue to increase in popularity, it's quickly expanding beyond urgent care and throughout the healthcare spectrum. Additionally, telehealth is pivotal in closing accessibility gaps among underserved populations, which improves nationwide healthcare equity.

With exceptional patient and provider satisfaction rates, greater accessibility, more convenience and health outcomes equal to in-person care, **telehealth is well positioned to remain the go-to option** for healthcare in a post-pandemic world. For businesses, that means **greater cost savings, higher ROI, increased productivity** and a slew of other impactful, bottom-line benefits.





# The Olden Days of Brick-and-Mortar Care Dominance (Circa 2019)

**Telehealth has been an established and proven form of healthcare for decades, but it was severely underutilized until 2020 due to lacking awareness and infrastructure. With a “don’t fix what isn’t broken” mentality, people simply did what they were accustomed to doing: visiting a doctor in a brick-and-mortar office between 9 and 5, no matter how difficult or inconvenient.**

Comprising a negligible share of U.S. outpatient visits before the pandemic, the U.S. Department of Health & Human Services reports just 840,000 of the more than 122.3 million total doctor visits in 2019 were held virtually.<sup>1</sup> The problem was not telehealth itself, but rather that in-person care was the norm and patients were widely unsure and/or unfamiliar with how the technology worked.

Additionally, many logistical and administrative barriers stood in the way of widespread telehealth access and adoption, including:<sup>2</sup>

**Policy & Reimbursement:** Most federal policies had limitations on where and in what manner telehealth services could take place.

**Licensure:** Inconsistent licensure laws among states made it more difficult for patients to find a doctor who was certified to provide telehealth services.

**Accessibility:** Telehealth requires an internet connection, which disproportionately affects many residents in rural areas, low-income populations and communities of color.

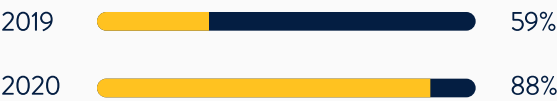
**Cost:** Before the pandemic, most people were not aware of telehealth’s cost-saving potential.

Perceptions of telehealth were also conflicting. Patients were curious about its potential but wondered whether they’d receive the same quality of care without in-person interaction. In short, there was no clear alternative to help mitigate the inconveniences of traditional healthcare — until the pandemic served as the “push” this innovation needed to become a widely accepted (and first) option for care.

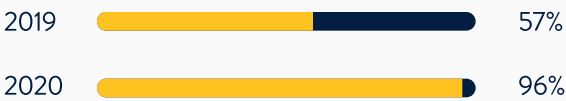
# Social Distancing Ignites Surge of Virtual Visits

Three factors that enabled the exponential uptick, as reported by Sykes:<sup>6</sup>

**1 Increased consumer willingness to use telehealth**



**2 Increased provider willingness to use telehealth**



**3 Regulatory changes enabling greater access and provider reimbursement**

- Streamlined state and federal telehealth licensing process
- HIPAA flexibility
- Increased Medicare + Medicaid coverage

On March 15, 2020, the world as we knew it changed. Businesses closed. Schools became remote. The public stockpiled toilet paper. And, as in-person doctor visits increased the risk of exposure and infection, telehealth made its way into the mainstream. People still needed healthcare, but they needed a different, safer and more convenient way to connect with their clinicians.

The pandemic-fueled demand for virtual care proved the value and potential of the model:

- Between **March and August 2020, telehealth saw a 63-fold increase in utilization**, rising from approximately 840,000 visits in 2019 to 52.7 million in 2020.<sup>3</sup>
- **In April 2020 alone, telehealth utilization was 78 times higher than in February 2020.**
- In 2020, telehealth comprised 13% of all outpatient appointments on average, but **as much as 80% of care was virtual** in places where COVID-19 prevalence was high.<sup>4</sup>
- As of July 2021, **telehealth use had stabilized at 38 times higher** than the pre-COVID-19 baseline.<sup>5</sup>

With these advancements came a shift in the general perception of telehealth for both patients and providers. Not only did this model of care help slow the spread of COVID-19, but people also realized it was equally effective and significantly more convenient than driving to a doctor’s office. Consider patient and provider sentiment in late 2020 and early 2021 — after the initial shock of the pandemic had worn off but case numbers were still high — as outlined by the National Institute of Health:<sup>7,8</sup>

- 58% of physicians viewed telehealth more favorably than they did before COVID-19
- 82% of physicians were highly satisfied with telehealth
- 95% of patients were highly satisfied with telehealth

After the initial spike, telehealth utilization stabilized but remained a crucial source for care compared to pre-pandemic years. Now, experts predict 30% to 40% of all patients will continue using telehealth in the coming years.<sup>9</sup>

# Telehealth Poised to Prevail in a Post-Pandemic World

**The telehealth market is expected to grow at a compound annual growth rate of 14.9% from 2019 to 2026.**<sup>10</sup>

Additionally, Business Group on Health reports 76% of businesses offer virtual care in their health benefits programs today, compared to less than 10% in 2019.<sup>11</sup>

Why? Because patient demand, satisfaction and utilization remain high. One 2021 survey by Sykes found **88% of people want to use telehealth after the pandemic ends.**<sup>12</sup>

For working Americans, this is an obvious solution. There's no reason for someone to request time off work, hop in rush-hour traffic and make childcare arrangements when there's another option for high-quality care. The virtual model is more convenient, it's accessible 24/7 and Becker Hospital Review reports it provides the same — or better — health outcomes as in-person visits.<sup>13</sup>

Furthermore, Glassdoor's Employment Confidence Survey revealed that **80% of employees now prefer additional benefits over a pay increase.**<sup>14</sup> With people leaving their jobs at record-high rates amid the Great Resignation, employees are demanding more comprehensive, convenient care on their terms.

**Providers also are on board, as McKinsey & Co. reports 64% of them are more comfortable using telehealth now than before the pandemic.**<sup>15</sup> They can treat more patients, prevent waiting rooms from overflowing and help increase access to care for patients in rural or underserved areas.

As virtual care evolves, innovative businesses can tap into telehealth beyond urgent care, providing employees with comprehensive health services for improved long-term health and well-being, improved productivity at work and considerable cost savings.

## The Bottom-Line Benefits of Telehealth

\$

### Increased Cost Savings

Businesses that implement telehealth programs save up to \$3,000 per employee each year.<sup>16</sup>



### Greater ROI

More than 50% of organizations offering telehealth cut 10% or more of their annual benefits spending.<sup>17</sup>



### Improved Productivity

Absenteeism costs employers \$226 billion per year; healthy employees are happier, more productive employees.<sup>18</sup>



### Easy Administration

Telehealth programs require little management. In many cases, you can be up and running within days.

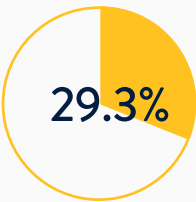
# Telehealth Opens New Doors for Health Equity

Brick-and-mortar care is often expensive, inconvenient and time consuming for patients and their employer-funded health plans — and most Americans live at least 15 minutes from the nearest hospital or doctor’s office, according to Pew Center Research.<sup>19</sup>

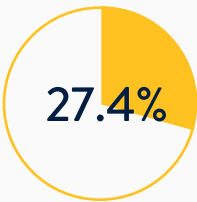
Regardless of race, age, gender, income or background, telehealth allows patients to access care when and where they need it: at home or on the go at nearly any time of day, allowing patients to make the choice instead of fitting their appointments into a schedule that does not work for the modern worker.

Communities of color are more likely to use telehealth than predominantly white communities, which helps break down barriers to care and closes healthcare disparities. Also, employees who have easy access to on-demand care have proven to spend less money and time seeking the services that support their well-being, productivity and longevity. In turn, a simple, virtual solution can benefit both patients and businesses.

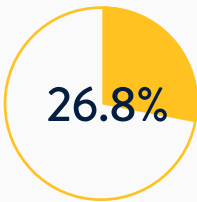
The highest rates of telehealth visits in 2021 were among:<sup>20</sup>



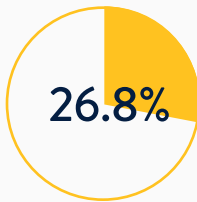
People with Medicaid



People with Medicare



Black individuals



People earning <\$25,000



# How Businesses Can Maximize Telehealth's Potential

Urgent care was the most common telehealth service before the pandemic. But now, with a robust infrastructure already in place, other types of care have seamlessly transitioned to the virtual space.

From primary care to behavioral health, strategic businesses can capitalize on a full range of virtual health benefits to cut a significant portion of their annual healthcare spending, boost the bottom line and provide the services their employees want and need.

## Virtual Primary Care

Wellness checks, chronic care management and routine visits are all crucial in preventing avoidable hospital and ER trips that cost businesses big — not only in terms of money, but also in lost productivity. More than 90% of all health issues can be treated with primary care, according to the World Health Organization, so businesses that limit their telehealth benefits to only urgent care are missing the biggest piece of the healthcare puzzle.<sup>21</sup> In many cases, primary care means proactive and preventative care, keeping employees healthier while reducing business costs.

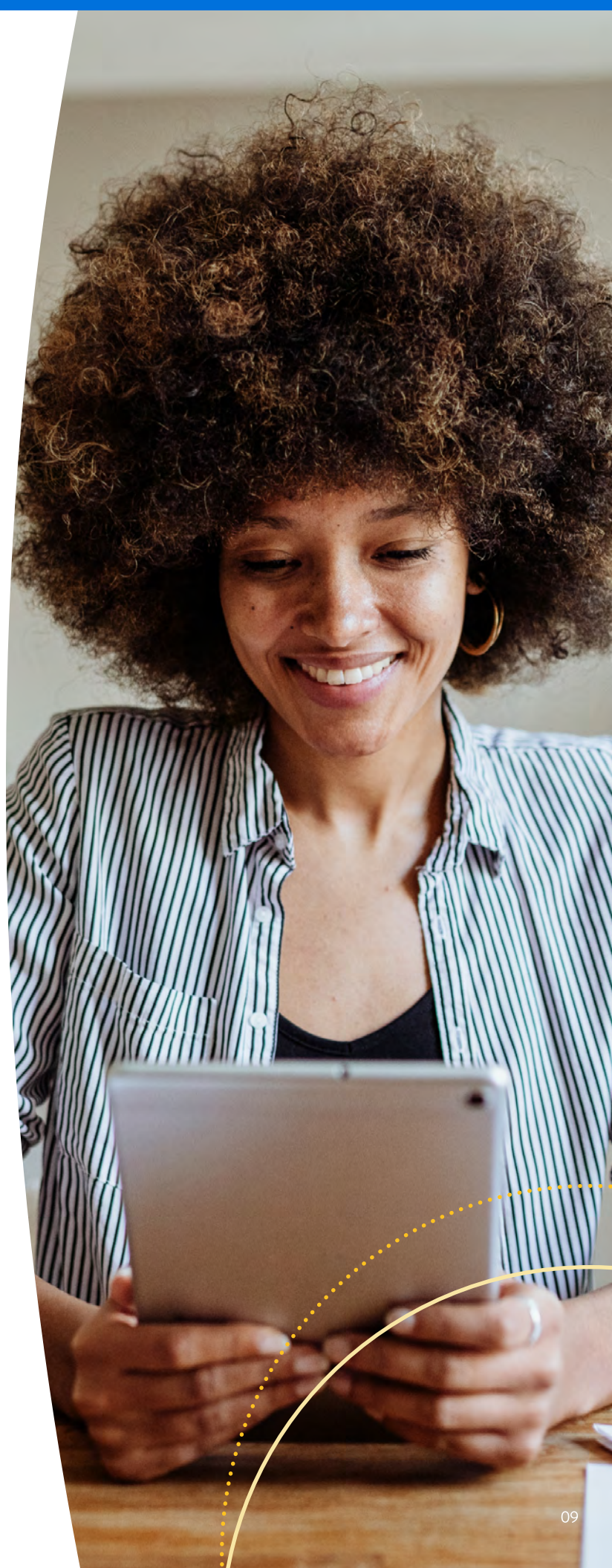


## Men's & Women's Health

Men's and women's healthcare is another branch of telehealth often overlooked by businesses due to stigma or lack of awareness — but it's very important to employees. This type of care covers a wide range of common issues facing today's workers, from sexual health and erectile dysfunction to hormonal issues, hair loss, skin conditions and more. The convenience and privacy of at-home care encourages employees to address these topics confidentially, without fear of judgement.

## Telebehavioral Health

The CDC reports anxiety and depression account for 200 million lost workdays each year, costing U.S. businesses as much as \$44 billion in lost productivity.<sup>22</sup> And with 83% of all employees experiencing burnout symptoms in 2021, telebehavioral health can help cultivate a healthier, happier workforce.<sup>23</sup> Telebehavioral health commonly refers to virtual talk therapy or telepsychiatry. Virtual talk therapy, for instance, allows patients to meet with a licensed provider from home and has proven to be just as, if not more, effective than traditional talk therapy, according to the American Psychology Association.<sup>24</sup> After the first few sessions, 3 in 4 people show noticeable signs of improvement.<sup>25</sup>



# Explore Options

With exceptional satisfaction rates, high demand and desirable health outcomes, it's clear that telehealth is here to stay post-pandemic. Businesses that leverage up-and-coming virtual opportunities will rise to the top when it comes to ROI, employee retention and company-wide productivity. Walmart Health's comprehensive virtual care solutions go well beyond what's available on the market today, and companies can be up-and-running quickly.



To get started, request a demo.



(480) 300-3961



[walmarthealth.com/virtualcare](https://walmarthealth.com/virtualcare)

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