Teladoc HEALTH

2023 TELEHEALTH BENCHMARK SURVEY RESULTS

Virtual care in 2024: Hospitals adding scope, sophistication



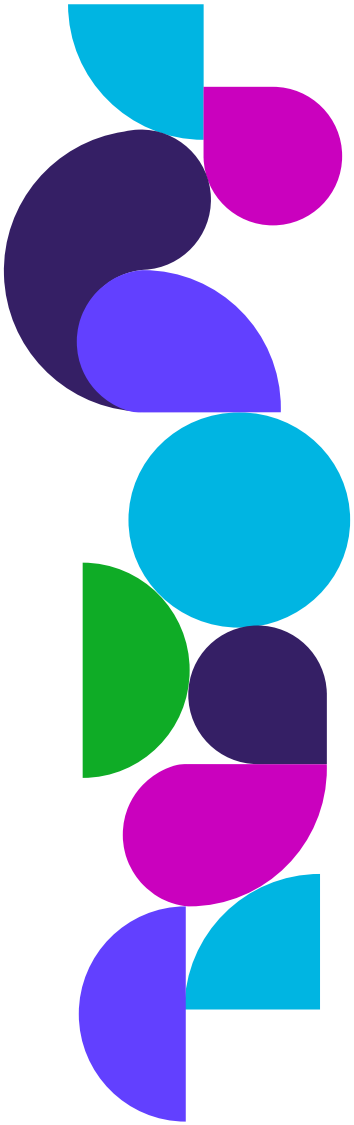


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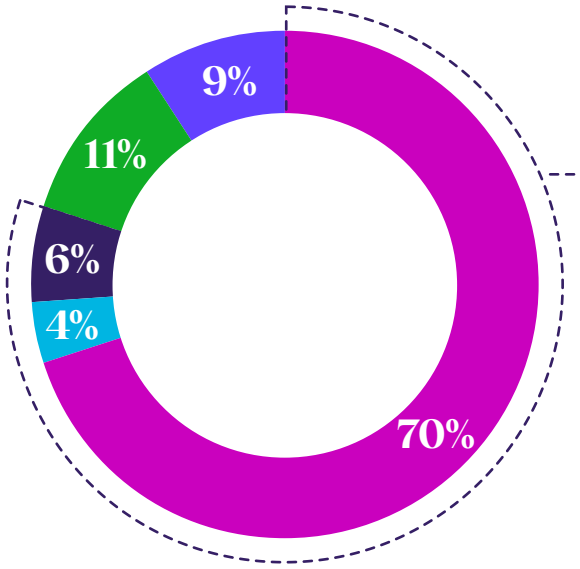
Executive summary

The seventh annual Telehealth Benchmark Survey, developed in conjunction with Becker's Hospital Review, found record-high levels of virtual care quality perception and clear expansion momentum among hospitals, health systems and other providers.

Most notably, 80% of the organizations surveyed that offer telehealth services now believe virtual care quality is equal to or better than in-person care for areas where virtual care is an option (Figure 1). That rises to 97% among organizations that have been providing telehealth services for more than five years.

FIGURE 1: TELEHEALTH CARE PROVIDER PERCEPTIONS OF VIRTUAL AND IN-PERSON CARE QUALITY

- Virtual care is on par with in-person care
- Virtual care is slightly better that in-person care
- Virtual care is significantly better than in-person care
- In-person care is superior to virtual care
- I have not formed a definitive opinion on the quality of virtual care versus in-person care



80%

of the organizations surveyed that offer telehealth services now believe virtual care quality is equal to or better than in-person care for areas where virtual care is an option.

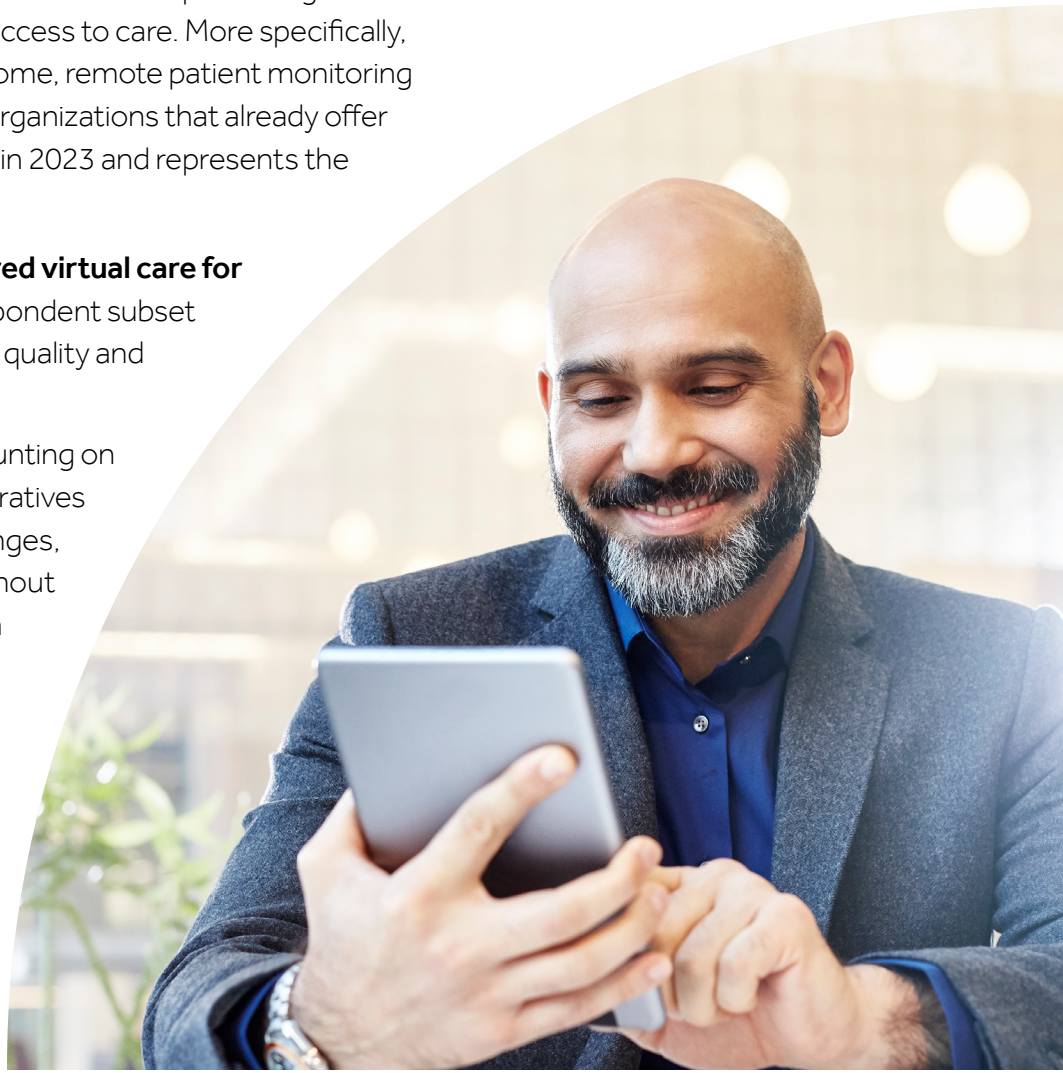
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Perceptions about quality were one of many ways respondents expressed **confidence in virtual care and its importance.**

Driven by these sentiments, expansion was the overriding theme of the findings: Most organizations are expanding their virtual care offerings and infrastructure, expecting to increase the percentage of care they deliver virtually and orienting their telehealth programs to expand access to care. More specifically, results signal there will be notable growth in virtual nursing, hospital at home, remote patient monitoring and chronic condition management programs in 2024. Overall, 71% of organizations that already offer telehealth are planning to expand their programs. That is 9% more than in 2023 and represents the largest year-over-year expansion increase since the pandemic.

The survey found more hospitals and health systems that have offered virtual care for at least five years than ever before. Parsing data from this mature respondent subset provided some thought-provoking and encouraging insights about care quality and virtual care's future direction and value.

These developments suggest that hospitals and health systems are counting on virtual care to help them create new models to meet their broader imperatives — such as leveraging technology and scale to mitigate workforce challenges, expanding access and reach and addressing consumerism pressure without sacrificing quality. **Virtual care has become an integral part of modern care delivery.** Programs are simultaneously expanding and evolving today as hospitals and health systems adjust to changing economic, quality, regulatory and patient preference realities.



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About the report

Teladoc Health and Becker's Hospital Review asked U.S. hospital and health system leaders about their current telehealth programs and future plans in a survey that closed toward the end of 2023.

It produced 109 valid responses, with 92% of the respondents representing hospitals or health systems (Figure 2). In all figures and citations, percentages may not total 100% because of rounding. Totals exceed 100% for some questions because respondents could select multiple options.

FIGURE 2: TOTAL RESPONDENT ORGANIZATIONS

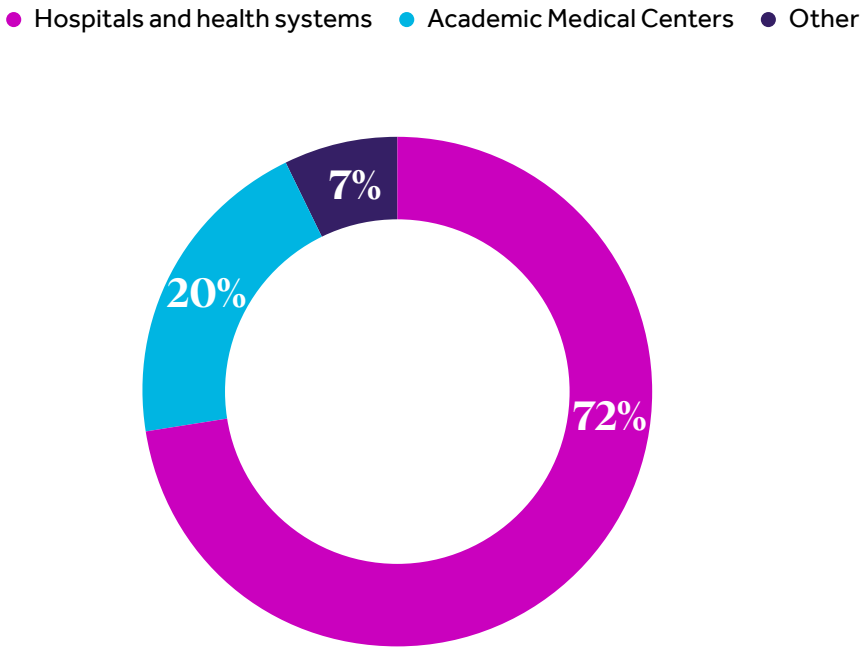


FIGURE 3: TOTAL RESPONDENTS BY TITLE/ROLE

58% C-suite, VPs and Directors

28% Telehealth/virtual care leaders (non-C-suite)

14% Other

Most respondents represent executive leadership roles — 58% have C-suite, VP or Director titles. An additional 28% are telehealth/virtual care leaders at their organization.

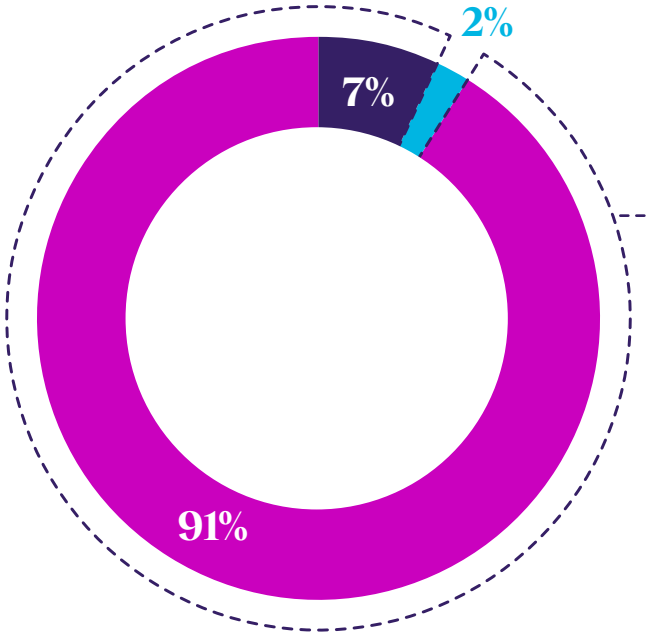
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Telehealth adoption reached new heights in 2023, with 91% of respondents reporting they have a telehealth program in place. Another 7% plan to offer telehealth services by the end of 2024, leaving 2% of respondents without telehealth programs and no plans to start one, which is a record low.



FIGURE 4: CURRENT STATE OF TELEHEALTH ADOPTION

- Yes, have telehealth implemented
- No, but looking to implement telehealth in the next 12 months
- No, and not looking to implement telehealth in the next 12 months



98%

will or will plan to offer telehealth services by the end of 2024

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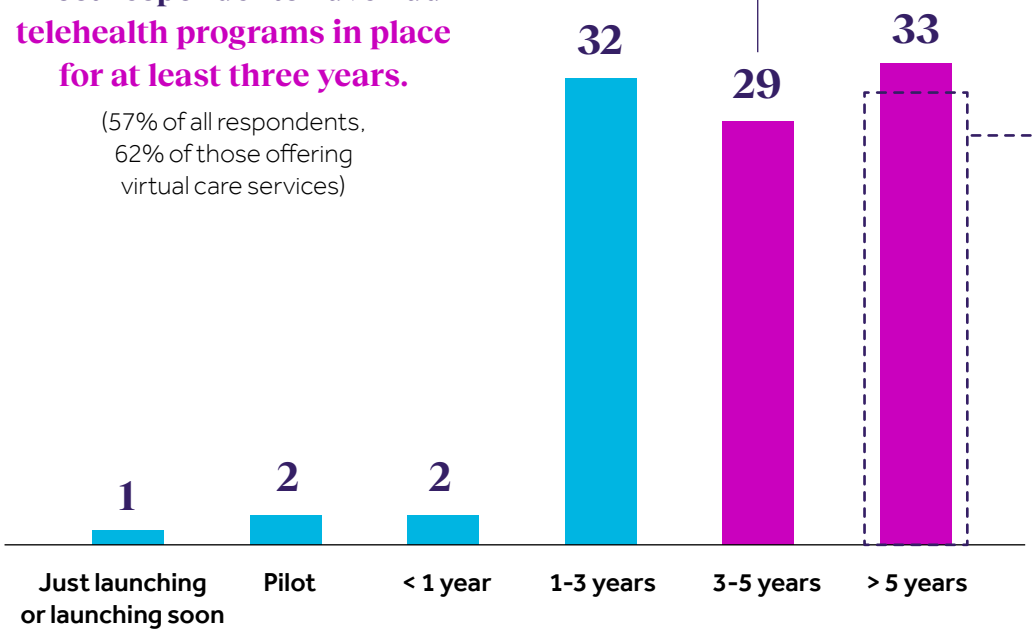
Telehealth programs are reaching a new level of maturity, as 62% of respondents that offer telehealth services have had their programs in place for at least three years (which is 12% more than last year's total). **A third of respondents have operated telehealth programs for at least five years–the highest level the survey has ever recorded.**



FIGURE 5: DURATION OF CURRENT TELEHEALTH PROGRAMS

This was the first year that most respondents have had telehealth programs in place for at least three years.

(57% of all respondents, 62% of those offering virtual care services)



94%

of respondents with over five years of experience providing telehealth believe >10% of care can be delivered virtually.

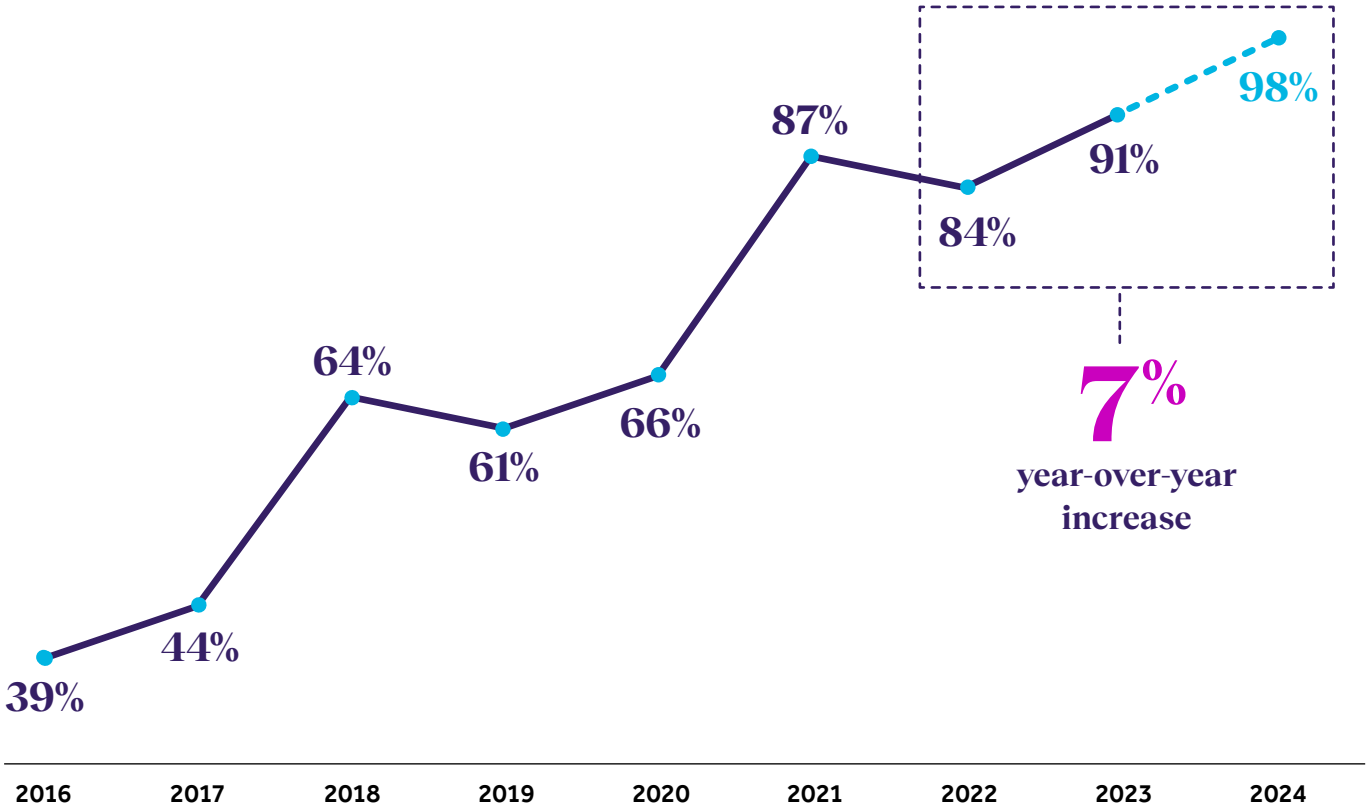
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The current state

A record **91% of respondents had telehealth programs in place in 2023,** and the 7% year-over-year increase is the second-highest on record following the 21% jump since the COVID-19 pandemic. An additional 7% of 2023 respondents plan to have telehealth programs in place by the end of 2024. The resulting 98% combined response rate — for respondents with a telehealth program in place and those planning to implement — was also the highest on record.



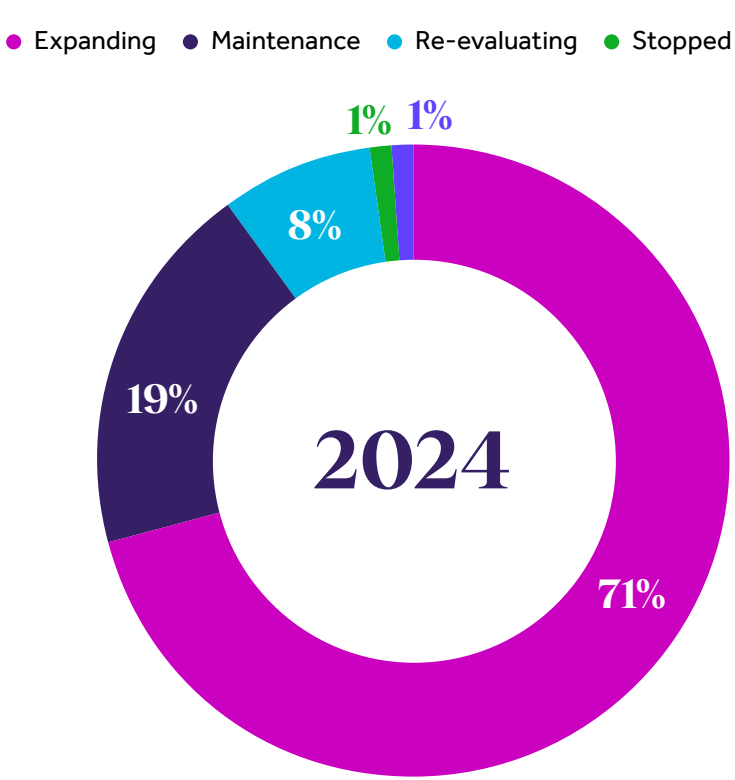
FIGURE 6: PERCENTAGE OF RESPONDENTS WITH TELEHEALTH PROGRAMS IN PLACE



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Even though the age-of-program and other data show high telehealth adoption rates and that most organizations have been offering virtual care services for years, **71% of organizations will be expanding their programs in 2024.** That represents a 9% year-over-year increase in organizations that are expanding, which is the highest one-year change since the 2020 pandemic year. The most mature organizations offering virtual care are even more likely to expand — 82% of respondents who have offered telehealth services for more than five years were expanding their programs. Additional data suggest that current virtual care expansion efforts prioritize adding services and depth to offerings.

FIGURE 7: TELEHEALTH EXPANSION STATUS



82%

of respondents who have offered telehealth services for more than five years were expanding their programs.

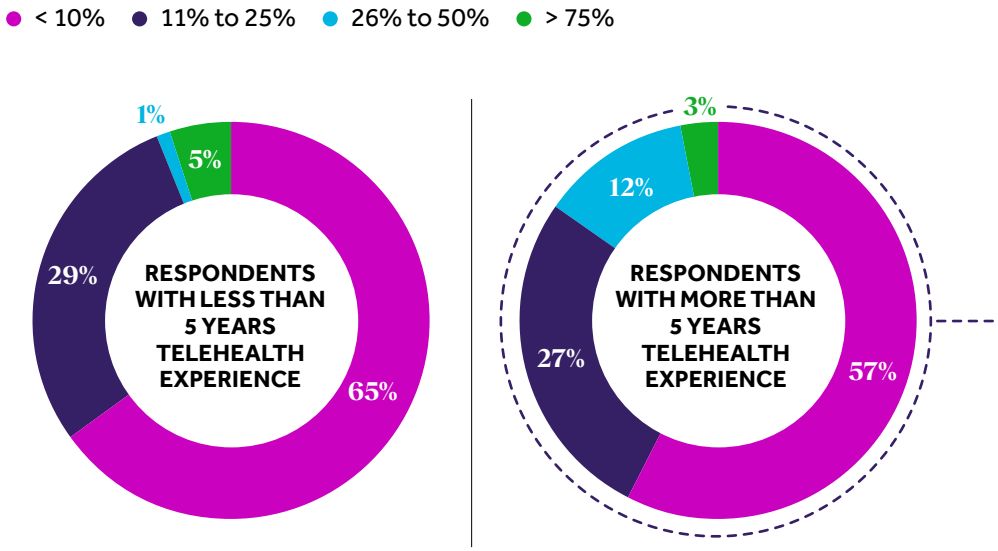


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Most organizations with telehealth programs completed less than 10 percent of their patient visits virtually in the past year (Figure 8). Program experience is a significant variable in the percentage of visits completed in person or via telehealth. **Organizations with telehealth programs in place for at least five years are 2.5 times more likely (15% vs. 6%) to have provided more than 25% of patient visits virtually.** A separate question was asked about virtual visit volume. Among organizations with programs in place for more than five years, 36% reported completing over 100,000 virtual visits last year. As noted, the most experienced respondents are also more likely to be expanding their programs.



FIGURE 8: PERCENTAGE OF PATIENT VISITS PROVIDED THROUGH TELEHEALTH IN PRECEDING 12 MONTHS



Organizations with telehealth programs in place for at least five years are

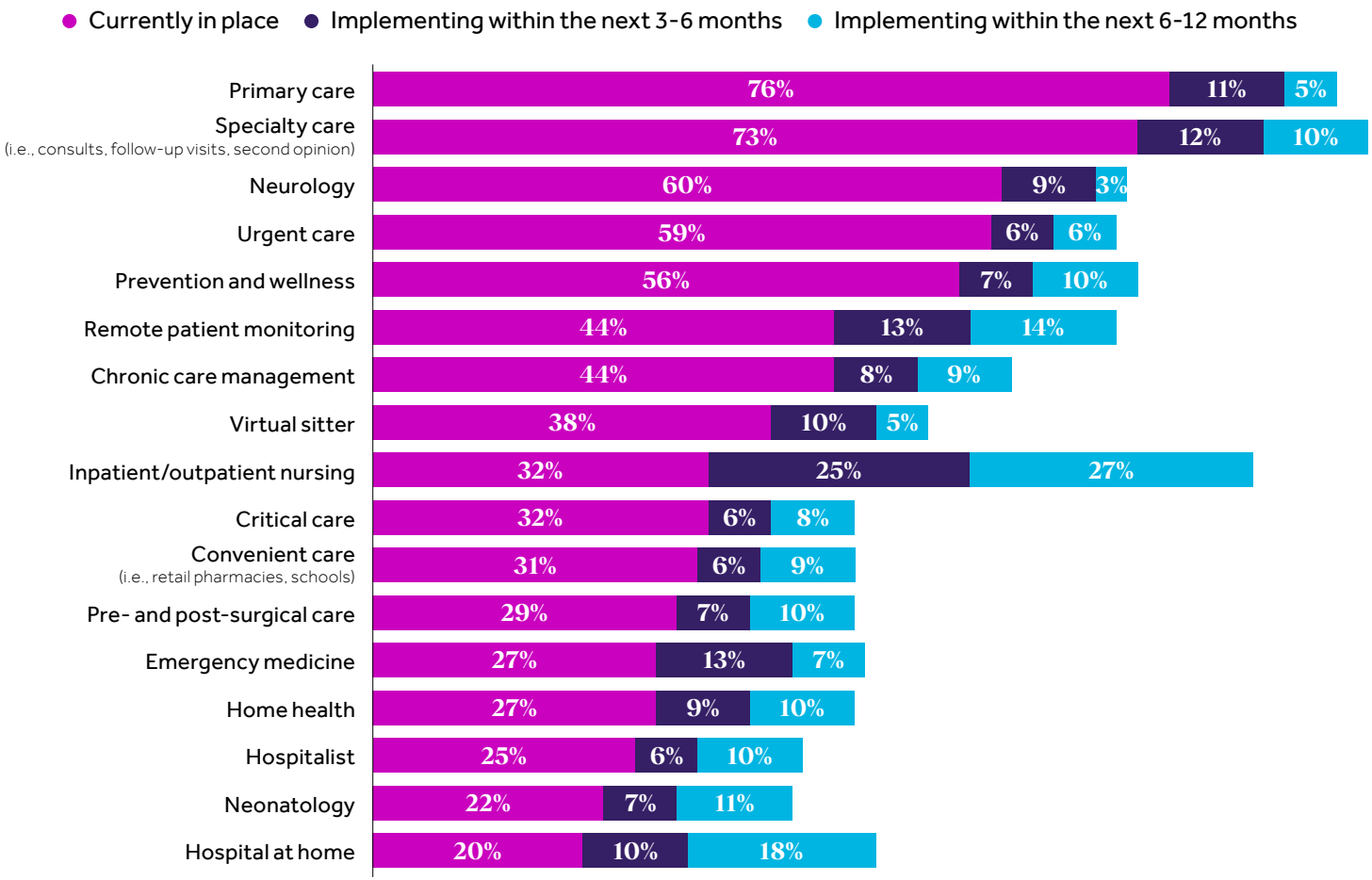
2.5x more likely

to have provided more than 25% of patient visits virtually.

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Examining plans for service offerings provides a good perspective on current virtual care and its future direction. Figure 9 shows 18 leading telehealth services, ranked by the percentage of respondents that currently offer them. **Two types of programs — hospital at home and virtual nursing — have more organizations planning to implement them than have them now.** Remote patient monitoring (RPM) and neonatology are among the other practice areas set for significant adoption growth.

FIGURE 9: TELEHEALTH PROGRAMS IN PLACE AND PLANNED IMPLEMENTATIONS





For two consecutive years, virtual nursing is the largest planned growth area for health systems – 52% plan to have virtual nursing programs in place in the next 12 months.

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Virtual nursing has the highest planned adoption growth for the second consecutive year; 52% of organizations reported plans to introduce virtual nursing programs in 2024.

The top five programs currently in place are offered by more than half of the respondents with any telehealth programs. By the end of 2024, three more programs are expected to cross 50% adoption: remote patient monitoring, chronic care management and virtual sitter. The most-adopted programs tend to be broad-based and available to large patient populations, but many of the fastest-growing programs are more specialized and may require more sophisticated virtual care infrastructure, such as hospital at home and remote patient monitoring.

This survey has long found that **most organizations with telehealth programs expand them continually.** Now that a sizeable portion of organizations have had telehealth in place for more than five years, their differences in adoption rates compared to less experienced providers demonstrate the perceived value of continuous virtual care expansion.

Organizations where telehealth has been operational for more than five years have higher adoption rates for almost every listed program type than organizations with less than five years of telehealth experience. The largest gaps are for critical care programs (66% of 5+-year respondent organizations have them, while only 12% of others do — a 54% difference), virtual sitters (53%), pre- and post-surgical care (40%), remote patient monitoring (38%) and neonatology (37%). Organizations with more than five years of telehealth experience are particularly focusing on deploying or expanding inpatient nursing (63% plan to implement), hospital at home (27%) and virtual sitter (24%) services in 2024.

As programs scale and become more sophisticated, general-purpose video conferencing technology is losing favor as a primary telehealth infrastructure. **Today, hospitals and health systems are looking for a telehealth partner that specializes in the unique needs of healthcare delivery** with capabilities to scale and expand across their organizations (Figure 10). Video conferencing as the primary tool for telehealth technology is declining, with only 9% of respondents using it compared to 23% in 2022 and 25% in 2021.

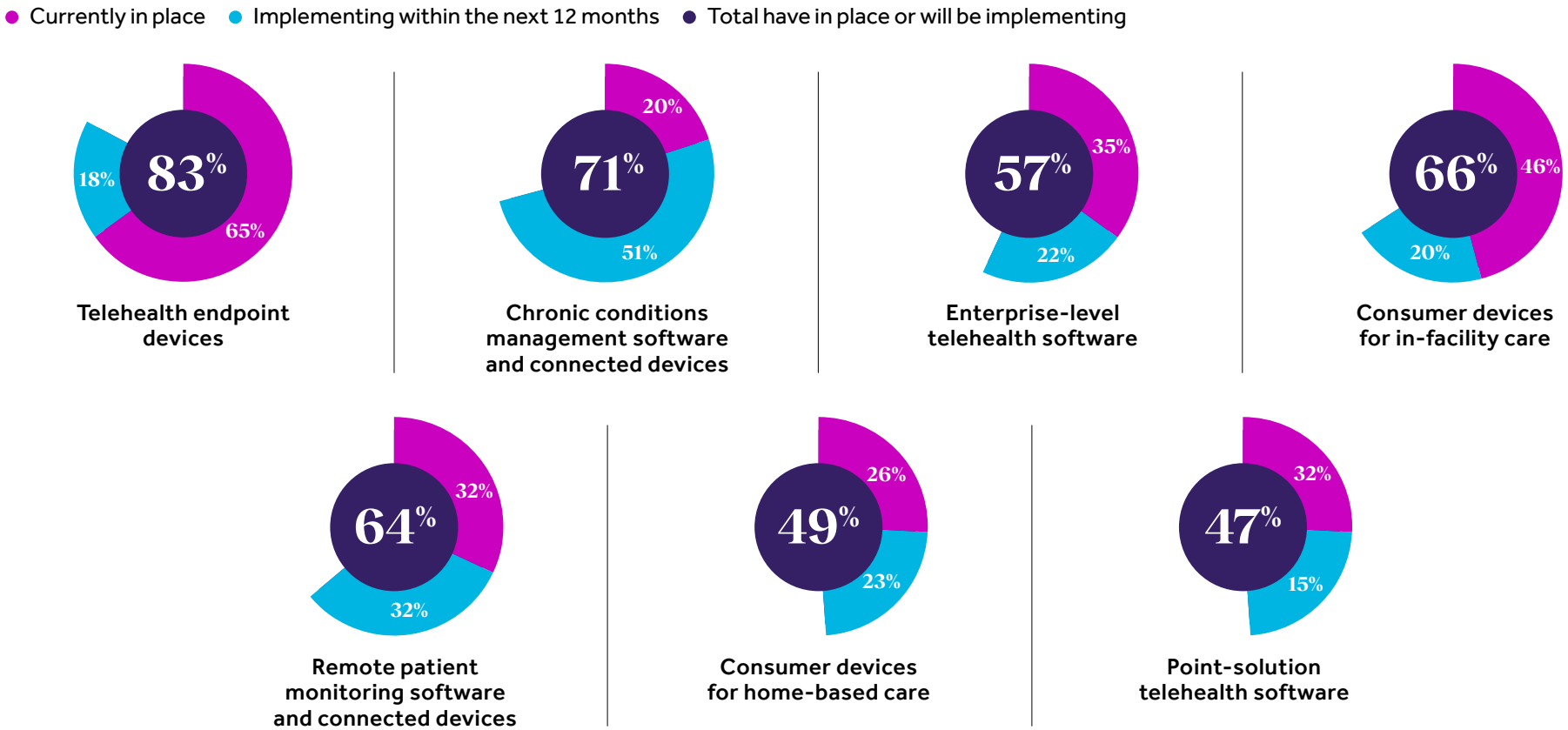
FIGURE 10: TECHNOLOGY THAT POWERS THE TELEHEALTH PROGRAM

40%	36%	9%	9%	5%
Telehealth vendor	Electronic health record (EHR)	Video conferencing platform	Home-grown solution (built internally)	Combination/ other

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Respondents separately rated the functions and characteristics of telehealth offerings they consider most important. **Patient satisfaction, reliable and secure audio/video conferencing and physician satisfaction ranked as the clear top tier,** followed by bidirectional EHR integration. Tight EHR integration will likely become more important as providers leverage more remote monitors and other devices into their virtual care practices. Most providers have not deployed devices to support chronic condition management or other remote patient monitoring uses (Figure 11), but many are planning to.

FIGURE 11: TECHNOLOGIES DEPLOYED TO SUPPORT TELEHEALTH



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Goals and metrics

Over the years and across provider experience levels, the leading goals for telehealth programs and the metrics for measuring their success have remained consistent and centered on increasing patient satisfaction, access to care and utilization. Because patient satisfaction is central to telehealth programs, **the pace and ways organizations have sought to expand their programs have largely depended on the quality of care they believed they could attain.** Most providers now have confidence in virtual care quality, and telehealth is undergoing another rapid expansion. Figure 1 showed that 80% of respondents believe virtual care quality is on par with or better than in-person care. Highly experienced providers have even higher perceptions of virtual care quality, as Figure 12 below highlights.



FIGURE 12: PERCEPTIONS OF VIRTUAL CARE QUALITY BY PROVIDER EXPERIENCE LEVEL

FOR CASES WHERE CARE CAN BE PROVIDED VIRTUALLY, HOW DO YOU PERCEIVE THE QUALITY OF VIRTUAL CARE COMPARED TO IN-PERSON CARE?	RESPONDENTS WITH LESS THAN 5 YEARS EXPERIENCE	RESPONDENTS WITH MORE THAN 5 YEARS EXPERIENCE
In-person care is superior to virtual care	15%	3%
Virtual care is on par with in-person care	57%	94%
Virtual care is significantly better than in-person care	9%	0%
Virtual care is slightly better than in-person care	6%	0%
I have not formed a definitive opinion on the quality of virtual care versus in-person care	12%	3%

94%

of respondents with over five years of experience providing telehealth believe virtual care is on par with in-person care.

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Organizations with less than five years of virtual care experience are five times more likely to believe in-person care is superior; only 3% of respondents from organizations with more than five years of experience believe in-person care is better.

Validation of the ability for telehealth to solve critical and evolving market demands has led organizations to include it in their efforts to meet strategic goals. Providers are counting on telehealth to be an ongoing component of new care models, rather than being used as a specialty tool for a specific situation. Respondents were asked to rate the priority of 16 different goals for their telehealth programs. Figure 13 lists the goals in rank order.

FIGURE 13: ORGANIZATIONAL GOALS FOR TELEHEALTH, RANKED

1	Improve access to care	9	Improve operational efficiencies
2	Market expansion and growth	10	Meet the needs of a particular department or service line
3	Improve consumer/patient experience and engagement	11	Address social determinants of health
4	Improve clinical outcomes	12	Support clinician work-life balance and reduce burnout
5	Reduce inappropriate ED and ugent care use (reduce wait times)	13	Compete relative to other hospitals and new healthcare entrants
6	Reduce transfers and network leakage	14	Manage at risk populations
7	Enable integrated, patient-centered care across the continuum	15	Reduce total cost of care
8	Better manage chronic conditions	16	Post discharge/readmission management



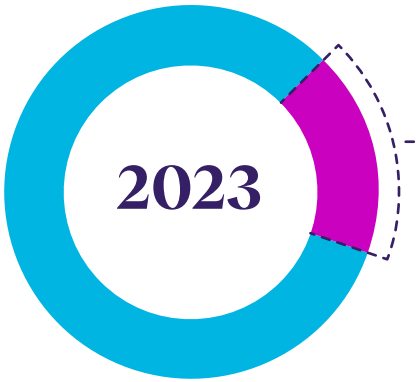
14 of the 16 goals were cited as a top-level priority by at least one organization, indicating that virtual care supports many organizational goals and strategies.

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Improving access to care was the top-rated goal, as it has been in every annual survey. **The most notable year-over-year change in goals was the percentage of respondents that cited market expansion and growth as the most important goal for their programs.** In 2023, 18% of respondents ranked it as most important, compared to only 6% the year before. There was also more emphasis on reduced network leakage, which ranked sixth among goals in 2023 after ranking 12th in 2022. While respondents with more or less than five years of experience demonstrate differences regarding other aspects of telehealth, their goals are largely aligned.

Using telehealth to improve work-life balance and reduce burnout remains a relatively low-ranked goal, tying for 12th with only 3% of respondents ranking it as very important or the most important. This finding suggests that many organizations may be missing an opportunity to use telehealth to mitigate persistent staffing challenges. Other studies have found that virtual care programs can have beneficial effects on improving employee satisfaction, work-life balance and retention. More specifically, several healthcare organizations have cited retention and recruiting as reasons for committing to virtual nursing programs.

The low rank for improving work-life balance and reducing clinician burnout is also surprising because organizations consistently rank physician satisfaction as one of their most important metrics of telehealth program success. That was the case again in 2023, when 15% of respondents cited physician satisfaction as a top priority for evaluating telehealth program success and ranked it fifth out of the 10 most important evaluation metrics.



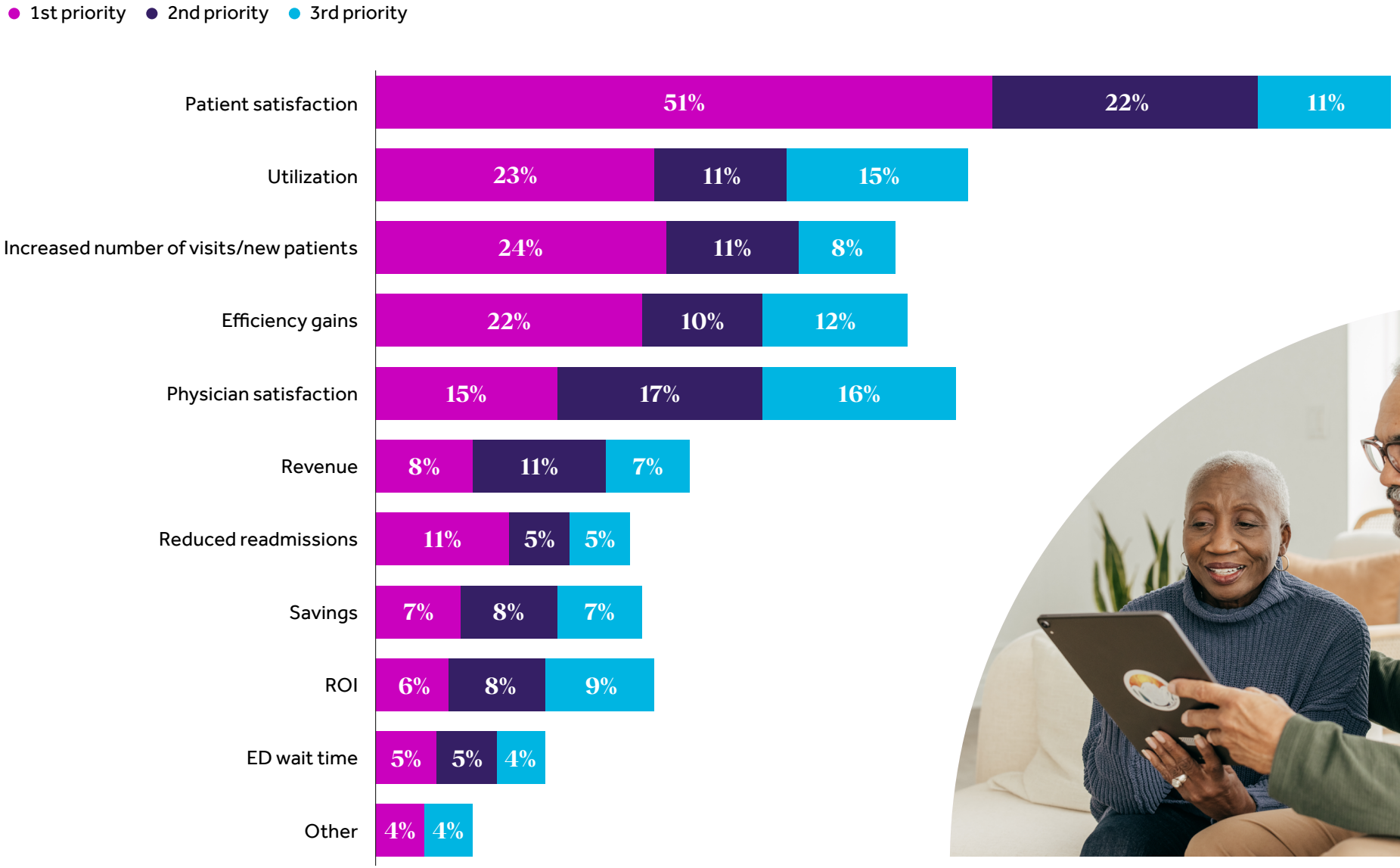
18%

of respondents ranked market expansion and growth as most important, compared to only 6% in 2022.



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FIGURE 14: SUCCESS METRICS FOR TELEHEALTH PROGRAMS

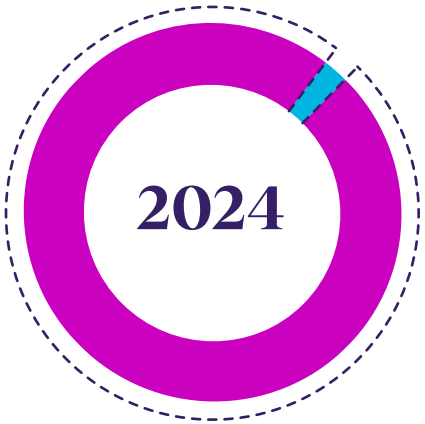


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Looking ahead

If respondents follow through on their plan-to-implement intentions, **98% of hospitals and health systems will have telehealth programs in place by the end of 2024.** Projected data suggests that actual adoption will be close to that level, as 91% of organizations already have programs in place. With most organizations already offering some form of virtual care, the next step in telehealth evolution will not be about who will be adopting it for the first time but rather how existing providers will evolve their programs. For most, the evolution will be to expand, with goals to increase patient access and engagement as the drivers.

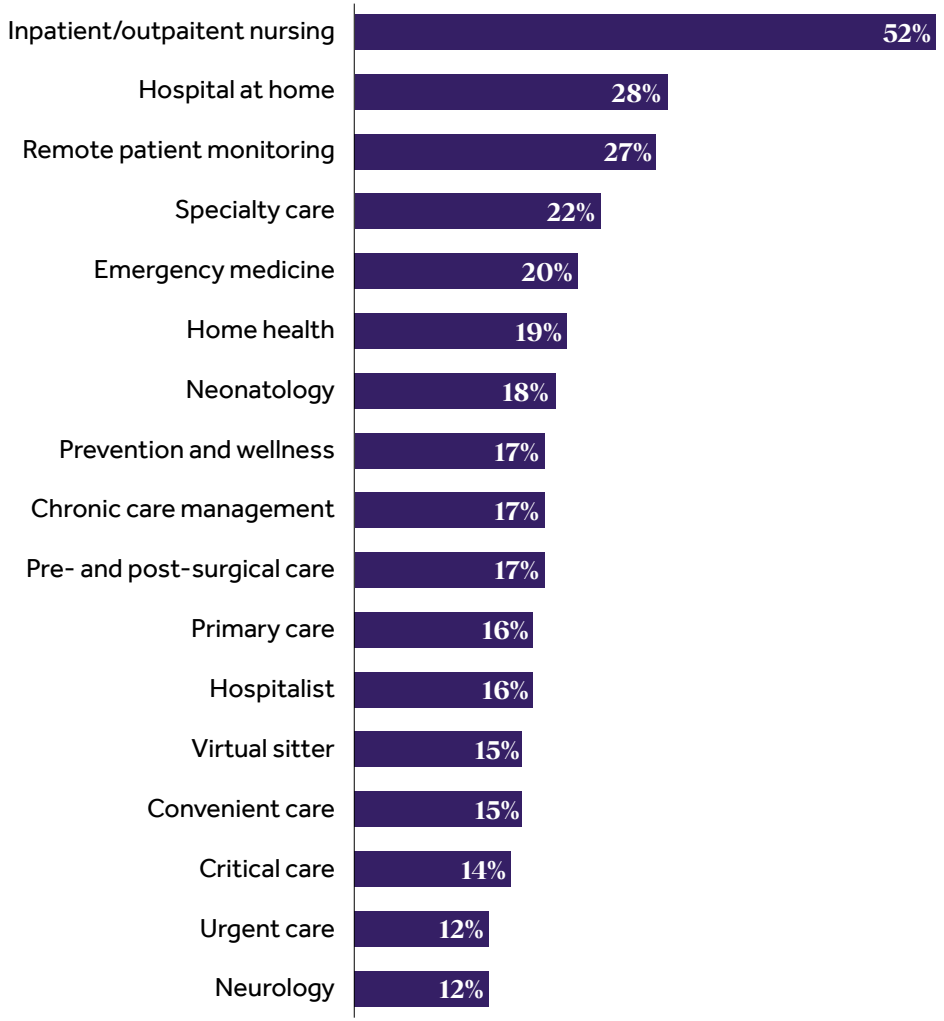
Figure 15 is a version of the previously presented Figure 9 that has been modified to show telehealth programs in the rank order that respondents plan to implement in 2024.



98%

of hospitals and health systems will have telehealth programs in place by the end of 2024.

FIGURE 15: PROGRAMS RESPONDENTS PLAN TO IMPLEMENT IN 2024

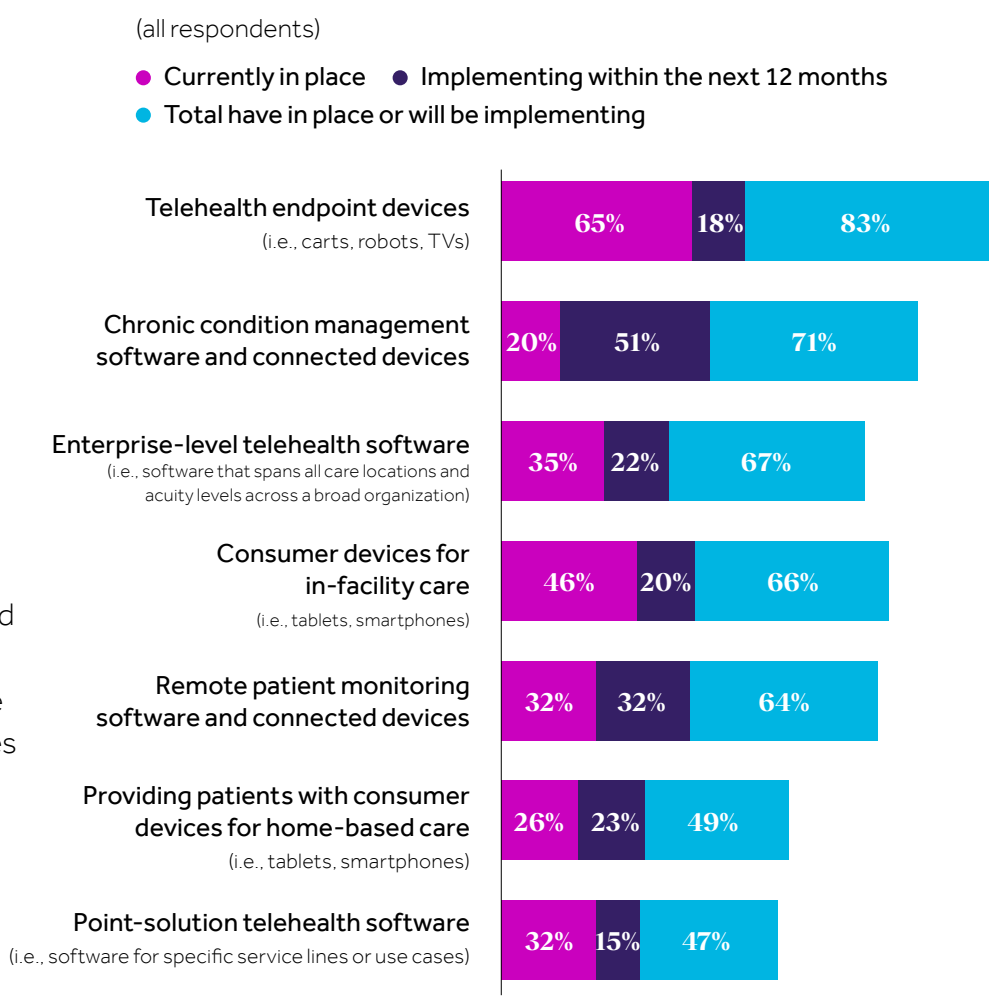


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For the second consecutive year, virtual nursing and hospital at home services top the list of programs that most respondents plan to implement. **At the start of 2023, 32% of respondents had virtual nursing programs in place; 52% now plan to by the of 2024.** Overall, at least 12% of respondents are planning rollouts for each of the 17 options presented. The broad support for many program types is more evidence that providers are working to expand the scope of their telehealth programs.

Organizations are planning to invest in remote infrastructure to support these programs. Hospital at home and remote patient monitoring ranked second and third, respectively, in planned new program deployments, and home health services ranked seventh. For example, 51% of respondents are planning to deploy chronic condition management devices and software in the coming year (Figure 16), which is the highest level of planned adoption for any of the technology options presented. Remote patient monitoring infrastructure has the second-most respondents that are planning to deploy (32%), and its use also correlates to more sophisticated and ongoing at-home care. There will also be growth in the use of less specialized equipment—only 26% of organizations currently provide patients with tablets, smartphones or other consumer-grade devices as part of their telehealth programs, but another 23% plan to do so in 2024.

FIGURE 16: CURRENT AND PLANNED TELEHEALTH TECHNOLOGY DEPLOYMENTS



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Experienced telehealth adopters are already more likely to use consumer devices in their programs: 82% of organizations that have offered telehealth services for five years or more include consumer devices in their programs, compared to 46% of organizations with less experience (Figure 17). There are several other technology use inconsistencies by experience level. Organizations that have operated telehealth programs for five years or more are twice as likely than all others to have comprehensive, enterprise-level telehealth software as the foundation for their programs (70% vs. 35%). They are nearly twice as likely (61% vs. 32%) to already have some remote patient monitoring infrastructure in place, and 94% plan to support RPM by the end of 2024.

FIGURE 17: TECHNOLOGY DEPLOYMENT COMPARISON FOR PROGRAMS OF +/- FIVE YEARS

	CURRENTLY IN PLACE		IMPLEMENTING WITHIN THE NEXT 12 MONTHS		TOTAL HAVE IN PLACE OR WILL BE IMPLEMENTING	
Respondent years of experience	**< 5 years**	**> 5 years**	**< 5 years**	**> 5 years**	**< 5 years**	**> 5 years**
Telehealth endpoint devices[1]	65%	88%	18%	6%	83%	94%
Chronic condition management software and connected devices	20%	36%	51%	33%	71%	69%
Consumer devices for in-facility care[2]	46%	82%	20%	3%	66%	85%
Remote patient monitoring software and connected devices	32%	61%	32%	33%	64%	94%
Enterprise-level telehealth software[3]	35%	70%	22%	12%	57%	82%
Providing patients with consumer devices for home-based care[2]	26%	42%	23%	21%	49%	63%
Point-solution telehealth software[4]	32%	70%	15%	3%	47%	73%

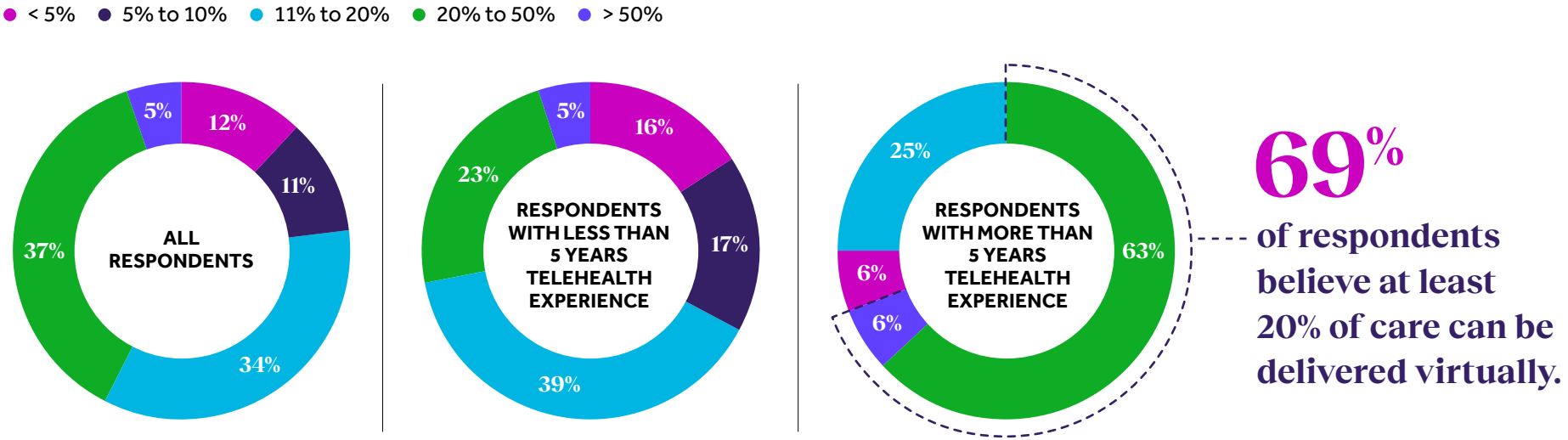
1. i.e., carts, robots, TVs
2. i.e., tablets, smartphones
3. i.e., software that spans all care locations and acuity levels across a broad organization
4. i.e., software for specific service lines or use cases

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As telehealth offerings and infrastructure expand, virtual visit volume likely will too. As Figure 8 showed, most providers currently complete less than 10% of their patient visits virtually. However, 77% believe that a higher percentage of their patient visits can be completed virtually, including 42% that believe at least 20% of patient visits can be conducted via telehealth (Figure 18 below). Organizations with a longer history of telehealth utilization are even more bullish on telehealth's potential — 69% of organizations that have had telehealth programs in place for more than five years believe more than 20% of care can be delivered virtually.



FIGURE 18: PERCENT OF CARE THAT RESPONDENTS BELIEVE CAN BE DELIVERED VIRTUALLY



69% of respondents believe at least 20% of care can be delivered virtually.

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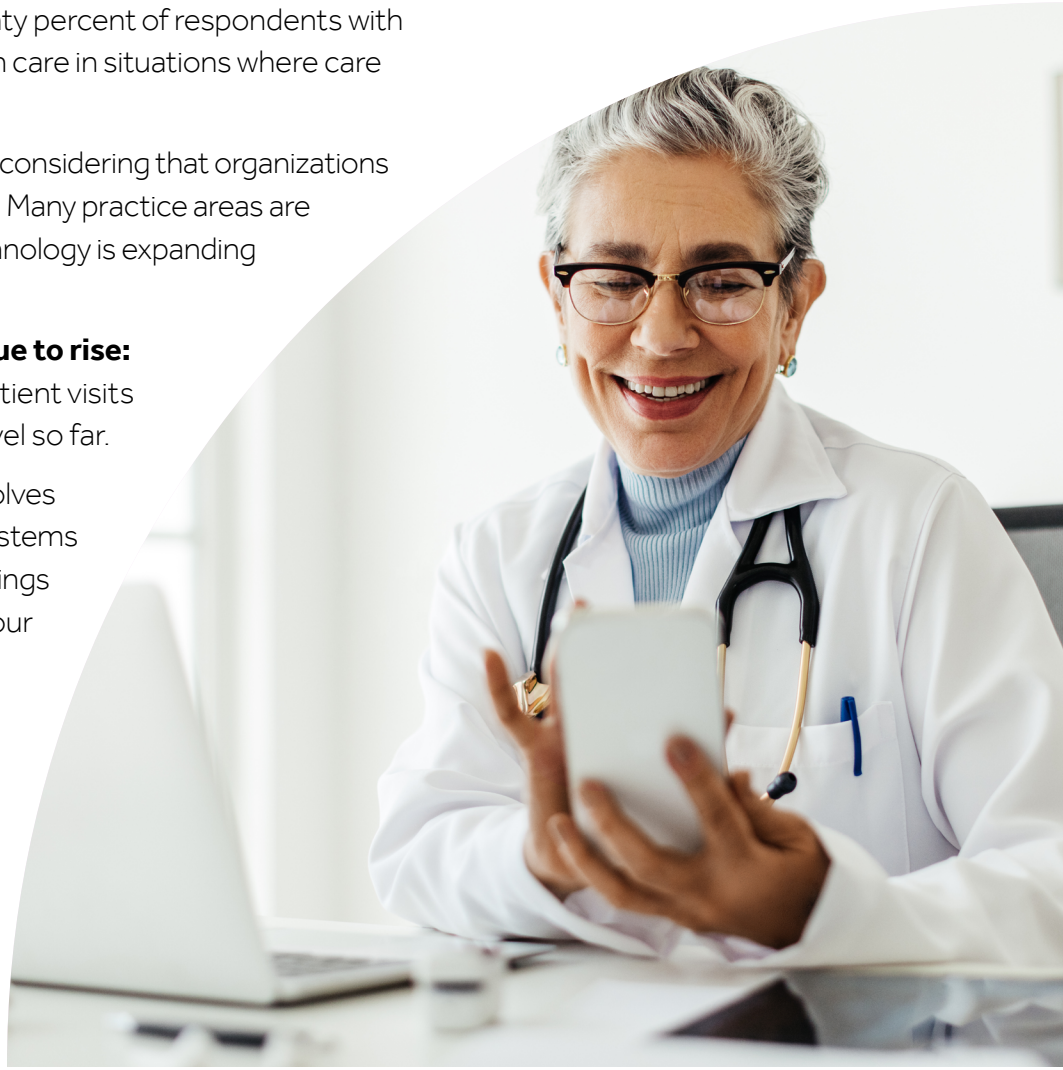
Conclusion

In 2023, a record 91% of hospitals, health systems and healthcare provider organizations surveyed offered telehealth services, and the percentage that are planning to expand their programs in 2024 is at the highest level since the pandemic outbreak. **These high telehealth engagement levels are a clear reflection of providers' confidence in their maturing programs.** Eighty percent of respondents with programs now say virtual care quality is equal to or better than in-person care in situations where care can be provided virtually.

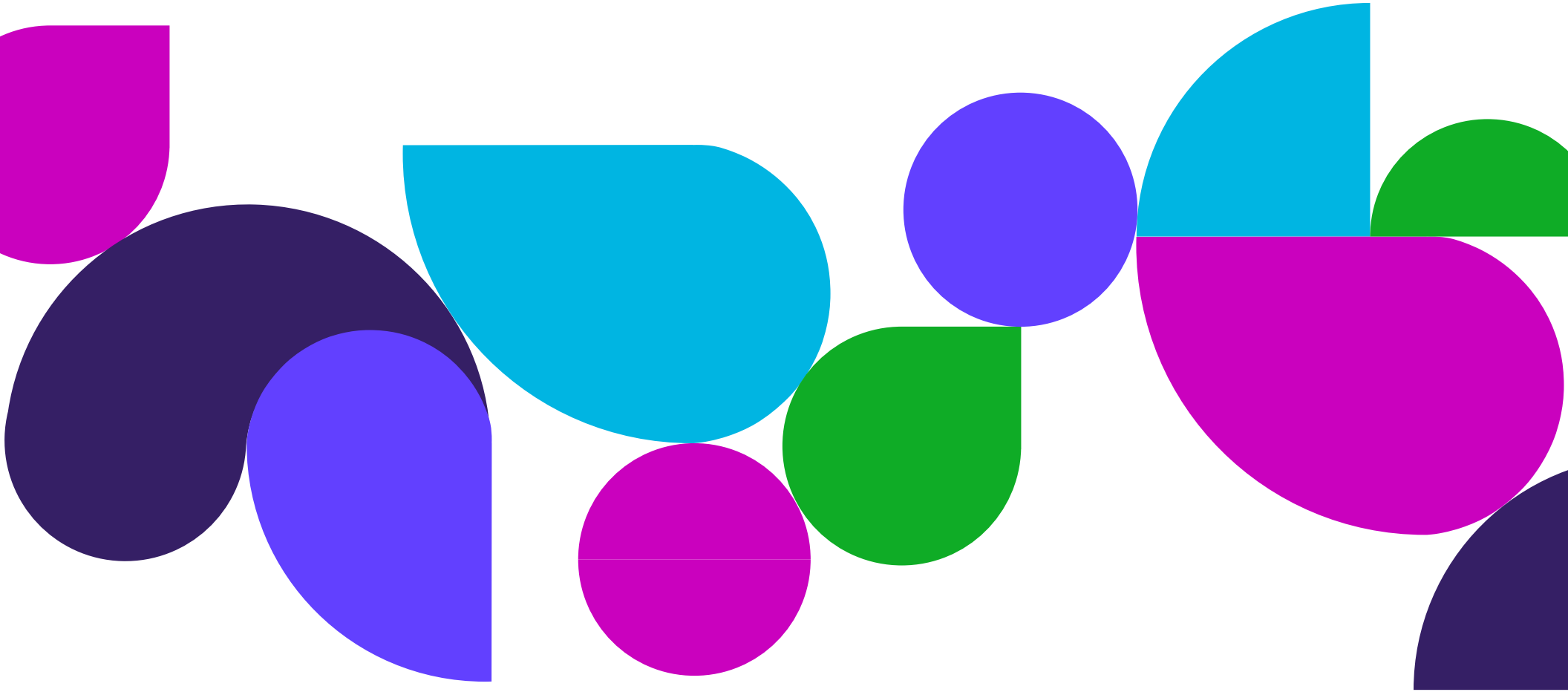
That confidence in care quality will catalyze continued growth, especially considering that organizations are expanding their views on what types of care can be delivered virtually. Many practice areas are experiencing telehealth growth, and the increased use of integrated technology is expanding the breadth and depth of care delivery.

The study found another strong signal that virtual care will continue to rise: 76% of providers believe they could conduct more than 10% of their patient visits virtually, but only half that many providers have reached that volume level so far.

Scaling programs and adding scope requires planning and frequently involves partners. Teladoc Health has been a partner to many hospitals, health systems and other organizations to help them create and provide telehealth offerings to meet a wide range of needs. Learn how Teladoc Health can support your virtual care strategies.



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About Teladoc Health: Teladoc Health is on a mission to empower all people everywhere to live their healthiest lives. As the world leader in whole-person virtual care, the company leverages its 20+ years of expertise and data-driven insights to meet the growing needs of consumers and healthcare professionals across the full care continuum, at every stage in a person's health journey.

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