



# The Essential Guide to Employer-Based Telehealth Programs

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### The Rise of Telehealth as a Corporate Imperative

If competitive market pressures weren't challenging enough for U.S. companies, then the Affordable Care Act's "employer mandate" only served to deepen corporate America's emphasis on cost control and cost reduction.

A remote patient monitoring program, known as telehealth, using digital technologies can reduce corporate healthcare costs, as well as improve employee productivity and absenteeism. Employees who take advantage of remote patient monitoring technology require fewer visits to emergency rooms, urgent care clinics, and physicians' offices. According to a 2012 Brigham Young University study, the impact to an organization's bottom line could be dramatic. That study of nearly 20,000 employees reported that "total health-related employee productivity loss accounts for 77% of all such loss and costs employers two to three times more than annual healthcare expenses."<sup>1</sup>

Numerous other studies have shown that paid time off to address employee issues associated with chronic problems such as diabetes, congestive heart failure, and insomnia cost employers hundreds of billions of dollars each year. In fact, a 2014 Towers Watson study reported that telehealth benefits could help employers save more than \$6 billion annually<sup>2</sup> and, in 2015, a follow-up study reported that more than 80% of employers were considering offering telehealth benefits within three years.<sup>3</sup>

Where, employers are asking, are these savings, and how does a telehealth program contain healthcare costs? First, as employees access telehealth services, office co-pays and associated claim costs are eliminated. Second, time away from the job is reduced, which reduces absenteeism and improves productivity. Third, because telehealth is generally available around the clock, emergency care and urgent care visits are reduced, along with their related claims. Fourth, for employees with chronic conditions who are actively being monitored and managed by a telehealth service, E.R. visits, hospitalizations, and re-hospitalizations are all reduced, which has a dramatic, positive impact on the company's healthcare costs – especially for self-insured employers.

### Telehealth in the Workplace

In general, a remote patient monitoring program occurs in two ways. First, an employee can be enrolled in a chronic disease management program for a

2013 U.S. Expenditures by Chronic Condition	
Heart Conditions	\$96,453,840,000 840,000
COPD, Asthma	\$71,504,480,000
Diabetes	\$63,069,140,000
Hypertension	\$47,455,060,000
Back Problems	\$45,454,820,000

Source: Agency for Healthcare Research,  
Medical Expenditure Panel Survey

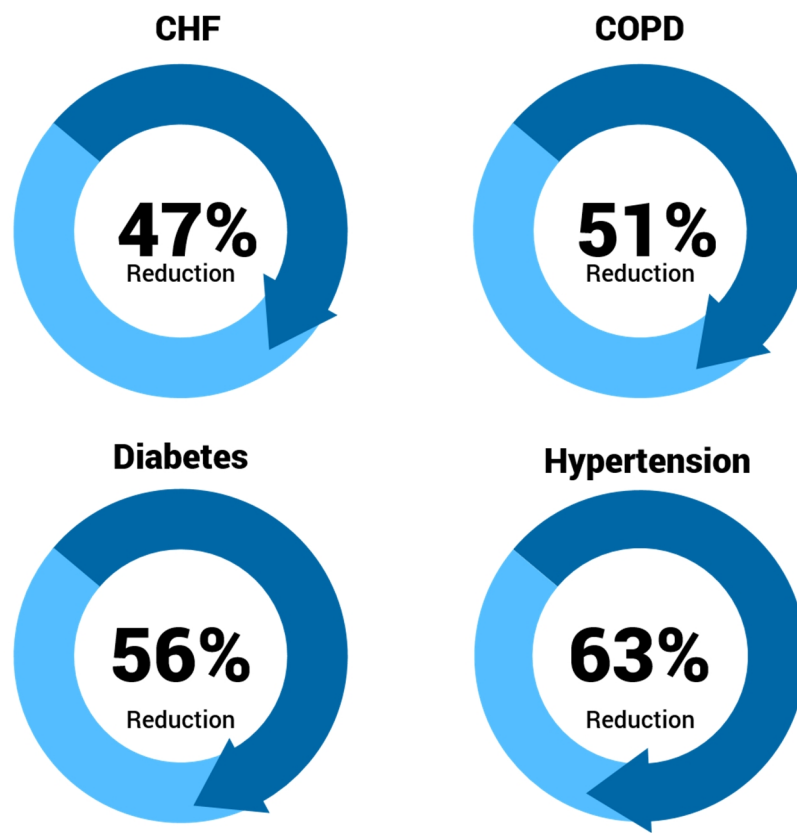
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condition such as diabetes. Using remote patient monitoring technology, the patient's vital signs data is regularly sent to a specially trained nurse, whose job it is to monitor the data for early warning signs – such as a spike in blood glucose levels. Using video streaming or telephone, the nurse consults with the patient to take corrective action, when necessary, in an effort to prevent a trip to the E.R. or hospital.

Second, the nurse can provide regular and ongoing information and education to the patient to help meet nutrition and exercise targets and increase knowledge of the disease process, which leads to improved disease self-management. The goal of remote patient monitoring is to keep the employee out of the emergency room and out of the hospital through early intervention. The cost of providing such a program is far less than the costs associated with E.R. visits and hospitalizations.

### Reduced Hospitalizations for Multiple Co-Morbidities with Telehealth Intervention



Source: Advanced TeleHealth Solutions study



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Making remote patient monitoring available to all employees is important if the company wants to reduce overall healthcare costs and absenteeism, and improve employee productivity. The most significant employer healthcare expenses are generated by employees with chronic conditions. In fact, such costs account for more than 75% of healthcare expenditures.<sup>4</sup> Currently, nearly half of all U.S. adults suffer from a chronic condition such as diabetes, heart disease, asthma, and hypertension; the cost of treating these chronic conditions is expected to top \$4.2 trillion by 2023.<sup>5</sup>

With remote patient monitoring, it doesn't have to be that way. Remote monitoring of patients with chronic diseases is already reducing hospital visits by as much as 50%. In fact, a 2011 study found that patients with chronic conditions who were being monitored remotely via telehealth saw between a 30% and 53% reduction in annual healthcare costs.<sup>6</sup>

### Advanced TeleHealth Solutions Diabetes Management Program

- An ehealth device in the home
- Daily monitoring of vital signs
- Individualized coaching
- Timely patient education
- Medication compliance assistance
- A specialized clinical team trained in chronic disease management

Specifically, an ongoing remote patient monitoring program can affect significant improvement and compliance from the patient. For instance, Advanced TeleHealth Solutions' diabetes management program not only supports patients with home diagnostics for monitoring of their disease, but also, more important, management, prevention, and lifestyle changes advised by their care team.

### How to Offer Telehealth Services

The easiest way to offer a remote patient monitoring telehealth program for your company's employees is to contract directly with Advanced TeleHealth Solutions.

Our telehealth program can be leased at a very nominal cost on a per-employee, per-month basis and included as a health plan benefit. If your company is self-funded, this telehealth program can offer tremendous cost savings, even if providing it as a non-voluntary benefit or as a voluntary benefit to part-time and seasonal workers.

Telehealth is more than just remote patient monitoring and mobile technology. Any provider you partner with should be able to offer your employees a platform that allows them to monitor symptoms and overall health, improve nutrition goals, and learn more about how to improve overall well-being.

Because the primary focus of any corporate health and wellness program is to reduce healthcare costs – particularly those associated with employees who are



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battling chronic conditions – the vendor’s core competency must be the ability to consistently and accurately monitor vital signs in the patient’s home. For data outside of the set “normal” limits for the patient, the telehealth vendor must be able to alert the patient in a timely fashion. This is critical, as such alerts allow for early interventions, which have been shown to reduce E.R. visits and hospitalizations. Daily monitoring also provides a long-term view of how well a patient’s condition has been managed over time, which allows the care team to make adjustments to the care plan, as appropriate.

### Conclusion

Telehealth has been shown to achieve not only measurable, cost-effective results, but also improve the health outcomes for patients with chronic conditions. Employers, especially those that are self-funded and looking for ways to decrease corporate healthcare costs, reduce absenteeism, improve employee productivity, while helping employees save money and time on their own out-of-pocket healthcare expenses, would do well to consider telehealth as a valuable component of their overall benefits plan design.

Employee adoption does not appear to be a hindrance to telehealth, as studies have consistently shown a willingness by consumers to use telehealth as a way to manage their care. In fact, the number of people reporting to have at least one medical, health, or fitness app on their mobile devices doubled from 2013 to 2015.

For a corporate return-on-investment to be achieved from a telehealth program, it is critical that such a program include – and focus on – remote patient monitoring of those employees who suffer from one or more chronic conditions. This high-risk group accounts for higher absenteeism rates and lower productivity rates, making this subset of the employee population the one with the greatest opportunity for cost savings. Programs that do not include remote patient monitoring of employees with chronic diseases will barely make a dent in a company’s healthcare financial losses.

Implemented correctly, though, a telehealth program – or remote patient monitoring – that harnesses the power of digital technologies can reduce corporate healthcare costs, as well as improve employee productivity and absenteeism.



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### References

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<sup>2</sup>Towers Watson Expects a 68% Increase in the Number of Employers Offering Telemedicine in 2015. <https://www.towerswatson.com/en-US/Press/2014/08/current-telemedicine-technology-could-mean-big-savings>

<sup>3</sup>Employers Expect Changes to Employee Health Care Programs to Retain Competitiveness, According to New Towers Watson Survey.  
<https://www.towerswatson.com/en-US/Press/2015/03/employers-expect-changes-to-employee-health-care-programs-to-retain-competitiveness>

<sup>4</sup>Centers for Disease Control and Prevention. Rising Health Care Costs Are Unsustainable. April 2011.

<sup>5</sup>Kung HC, Hoyert DL, Xu JQ, Murphy SL. Deaths: final data for 2005. National Vital Statistics Reports 2008;56(10).

<sup>6</sup>Partners HealthCare: Connecting Heart Failure Patients to Providers Through Remote Monitoring. <http://www.commonwealthfund.org/publications/case-studies/2013/jan/telehealth-partners>





Advanced TeleHealth Solutions has been a leader in remote patient monitoring for more than a decade. The company deploys the most advanced technologies, strategies, and a URAC-accredited health call center to help healthcare providers, payers, and employers improve health outcomes, reduce avoidable hospital readmissions, and reduce healthcare costs.



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