

NRC Health | Market Insights

The State of Telemedicine

December 2016



Introduction

Telemedicine is without a doubt a rapidly growing disruptive force in healthcare. In fact, it was recently reported¹ that in 2015 *more than half* of Kaiser Permanente patients' interactions with their providers **occurred virtually and not in person.**

No matter where your organization lies on the telemedicine adoption curve, ask yourself – are you prepared for this paradigm shift?

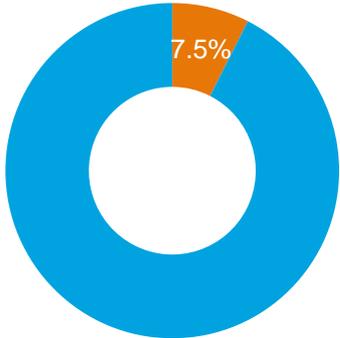
Do you know who your current telemedicine users are?

Do you know who they will be in the future?

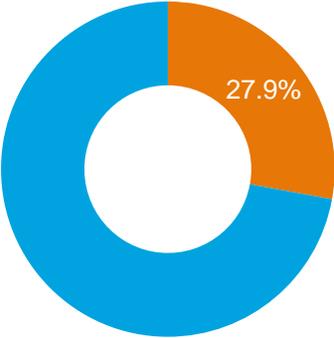
Growing Expectations

In 2016, Market Insights began asking consumers whether they've used telemedicine, whether they predict using it in the coming year, and how they would feel about having the service as an available option. Here's what we've learned:

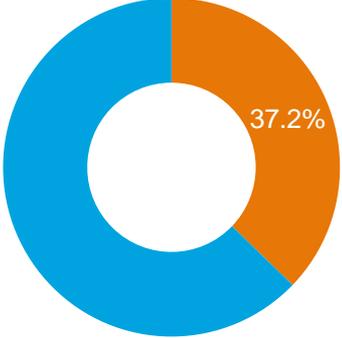
8% of Americans have used telemedicine



28% predict possible use in the next year



37% would be excited to have the option



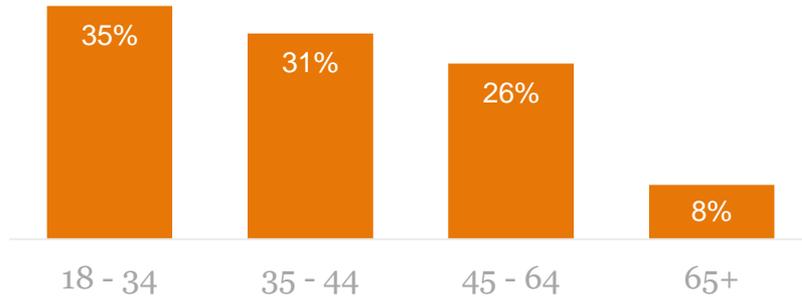
National data collected Jul-Oct 2016
Total n = 101,468

Adoption by Age

Two-thirds of telemedicine users are under 45, but nearly half of those 45+ would be “very excited” if the option were available to them.

One out of three Millennials say they “might,” “probably will,” or “almost certainly will” use telemedicine within the next year.

Telemedicine Users by Age



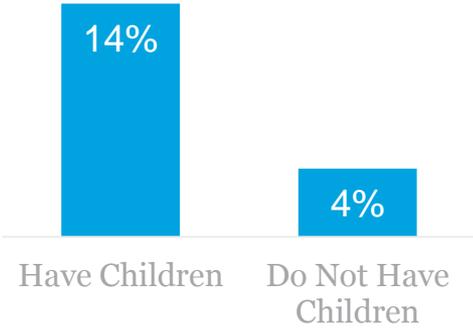
14% of Millennials have used telemedicine

35% of Millennials say they will potentially use telemedicine in the next year

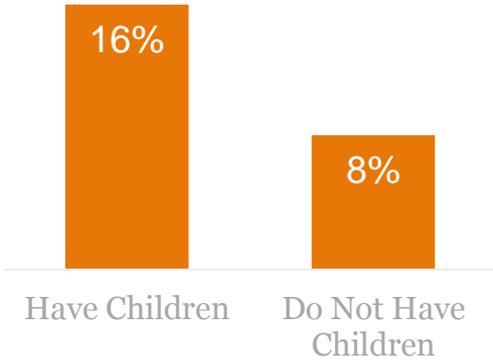
Pediatric Implications

Telemedicine may be an especially appealing option for parents of pediatric patients. Current users are 3.5 times more likely to have children in their household. Similarly, twice as many households with children look forward to using virtual care than those without children.

Telemedicine Users
by Presence of
Children in Home



% Would be "Very
Excited" if
Telemedicine Were
Available



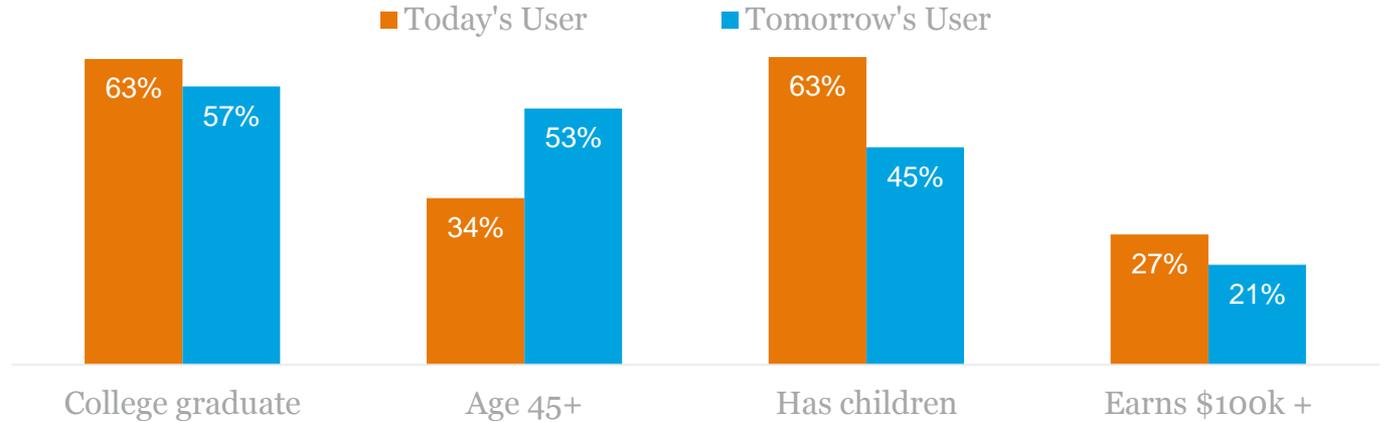
Today's User vs. Tomorrow's User

Today's telemedicine user is most likely to be under 45 and have children, but tomorrow's user – defined by their expectations and positive attitude toward using telemedicine – is **older**.

Demographics: Comparing Current vs. Future Telemedicine Users

Today's User: Has used telemedicine

Tomorrow's User: Has not used telemedicine yet, but “probably” or “almost certainly” will use it in the coming year *or* would be “very excited” to have the option



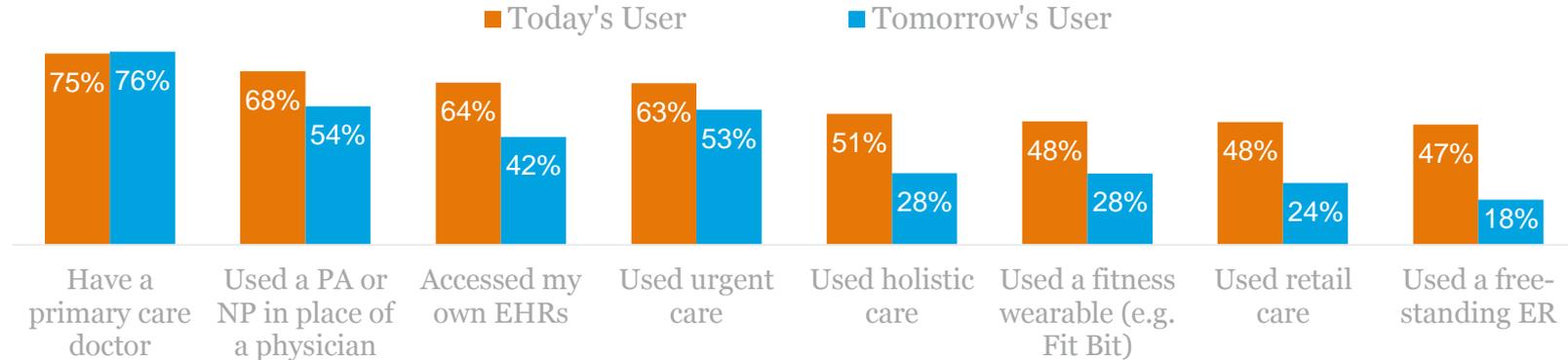
Today's User vs. Tomorrow's User

Today's and tomorrow's telemedicine users are equally likely to have a primary care doctor, but today's user appears to be more engaged in their health – for example, the majority of current telemedicine users have accessed their own EHRs or used urgent care and nearly half use a wearable device. In contrast, tomorrow's users may be slower to adopt other care innovations, but 72% would feel “very excited” to have a virtual care option.

Today's User: Has used telemedicine

Tomorrow's User: Has not used telemedicine yet, but “probably” or “almost certainly” will use it in the coming year or would be “very excited” to have the option

Behaviors: Comparing Current vs. Future Telemedicine Users

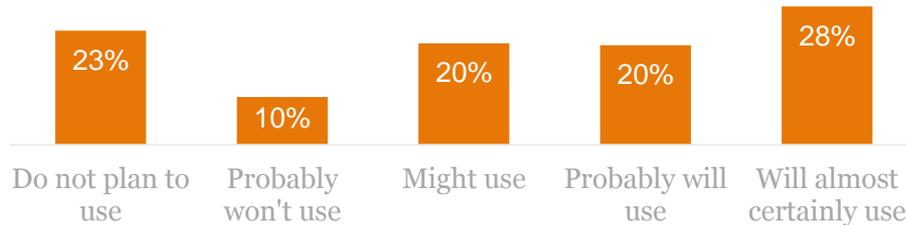


Moving Forward

67% of those who are “very excited” about the advent of telemedicine have not yet used it – there is still great opportunity to convert potential users.

However, 23% of those who have utilized telemedicine in the past **would not plan to do so in the coming year**. Furthermore, a greater proportion of rural residents than urban residents do not plan to use it in the coming year – even though virtual care has strong potential to increase access to care in rural communities.

Predicted Telemedicine Use in
Coming Year Among Current Users



63% of **rural** residents “do not plan to use” telemedicine

55% of **urban** “do not plan to use” telemedicine

The Bottom Line

As of December 2016, 8% of Americans have used telemedicine, 28% of Americans predict potential use of telemedicine in the coming year and even more would be excited to have the option.

Today, two-thirds of telemedicine users are under 45 but tomorrow's user is older and not as engaged in other care innovations today. In the near future, telemedicine users won't be Millennial early adopters.

A substantial proportion of those who have already used telemedicine do not predict utilization in the coming year and the majority of rural residents do not appear to see the potential value -- yet.

Consumers increasingly expect to have access to telemedicine and your brand should be the one they turn to first.

Is your organization prepared? Use Market Insights to profile your brand advocates, understand how they're using care today, and identify what they think sets you apart.

People of all ages and approaches to their health are open to using virtual care in the future.

To convert potential users into actual users, you must understand and respond to their perceived barriers to utilization. Studying your own patients' needs and wants through NRC Health custom research is the perfect place to start.

Existing and future virtual care programs need to evolve as rapidly as the potential user.

If you're not measuring and improving customer experience among your telemedicine users and tailoring your messaging and programs to the unique needs of the communities you serve, you may be missing the mark. Use Research Bureau and Market Insights' ad testing solutions as your feedback loop.

Research Bureau Case Study: Telemedicine Receptivity

Client wanted to understand:

- 1.) How open is our market to using virtual care services?
- 2.) When would target potential users consider virtual care?
- 3.) What are perceived barriers to use?

Results

In this market, **19%** had already used telemedicine but only **16%** were aware that **local** providers offered it



Over **half** of those open to it would use virtual care for **cold, allergies, flu, cough, sore throat, and skin rashes** – more than said they would use urgent care for these *same* conditions

Those resistant to telemedicine are skeptical of the doctor's ability to accurately diagnose or fear it would feel **impersonal**



