

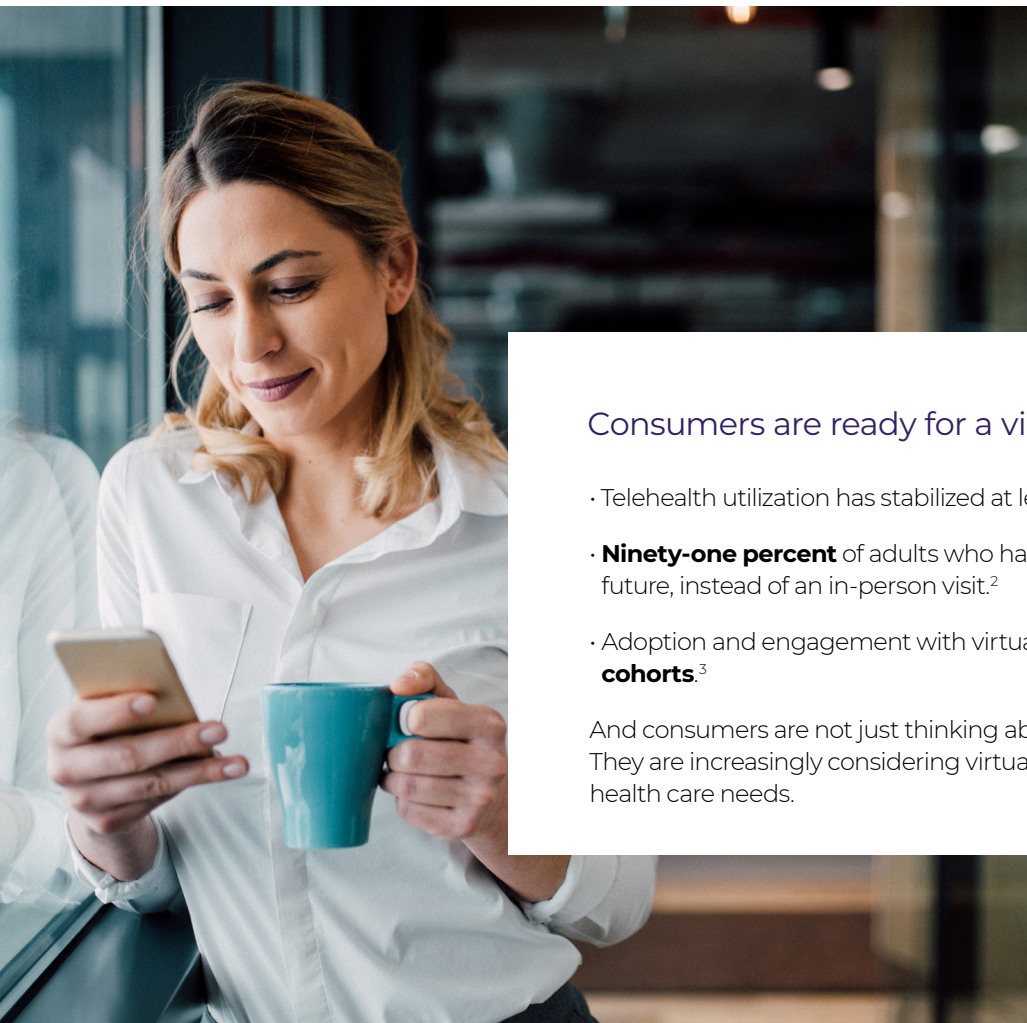


Driving healthcare value with a transformative approach to virtual care

A Virtual Care Transformation Model for employers

Virtual care offers the opportunity to reinvent care delivery with the goal of improved healthcare access, outcomes and affordability. This first-of-its-kind model allows organizations to optimize their current virtual care strategy and achieve their vision for a virtual-first approach.

Teladoc
HEALTH



Consumers are ready for a virtual-first experience

- Telehealth utilization has stabilized at levels **38X higher** than before the pandemic.¹
- **Ninety-one percent** of adults who have used virtual care would do so again in the future, instead of an in-person visit.²
- Adoption and engagement with virtual health has **increased across all age cohorts**.³

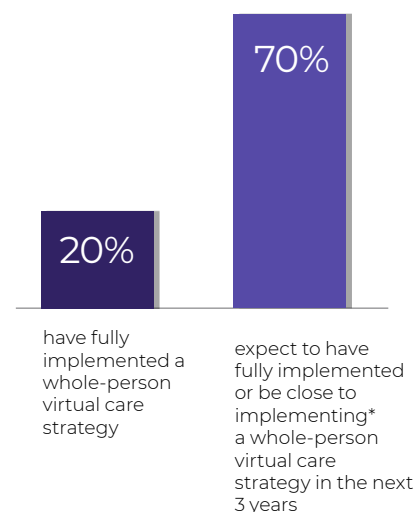
And consumers are not just thinking about virtual care for their urgent care needs. They are increasingly considering virtual care for ongoing, complex and mental health care needs.

Employers are responding

Many employers have responded to these trends, with 76% saying they've accelerated virtual care offerings and plan to keep these options in place over the long term.⁴ Yet even the most innovative employers have only begun to realize the potential of virtual care. In response, Teladoc Health has developed a **Virtual Care Transformation Model** that allows employers to:

- **Create a snapshot** of virtual care capabilities, revealing gaps in current strategies and opportunities to deliver a positive, virtual-first healthcare experience that fits the needs of various populations
- **Identify strategies** and solutions to progress your organization's virtual care journey in alignment with business goals
- **Apply this framework** at periodic intervals to understand progress and make adjustments

A majority of organizations plan to have a whole-person virtual care strategy in place in the next 3 years⁵



¹McKinsey & Company. "Telehealth: A quarter-trillion-dollar post-COVID-19 reality?" July 2021.

²PWC. Global Top Health Industry Issues. 2021

³The Advisory Board. How Covid-19 transformed virtual care preferences, January 12, 2021.

⁴Business Group on Health. 2022 Large Employers' Health Care Strategy and Plan Design Survey. August 2021.

⁵Virtual Care Transformation Study of Large Employers, Teladoc Health, 2021.

*Scored 4 or 5

A model built on deep industry insights, designed for real-world results

Teladoc Health's Virtual Care Transformation Model is based on deep virtual care delivery expertise and has been reviewed by an objective panel of benefits consultants skilled in anticipating market trends and advising organizations on their overall business strategies.

Virtual care can help address many of the healthcare challenges today's organizations face, including:

- Addressing whole-person needs for people with co-morbidities
- Improving affordability and access to care
- Increasing engagement in care management programs
- Connecting people to the appropriate level and combination of care

Market validation

Peer reviewed by industry experts including leading healthcare research firms, trade organizations and benefit consultancies advising global employers

Virtual care expertise

Leveraging Teladoc Health's nearly 20 years of experience delivering whole-person virtual care—including chronic condition management and virtual primary care—to more than 12,000 global organizations, including more than 50% of Fortune 500 companies

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Forward-thinking organizations are making virtual care key to achieving their overall healthcare strategy and sharpening their competitive edge. Having the right framework in place helps chart a multidimensional plan for moving virtual care from transactional to transformational.

Dan Trencher

SVP Corporate Strategy, Teladoc Health



The industry's first Virtual Care Transformation Model

Recent data shows that 80% of large employers believe virtual care will have a significant effect on how healthcare is delivered in the future, a 52% increase from 2018.⁶ Yet many struggle to understand how it fits into their existing infrastructure and business strategies. The Virtual Care Transformation Model offers a personalized, comprehensive roadmap to success based on your organization's resources, priorities and goals—helping bring all the pieces together to maximize healthcare outcomes and access across a population.

The Virtual Care Transformation Model is:

- Based on five core dimensions covering nearly 20 virtual care strategy attributes used to evaluate and measure stages along the transformation journey
- Created specifically for employers and their health plan partners
- Scalable to address organizations of different sizes, industries and markets

Top areas employers are focused on to advance virtual healthcare benefits in their organization⁷:

Decreasing out-of-pocket costs for employees when using virtual services

Enhancing marketing communications to employees

Adding a virtual-first health plan

Stages of virtual care transformation

Stage 1: Foundational

Organization offers select virtual care programs or services alongside other traditional healthcare benefits

Stage 2: Exploratory

Organization sees virtual care as a key enabler of their benefit strategy and uses incentives or reduced cost-sharing strategies to drive engagement and utilization

Stage 3: Strategic

Organization offers virtual care solutions—including primary care—that address a wide range of whole-person needs

Stage 4: Optimizing

Organization seamlessly bridges virtual primary care, other virtual services, and in-person care to drive lower costs and better health outcomes across the care continuum

Stage 5: Transformational

Organization has implemented a virtual-first benefits strategy that enjoys widespread adoption and is fully integrated with other products and services, both virtual and in-person

⁶Business Group on Health. "2022 Large Employers' Health Care Strategy and Plan Design Survey." August 2021.

⁷Virtual Care Transformation Study of Large Employers, Teladoc Health, 2021.



A multi-dimensional framework

The Virtual Care Transformation Model evaluates capabilities across five clearly defined dimensions to create a comprehensive view of virtual care transformation across the organization.

Organization and Governance		Plan Design
Identifies how an organization's leadership and governance drive support and implementation of virtual care services		Assesses how well an organization supports a virtual-first approach that reduces healthcare costs for the organization and for plan members, aligning financial incentives across stakeholders
Program Offering	Member Experience	Performance Measurement and Evaluation
Measures the breadth of whole-person virtual care services offered across the continuum to specific populations based on healthcare needs	Explores how well virtual care services are promoted, integrated and able to drive overall healthcare engagement and utilization	Measures the degree to which virtual care is delivering healthcare value—improving costs, access, outcomes and utilization

The model provides an objective basis from which to develop a roadmap while monitoring and adjusting for emerging industry capabilities, new market demands, and changing organizational needs.



Teladoc Health serves as a true partner to our clients, leveraging each other's industry expertise and real-world best practices to advance virtual care for the people we serve.

Kelly Bliss

President of U.S. Group Health,
Teladoc Health

Applying the model

The model is not a prescription—rather, it offers an opportunity to better understand your current state and identify the gaps that stand in the way of reaching key virtual care goals. Working with a virtual care partner, you can use this framework to accelerate your organization's progress towards those goals.

Of course, virtual care solutions themselves are only part of the path forward. The right partner can also ensure that your organization's processes, leaders and infrastructure are all aligned and committed to nurturing a long-term virtual care strategy.

With a focused action plan in place, the path forward to virtual care transformation becomes clear. Let's look at one client's experience.

Results

1.23%

decrease in HbA1c^a

0.6%

additional reduction in A1c among members enrolled in mental health program compared to those not enrolled in mental health^a

3.4

mmHg reduction in systolic blood pressure^a

39%

of members experienced improved well-being based on at least 10% increase of their WHO-5 score^a



CLIENT: Graco, a manufacturing company with 3,700 employees

Graco needed a solution to help stem its growing diabetes health benefits spend. Meanwhile, it wanted to help reduce stress among its employees with diabetes to mitigate the impact on overall emotional and physical health.

Case study: Pioneering a whole-person strategy

Built to acknowledge and address the impact of multiple conditions on overall health and well-being, the Teladoc Health whole-person virtual care solution offered Graco a cost-effective, clinically proven program to support common conditions including diabetes, hypertension, dyslipidemia and weight challenges along with mental health.

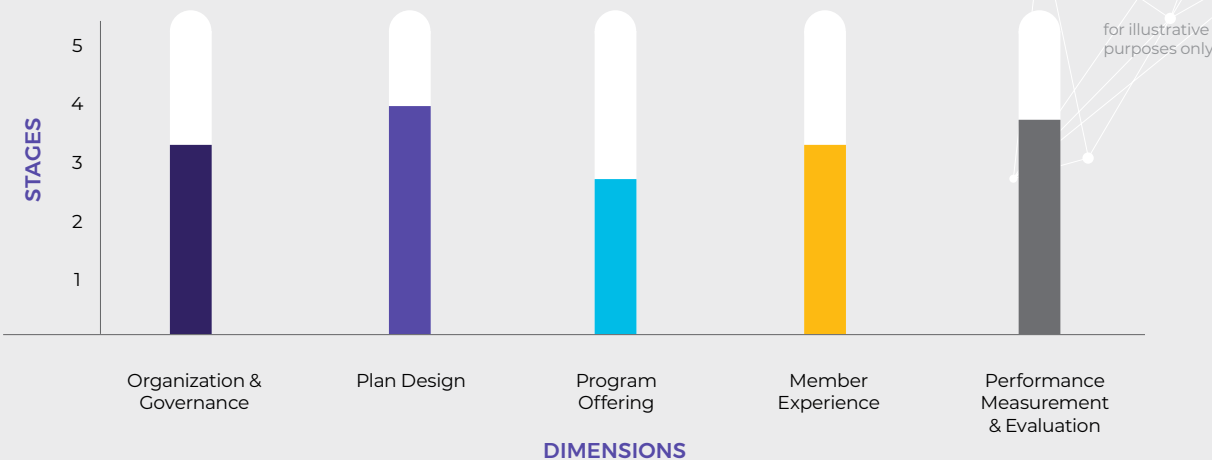
Offering a single platform made it easy for employees to enroll in multiple programs, and easier for Graco to engage its people in this comprehensive benefit, rather than having to manage a suite of point solutions. In fact, **40% of employees enrolled in the diabetes program also enrolled in three other Teladoc Health programs.**

^aBased on client data after one year

Aligning a virtual care strategy with your organization's goals

The Virtual Care Transformation Model is designed to clearly define how virtual care fits into your long-term benefits strategy—one that may play out over the next five or 10 years. In fact, according to our survey of large employers, the majority of respondents (73%) are at a pivotal point in their transformation journey. They may be offering a variety of solutions to address individual health needs, but these offerings are not optimally integrated, fully adopted or driven by a virtual-first plan; these milestones typically occur at later stages in our model.

Getting a baseline understanding of your current stage now helps inform how your organization will respond to—and anticipate—market dynamics, emerging solutions and technologies, and the needs of the people you serve. Pair the model's results with your organization's business priorities to develop a path forward.



For example, if your organization currently offers virtual care services for employees' acute care needs like colds, coughs and rashes...



...consider expanding to a virtual primary care solution that supports a full range of physical and mental health care needs, including a dedicated care team that stays with members throughout their healthcare journey.

Or if a large portion of employees in your organization live in rural areas with limited access to primary care providers...



...consider expanding to a virtual primary care solution that offers widespread access to care, including referrals into local providers and clinics.



Unlocking the full potential of virtual care

When done right, virtual care can help organizations grow their business and position them for long-term success by:

- **Meeting consumer expectations:** People are accustomed to living in a digital-first world—and that extends to healthcare. An easy-to-use, personalized experience can meet their physical and mental healthcare needs while boosting satisfaction.
- **Addressing healthcare costs:** About 90% of America's \$3.5 trillion annual healthcare costs are spent on people with chronic physical and mental health conditions.⁹ Whole-person virtual care can help by driving improved health outcomes, earlier detection of serious illness, and more-informed care decisions.
- **Sharpening your competitive edge:** Employers work hard to attract and retain top talent—and a benefits package that includes high-quality, affordable, easily accessible care for both mind and body can help keep employees feeling and working at their best and help build loyalty.
- **Improving health equity:** Today's employers recognize and seek to address health disparities among underserved populations. Virtual care helps break down these barriers and supports an organization's efforts to ensure all employees have access to quality healthcare.
- **Offering integrated, long-term solutions:** A whole-person approach to care that supports a full spectrum of health and well-being needs offers a more satisfying, simplified experience for employees; meanwhile, a single, comprehensive virtual care solution is easier for organizations to manage and scale over time.

Move from evaluation to action

Once you have identified where you are in your virtual care journey, our expertise and offerings can help you define and reach your goals.

Regardless of your next step, the model provides an objective, comprehensive roadmap for offering the best consumer experience while delivering positive clinical and financial results—meeting both today's needs and tomorrow's potential.

Contact us to learn more about our Virtual Care Transformation Model, where you rank compared to your peers, and most importantly—how the insights it reveals can be applied to your go-forward strategy.

⁹Centers for Disease Control and Prevention. Health and Economic Costs of Chronic Diseases, June 2021

LEARN MORE: TeladocHealth.com | engage@teladochealth.com

About Teladoc Health: Teladoc Health is empowering all people everywhere to live healthier lives by transforming the healthcare experience. Recognized as the world leader in whole-person virtual care, Teladoc Health leverages clinical expertise, advanced technology and actionable data insights to meet the evolving needs of consumers and healthcare professionals.