

## Telemedicine Investors Roundtable Focuses on Progress, Barriers, and ROI

Article By:

---

As telemedicine continues to see significant traction, health care organizations are working to implement telemedicine programs and create technology infrastructures all while working within the current legislative requirements. We recently had an opportunity to sit down with 15 leaders in telemedicine to discuss the progress, barriers, and return on investment as the industry shifts from infancy to adolescence.

The session was led by three telemedicine industry trailblazers: Iris Berman RN, MSN, CCRN-k, VP, Telehealth Services, Northwell Health; Evan Cohen, Corporate Development Director, Genoa Healthcare; and Shawn Farrell, East VP of Business Development, American Well. American Well, including its recent acquisition of Avizia, offers a full end-to-end telemedicine solution for health systems, providers, and payers. Northwell Health is the largest clinically-integrated healthcare network in New York State, with 21 hospitals, and a patient base of eight million. Northwell has expanded its telemedicine program and utilizes its own installed telemedicine platform outsourced to American Well to help facilitate their telemedicine program; and Genoa offers a telepsychiatry division serving community-based mental health centers.

### Signals of Growing Telemedicine Momentum

While health systems have competing goals on capital investment, information technology is becoming a central strategy for organization leadership, not just the information technology department. CEOs understand the importance of this investment and are making technology a priority.

**Joint Ventures** – More and more health systems are introducing a venture arm and are looking to invest in innovative technologies where systems own a piece of a technology platform. This enables the organization to have a say in the software development and ensures that it is customized to their needs. Telemedicine is a technology that has seen an increase in such investment. As a result, organizations are showing ROI and not an ongoing expense for payment of subscription fees.

**Payer/Provider Collaboration** – Payers are collaborating with providers to provide telemedicine services. Medicare Advantage plans especially are likely to push telemedicine and also have the flexibility to incentivize providers and make the necessary investments.

---

In addition, according to Ziegler, behavioral health, post-acute care, senior housing and chronic care management are all areas expected to see significant growth in telemedicine.

## Current Obstacles

**Interoperability** –Although not unique to telemedicine, interoperability remains one of the biggest barriers. This is especially true within hospital systems that acquire another hospital using a different EMR platform. At Northwell, for example, interoperability is a must and a requirement that they place on their technology vendors. Technology needs to be seamless and easy for end users in order to provide value.

**Credentialing** – Credentialing of a treating physician can be an issue for telemedicine especially when the destination hospital treats the patient who returns to another State or country. Getting peer credentialed amongst payers and provider and common State physician licensure remain material obstacles to telemedicine.

**Ownership of the Patient**—Does the provider or the payer “own” the patient relationship? The law indicates the provider, but narrow networks and value-based payment will reduce provider choice. Plans may drive telemedicine adoption more than any other player especially as payer-provider convergence trends continue.

## The Secret to Measuring Return on Investment

When a health care organization begins to plan for a telemedicine investment, how do providers or payers make an investment decision on telemedicine? What’s the right ROI measurement? What does this show about adoption more broadly to influence private equity (PE) investment in the space? Last year, the National Quality Forum (NQF) released a framework for measuring the quality and impact of telehealth services. To assess telehealth, NQF focuses on four areas: patient access to care, financial impact on patients and providers, patient and clinician experience and effectiveness of clinical and operational systems. Aside from the 17 NQF-endorsed measures to measure telehealth quality, there is no other standard for measuring return on investment.

For Northwell, its telemedicine efforts began with an e-ICU monitoring product. The strategy was to introduce this capability internally, rather than direct to consumer, in order to build out capabilities. Subsequently, Northwell issued an RFI to vendors to purchase technology to support their initiative. Return is not measured on revenue but rather on cost containment, outcomes, and driving referrals from community hospitals for specialty work. Also, cost savings are measured based on the ability to leverage technology in order to reduce physician time per episode. The new [CMS proposed rule on asynchronous codes, e-visits, and remote monitoring](#) will help accelerate ROI and adoption.

Shawn discussed how in a prior role for Avizia, he helped a Boston-based academic medical center roll out a telemedicine platform in its community network. ROI was measured off: a) reducing length of stay, complications, readmissions and associated costs not necessarily revenue generation; and b) admission to flagship system for specialty care.

Evan Cohen indicated Genoa ‘s focus is different . They are looking to provide access and reimbursement to providers for care and to some extent cost reduction due to early intervention/avoidance of crisis care. In certain cases, such as diabetic retinal screening, the per click annual fee in itself is worth the investment given the diagnostic value of early treatment.

For other destination type hospitals like a New York-based Cancer Hospital, the goal of telemedicine may be dual: a) attracting out of geography patients to NY; b) ability to care for sicker patient remotely to affect outcomes.

Above all, the transfer of our reimbursement system from Fee-for-Service to Value-based Care, will drive adoption of telemedicine technology as the ability to control outcomes and costs will be accelerated.

© 2025 Foley & Lardner LLP

---

National Law Review, Volume VIII, Number 236

Source URL: <https://natlawreview.com/article/telemedicine-investors-roundtable-focuses-progress-barriers-and-roi>