

Telemedicine Will Remain Even as the COVID-19 Crisis Recedes; But the Policies That Enabled Great Advances in Telemedicine Should Become Permanent

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As telemedicine companies stepped up during the COVID-19 (COVID) health crisis, patients and clinicians alike came to value and rely on the model of anywhere care, where an exam, checkup, or therapy session could be performed remotely and safely. Despite the support from consumers, the industry faces policy ambiguity as lawmakers roll back many of the rule waivers tied to the Public Health Emergency (PHE).

Rest assured, the advances will continue—there's no stopping progress, but without a deliberate, shared vision among policymakers, progress may not be orderly (indeed, it may be downright confusing). Many of the systems and policies during the PHE were, out of necessity, erected quickly—and sometimes temporarily—at the outset of the pandemic.

Even as these policies are revised, telemedicine and digital health entrepreneurs ought not panic. Telemedicine has proven itself to produce a trifecta of benefits: patients enjoy it and some often prefer it, it reduces costs, and it improves outcomes. Not many calls are this obvious in the world of health care.

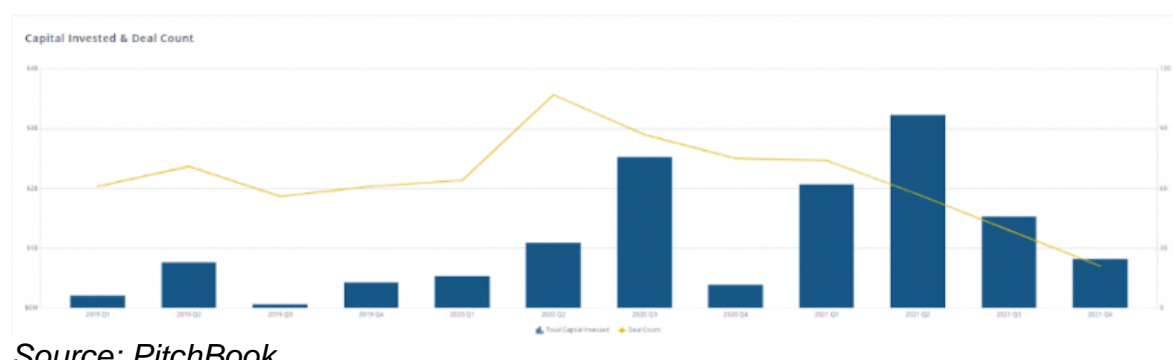
Opportunity for Change Draws Attention of Venture Capital

Since COVID was designated a PHE, the world has rapidly turned the promise of telemedicine into a reality. According to a [McKinsey report](#), telehealth utilization has stabilized at 38 times its pre-pandemic rate. And the trend has momentum: three times as many consumers say they plan on continuing to use telehealth, and more than half of providers view it more favorably now than before, the report found.

Telemedicine was certainly not created by COVID, but the powerful societal changes wrought by COVID helped to make telemedicine's rapid and widespread adoption possible and long lasting.

A recent article in *The Wall Street Journal*, "[Telemedicine Startups Face Uncertain Regulatory Terrain](#)," noted how the idiosyncrasies of the state regulatory waivers that propelled telehealth adoption have resulted in some confusion for telemedicine companies operating on a multistate basis. *The Journal* was curious about the regulatory landscape because of another fact it highlighted: the number of telemedicine companies operating across multiple states has exploded over the past year.

This growth mirrors that of venture investing in these emerging companies. According to data from PitchBook, the amount of venture capital financing for telemedicine startups in 2021, \$7.67 billion, is nearly 70% higher compared with 2020, and there's still more than six weeks left in the year. Investors see the promise of telemedicine.



Watching the Waivers: Abrupt Changes Unlikely

Fifteen states offer an expedited process for out-of-state doctors who want to provide telemedicine to patients in their state (i.e., special licensure or registration). Individual states (e.g., Florida, New York) have already repealed many of their COVID-era waivers. While there is concern adoption and use of telemedicine could slow due to regulatory repeals, there are still legally compliant, scalable solutions, and models that telemedicine entrepreneurs can harness for unfettered growth.

As an advocate for telemedicine, the waivers clearly benefited patients and clinicians, and industry stakeholders remain hopeful policymakers will recognize this and legislate to avoid the [Telehealth Cliff](#). Secondary to permanent change, lawmakers should at least consider a congressional extension of one year or two to give more time to assess the budgetary impact of the changes. Short of an extension, it is possible—if not probable—there will be a glide path period of discretionary non-enforcement after the PHE expires.

Of course, removal of waivers does not have to be sudden or uniform to create friction in the innovation ecosystem. Some (e.g., established incumbents) fear uncertainty, equating it to a tax on progress, whereas others (e.g., emerging companies and entrepreneurs) revel in the new opportunities it affords.

The Promise of Significant Health and Economic Benefits

Having volunteered for years with the American Telehealth Association (ATA), it is clear that making some of the COVID waivers permanent, particularly expansions to Medicare coverage, would bring lasting and significant health and economic benefits. And regulation need not inhibit innovation. It can

serve as a bridge, taking our society from where we are to where we want to be.

These issues and more will be discussed at [ATA EDGE 2021](#), the ATA's national law and policy conference in Washington, D.C., on December 6-8, 2021. Don't expect all these issues to be resolved before the conference. But together, we can make our voices heard and articulate an action plan to cement these policy gains and lay a pathway for patients and providers to use for the next decade.

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