Telehealth adoption has increased more than 4,500% in the last year, predominately due to the crucial role it has played in helping manage patient care during the COVID-19 pandemic. Following its U.S. emergence in March, federal and state governments, as well as private insurers, rushed to relax restrictions to provide widespread access to telehealth.

Now, as our healthcare system reimagines the way it provides care in the long term, telehealth adoption has taken center stage, with President Trump urging a permanent extension of telehealth policies. And yet, ensuring access to it is not without challenges, despite fervent interest from providers and patients.
TOP 7 CHALLENGES
TO BROADER ADOPTION, ACCESS:

1. **Misdiagnosis**
   - Misdiagnoses are not uncommon in the healthcare industry, even in an in-person setting. However, the risk of error can increase virtually, where certain standard tests are not able to be conducted. Misdiagnosis is not only a risk from a patient health perspective, but it also results in increased costs for both providers and consumers.

   **BDO’S QUICK TAKE:** In the event of ambiguity, providers should urge patients to seek additional in-person care to ensure patient safety, but to also avoid liability concerns. They should also encourage in-person follow-up appointments to check on the status of the patient.

2. **Burnout**
   - Clinician burnout is a growing concern and while telehealth provides an opportunity for quicker appointments, it also has the potential to add to an already mounting workload for providers.

   **BDO’S QUICK TAKE:** Healthcare organizations must explore ways for telehealth to be complimentary to a practice. For example, physicians can switch some appointments (e.g., bloodwork review and medication refills) to a virtual setting, while supplementing others (e.g., pre-surgery appointments or initial symptom review).

3. **Multistate Services & Tax Implications**
   - Given telehealth’s ability to provide access to anyone, virtually anywhere, there’s an appeal in offering services across state lines. The issue, however, is two-fold. Not only does this sometimes require physicians to receive licensing in more than one state, but taxation implications come into play.
   - Currently, a patchwork of state statutes, regulations and judicial decisions, inclusive of the U.S. Supreme Court, govern state taxation and guide how providers apply state taxation to telehealth services. However, federal guidance is lacking.

   **BDO’S QUICK TAKE:** Given that each state approaches taxation of these services differently, physician practice groups should expect to face difficulties in offering multistate services. To effectively navigate next steps, healthcare leaders must understand current tax guidance as it relates to telehealth and improve their awareness of state tax jurisdictions.
**4 Lack of Access**
- Telehealth generally seeks to make care more accessible, however because it requires broadband internet access, some consumers (including many who would especially benefit) are unable to receive these services.

**BDO’S QUICK TAKE:** As the healthcare system looks to more broadly adopt telehealth, it must also explore ways to provide access to our most vulnerable populations. Unfortunately, those with little to no access to broadband have been unable to realize the benefits of telehealth. Expansion of broadband services in rural areas will be critical to long term success. Healthcare organizations, meanwhile, have an opportunity to help solve this problem, including through the potential exploration of public-private partnerships.

**5 Fragmented Regulations**
- As it stands, states have the discretion to decide how they want to handle telehealth, which is particularly challenging for multistate providers. Additionally, given that insurance is also state-regulated, policies will be different in each state. This can cause confusion among providers and otherwise makes widespread adoption difficult.

**BDO’S QUICK TAKE:** As conversations around telehealth progress, healthcare organizations must properly document care provided via telehealth so that if questions around billing come into play, providers can offer a paper trail. Additionally, leaders should seek resources which provide continuous updates regarding their respective state’s perspective on telehealth services, which includes licensing and credentialing requirements. As it stands, virtually all states require physicians providing telehealth services to be licensed in the state of the patient receiving care.

**6 Payment**
- Fragmented regulations, reimbursement and coverage for telehealth services are and will continue to be significant challenges for providers and their patients. For example, there is no guarantee of payment parity between telehealth and in-person care. Though telehealth serves to hopefully reduce costs and increase access to services, it could also discourage healthcare organizations as there is no guarantee of comparable payment.

**BDO’S QUICK TAKE:** For organizations aiming to continue telehealth services, routinely checking for updated guidance is critical. Given the breadth of rules and regulations and how often they change, BDO’s most recent FAQ Understanding the Taxation of Telehealth can provide insight on how to proceed.

**7 Patient Experience**
- Gone are the days when patient experience may have been an afterthought of providers. Even before the pandemic, 72% of provider organizations cited improved patient experience as a digital objective, BDO’s 2020 Healthcare Digital Transformation Survey found. That objective has become more urgent, as providers’ long-term financial viability now depends on it—especially in the telehealth setting. In fact, creating a positive patient experience can improve 60% of the variables that impact the amount and timeliness of reimbursement, BDO analysis found.

**BDO’S QUICK TAKE:** Ensuring an integrated patient experience in the telehealth setting is critical to the survival of providers today and in the future. Focusing on workflow optimization, regular training and clear communication will be key. Additionally, it is critical that organizations help providers translate bedside manner in a virtual setting. Those able to do so will be rewarded in the form of optimized reimbursement through improved patient satisfaction scores, increased consumer confidence and referrals through elevated Star Ratings, and a carved out competitive advantage.

For more information on the adoption of telehealth and how to effectively expand services, REACH OUT.
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