Doctors Move To Webcams

By Anna Wilde Mathews

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Virtual doctor visit services—which connect patients from their homes with physicians whom they meet via online video or phone—are moving into the mainstream, as insurers and employers are increasingly willing to pay for them.

In the latest sign, [WellPoint](http://quotes.wsj.com/WLP) Inc., [WLP 0.00%](http://quotes.wsj.com/WLP) [**WLP**](http://quotes.wsj.com/WLP) **in** Your Value Your Change Short position the nation's second-biggest health insurer, plans to offer a new service in all of its employer and individual plans that will allow people to consult with physicians on-demand, using laptop webcams or video-enabled tablets and smartphones. The insurer says the video consults will appeal to clients looking for "convenience and accessibility of care," said Ken Goulet, executive vice president.

But such services—which backers say can save money when they avoid costly emergency room trips—are generating tension with some state regulators and doctor groups. They argue that the remote visits can make sense when a patient is communicating with his or her regular doctor, but care may suffer when patients are connecting with a physician who may be in another city or state.

Other insurers, including [Aetna](http://quotes.wsj.com/AET) Inc. [AET +0.43%](http://quotes.wsj.com/AET) and [UnitedHealth Group](http://quotes.wsj.com/UNH) Inc., [UNH +0.71%](http://quotes.wsj.com/UNH) [**UNH**](http://quotes.wsj.com/UNH) **in** Your Value Your Change Short position offer virtual-visit services as an option for certain employers. And a growing number of big companies, including [Home Depot](http://quotes.wsj.com/HD) Inc., [HD -0.16%](http://quotes.wsj.com/HD) [**HD**](http://quotes.wsj.com/HD) **in** Your Value Your Change Short position Booz & Co. and Westinghouse Electric Co., are moving to include remote consults in their benefits. According to a survey by Mercer, a consulting unit of [Marsh & McLennan](http://quotes.wsj.com/MMC) [MMC +0.27%](http://quotes.wsj.com/MMC) [**MMC**](http://quotes.wsj.com/MMC) **in** Your Value Your Change Short position Cos., 15% of very large employers use some form of telemedicine, and another 39% are considering it.

"The ability to communicate with a doctor 24/7 via the Internet, without an appointment, at an attractive price point, is very appealing," said Ginny Proestakes, director of health benefits at [General Electric](http://quotes.wsj.com/GE) Co. [GE -0.07%](http://quotes.wsj.com/GE) **[GE](http://quotes.wsj.com/GE) in** Your Value Your Change Short position , which has been testing a virtual-consult service from UnitedHealth Group's Optum with employees in Ohio and plans to roll it out more broadly in 2013.

Employers and insurers say the services could help ease a likely shortage of primary-care doctors. The virtual consults often cost around $40 to $45, which is much less than an ER visit and also cheaper than an urgent-care center or most in-person doctor visits.

"If it doesn't drive cost down, then it isn't worth it," said Ann Boynton, a deputy executive officer who oversees health coverage for the California Public Employees' Retirement System, which this year started testing a service offering phone and online video visits from Teladoc Inc. in one of its plans with around 350,000 enrollees.

The services generally enlist primary-care physicians with specialties such as family medicine, and the online visits are supposed to be used for relatively minor, acute needs, rather than serving as a continuing source of regular care. For instance, the most common diagnoses in Blue Cross and Blue Shield of Minnesota's program, which offers online and phone consults using technology from American Well Corp., include sinus infections, urinary-tract infections and conjunctivitis, or pinkeye.

Judy Johnson, a call-center trainer for mobile-device protection company Asurion Insurance Services Inc., used a virtual-consult service included in Asurion's benefits to get treatment for sinus infections when she didn't have time to go to her doctor's office. She signed up online, then called a toll-free number and described her symptoms.

A few minutes later a doctor phoned, spoke with her about her condition and medical history, and then phoned in an antibiotic prescription to a nearby pharmacy.

Ms. Johnson said she wouldn't have felt safe picking out an online physician herself, but because it was offered by her employer, "I never questioned its legitimacy," she said.

If the remote-consult services grow, they could eventually create financial friction for some primary-care practices. "It skims the most profitable, easy patients," those with minor complaints requiring relatively brief, routine visits, said Nathan Kaufman, a consultant who works with physician groups and hospitals.

But the services could also present an opportunity for incremental new revenue and flexible hours for doctors who choose to work for them, noted Mr. Kaufman.

Jeffrey J. Cain, president of the American Academy of Family Physicians, said it is too soon to tell what impact the digital-visit services will have on his members' practices. The group says online and other remote consults make sense when a patient is interacting with a regular doctor or practice. Services that connect people on a one-off basis with doctors they won't ever see in person could "further fragment the health system," Dr. Cain said, hurting primary-care practices' ability to coordinate and track all of a patient's care.

Only 13 states clearly allow doctors to establish a patient relationship—typically required to prescribe drugs—without at least an initial in-person visit, according to the Robert J. Waters Center for Telehealth & e-Health Law.

"We believe it's still the practice of medicine, and you can't cut corners," said Humayun J. Chaudhry, chief executive of the Federation of State Medical Boards.

Teladoc has clashed with regulators in Texas over its service, which they say runs afoul of their rules. "The board felt the risk of misdiagnosis was pretty high" when at-home patients were calling to consult a doctor they'd never seen before, said Mari Robinson, executive director of the Texas Medical Board.

Teladoc, which is tapped by insurers including Aetna, Blue Shield of California and Highmark Inc., said its doctors have performed more than 100,000 consults with no malpractice claims. The company doesn't allow prescriptions of controlled substances, psychiatric medications or "lifestyle" drugs such as Viagra, it said. Teladoc is "very focused on compliance" with state regulations, said Jason Gorevic, its CEO.

[Tim Howard](http://topics.wsj.com/person/H/tim%20howard/6106), a family physician in Huntsville, Ala., said he feels comfortable treating patients during the online video and phone consults he does for Teladoc.

"Instead of me examining them, I'm listening to them and asking questions," he said, and he sometimes gets patients to do self-exams like looking down their own throats with a flashlight. Based on such input, he'll prescribe drugs for relatively routine conditions. But during a recent call with a mother whose 4 year old had a 104-degree fever and abdominal pain, he suggested an emergency-room visit, he said.

WellPoint said the exact timing of the rollout of its new LiveHealth Online program, which will use American Well, will depend on the regulatory situation in each of its 14 states. The company will start with employer plans in California and Ohio early next year, and aims to include the service in all of its commercial coverage by the end of 2014.

The insurer also said it would launch initially with webcam video, then add smartphone and tablet capabilities later in 2013. The virtual visits will be available every day between 7 a.m. and 11 p.m., and typically a member will owe the same copayment as for the live in-person visit.

http://online.wsj.com/news/articles/SB20001424127887324731304578189461164849962