Wall Street Journal Friday, May 9, 2014, Section B1

Where Does It Hurt? Log On. The Doctor Is In Telemedicine Sector Attracts Funding, But Some Physician Groups Worry About Quality of Care

By Melinda Beck

Updated May 8, 2014 8:20 p.m. ET

Can downloading an app, and describing your symptoms to a doctor you'll never meet, take the place of an office visit? Can sending a "selfie" of your sore throat help diagnose strep?

Those are some of the issues state and federal regulators—and the medical profession itself—are wrestling with as telemedicine spreads rapidly.

More Web-based companies offer virtual medical exams where doctors in remote locations evaluate patients' symptoms online or by phone, develop a diagnosis and often write a prescription, usually in 15 minutes or less, for \$40 to \$50.

The companies say they provide a convenient, low-cost alternative to emergency-room visits and long waits at primary-care offices for minor medical issues. Three of the companies—Teladoc Inc., MDLIVE Inc. and American Well—hosted 400,000 to 500,000 doctor-patient interactions last year, more than double the number in 2011, according to the American Telemedicine Association, a trade group.



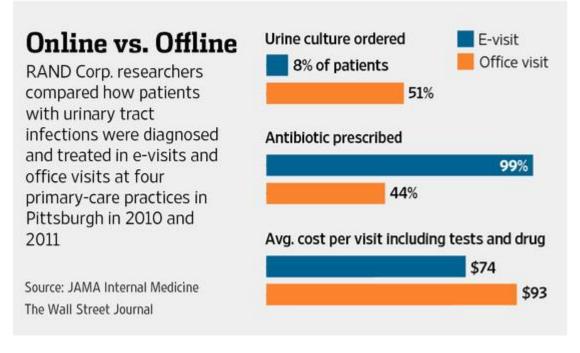
Dr. Lauralee Yalden, in her Manhattan apartment, discusses patient Andrew Khan's symptoms, using American Well consultation service. Keith Bedford for The Wall Street Journal

Investors are betting that more Americans will like getting medical care 24/7 without leaving home or work. The telehealth sector has attracted \$272 million in venture-capital funding since 2010—including \$79 million in the last quarter, according to Mercom Capital Group, a health IT research firm.

"Politicians and lobbyists can't solve health care. It's quite simple: Empower consumers with patient-in-control solutions," says John Sculley, former Apple CEO and vice chairman of MDLIVE, which netted \$24 million in new funding this year.

Doctor on Demand launched in December with \$3 million in seed funding from Google Ventures and other investors. Its co-founder is Jay McGraw, executive producer of the talk show "The Doctors," and son of psychologist Dr. Phil.

Many health plans think such services will provide savings, and cover most or all of the cost for their members. As of last year, 11% of large employers offered telemedicine services to their employees and 28% were considering it, according to consulting firm Mercer.



But some physician groups and state medical boards worry that such e-visits are undermining the doctor-patient relationship and lowering the quality of care.

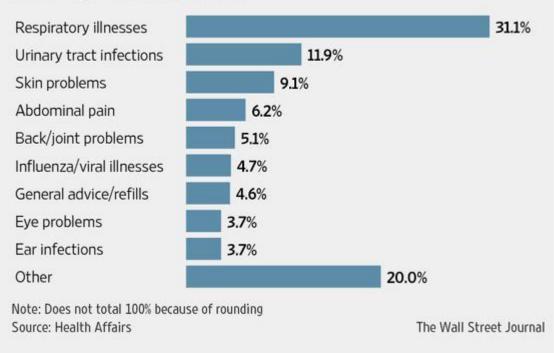
"Most physicians would never accept a phone call from a patient they haven't met and diagnose and prescribe medication for that patient. Yet that is a common practice for many 24/7 health-care services," says Greg Billings, executive director of the Robert J. Waters Center for Telehealth and e-Health Law, a nonprofit research group, also known as CTel.

Critics are also concerned that telemedicine services often prescribe antibiotics for conditions such as strep throat and urinary tract infections that typically require lab tests or physical exams to diagnose definitively.

According to the Centers for Disease Control and Prevention's Get Smart program on antibiotic use, "Conditions which may lead to an antibiotic prescription warrant an in-person examination by a trained health-care professional."

What Seems to Be the Trouble?

Top reasons for e-health visits among members of a California health plan using Teladoc in 2012-2013



At a recent CTel gathering, CDC scientists said the criteria some e-visit companies use—including asking patients to feel their own lymph nodes—aren't a reliable predictor of strep infections, which cause only 5% to 10% of adult sore throats.

"There is a lot of concern making a diagnosis without examining a patient—not only for overprescribing, but also for underprescribing or misdiagnosing cases where there might be a more serious infection," CDC epidemiologist Lauri Hicks told the group.

Amid such concerns, many states are debating updating their medical-practice regulations.

The Federation of State Medical Boards recently approved new model guidelines, urging states to hold virtual doctor visits to the same standards of care as in-person visits. That includes establishing an appropriate doctor-patient relationship, ideally with patients allowed to select their doctors rather than being assigned randomly, and able to confer via video, not just telephone or email.

The federation also says doctors must be licensed in the patient's state, and should obtain informed consent, document the encounter and have a plan for emergency care if needed.

Treatment based solely on an online questionnaire "generally wouldn't meet the standard of care," says Lisa Robin, the federation's chief advocacy officer.

CTel suggests requiring doctors to examine patients face-to-face before treating them, unless diagnostic equipment is available to provide the same information they would seek in person.

E-visits are just one way technology is revolutionizing the delivery of health care and challenging traditional medical regulations. The term "telemedicine" embraces everything from stateside dermatologists scrutinizing images of soldiers' skin lesions from Afghanistan to wearable sensors monitoring elderly patients' vital signs at home.

Specialists at major medical centers regularly confer via videoconferencing with doctors at smaller hospitals. The Cleveland Clinic invites patients to upload their medical records for a second opinion from anywhere in the world.

Health-care experts are also counting on telemedicine to shore up access to physicians, particularly in rural areas. But some worry the patchwork of state rules threatens to stifle innovation.

Even requiring doctors to be licensed in the state where patients are physically located, which all 50 states currently do, "doesn't make sense in the 21st century," says Jonathan Linkous, CEO of the American Telemedicine Association.

Many companies say they already meet accepted standards of care and the state laws where they operate.

Teladoc says it has more than 2,500 corporate clients offering access to 7.5 million potential users. CEO Jason Gorevic says the company has developed 130 proprietary protocols to guide its doctors in treating conditions like strep throat remotely and says they prescribe antibiotics less frequently than office-based practices do. Participating doctors are either semi-retired or supplementing their incomes by doing e-visits in between patients or in off-hours, the company says.

The Dallas-based company currently operates in 49 states. It suspended service in Idaho and has a long-running legal dispute with the Texas Medical Board over a rule limiting e-prescribing. "While Texas embraces the idea of telemedicine, the board has decided that it has to be safe telemedicine," says the board's executive director, Mari Robinson. Mr. Gorevic declined to comment on the litigation but says, "Our job is to make it simple for the consumer, even though the regulatory situation isn't simple."

Virtuwell, part of Minnesota-based managed-care company HealthPartners, has patients fill out online questionnaires, starting with "What Do You Think You Have?" If it is one of 40-50 conditions Virtuwell treats—including yeast and bladder infections—a nurse practitioner sends a treatment plan, often with a prescription.

Virtuwell draws the line at treating strep throat. Answers to some questions trigger alerts telling patients to see a health-care provider in person. "We're actually raising the standard of care by combing these online interviews with proven clinical protocols," says Vice President Kevin Palattao.

American Well comes closest to meeting the federation's guidelines. Users download an app, select from available physicians in their state and confer via video. The Boston-based company, which provides e-visit platforms for several large insurers and hospital systems, recently launched its own service and says it had over 100,000 users in the first quarter.

CEO Roy Schoenberg, who consulted on the guidelines, says American Well would need to build more emergency procedures into its systems to fully meet them. "What these guidelines have done is bring some of these issues to the surface and say, 'This cannot be the Wild West anymore,'" he says.

The video link is: http://live.wsj.com/public/page/embed-58179CB7_4B2E_47C3_AA11_E4ADF75DBC30.html"></iframe>

Write to Melinda Beck at HealthJournal@wsj.com