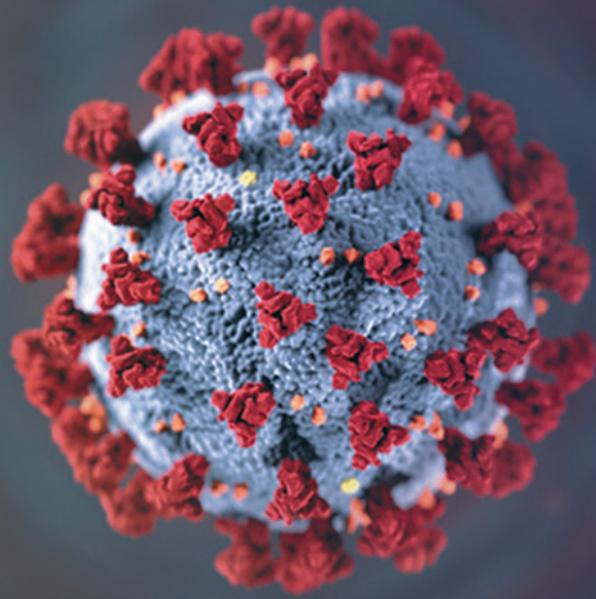


MAY 11, 2020

Sage Growth/Blackbook Research

As the Country Reopens Safety Concerns Rise

Consumers not headed back to physician offices anytime soon; despite that, telehealth use grows unequally by age, income, and gender



Our third survey confirms a growing demand for telehealth services as fear of contracting the virus keeps people out of emergency rooms and doctors' offices. We also gained a better understanding of how age, gender, and income affect perceptions of telehealth.

The third COVID-19 Black Book Market Research/Sage Growth Partners (SGP) survey of U.S. consumers, conducted from April 28 to 29, repeated questions found in the first two surveys and added a number of questions that helped us explore new areas of interest.

The 591 consumers who responded continue to feel anxious, though levels have dipped down slightly to those seen in March. However, these fears are keeping people away from their doctors' offices and hospitals as they delay and avoid care for chronic conditions, illnesses, and injuries because of concern about potential exposure to COVID-19. This hesitancy

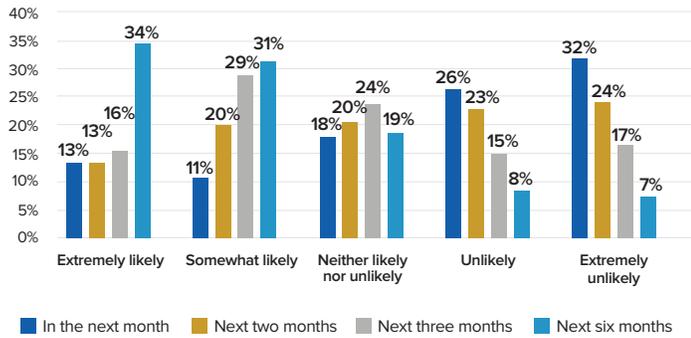
to seek care at brick and mortar facilities is driving increased demand for telehealth services.

Our findings also brought to light differences in attitude about telehealth based on the respondent's age, gender, and income level, which raises interesting questions about whether those who will most benefit from telehealth will actually be willing and able to adopt virtual care.

1. **We're not getting back to business as usual any time soon.**

Fear of seeking in-person care at healthcare facilities is rising. That has three significant negative impacts—pressure on providers' bottom lines when routine visits and elective surgeries don't bounce back to pre-COVID volumes; for patients, untreated health issues that can increase the risk of more serious health problems in both the near and long-term; and, potential long-term public health concerns due to delayed preventive care services such as immunizations and routine cancer screenings. Even as states begin reopening, anxiety will keep many consumers away from healthcare facilities for an extended period of time.

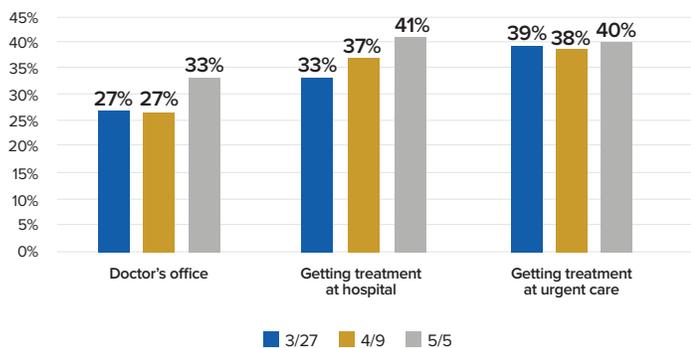
What's the likelihood that you will return to your doctor's office in person for non emergent care?



Respondents Feel Unsafe Accessing Care

Since the second survey, there has been a 6-point increase in consumers who say they feel unsafe going to their doctor's office, up to 33%. People also have qualms about seeking care at hospitals and urgent care centers, with a 4-point increase to 41% of consumers who say they feel unsafe visiting a hospital and 2-point increase to 40% of consumers who say they feel unsafe visiting urgent care.

% of consumers feeling unsafe



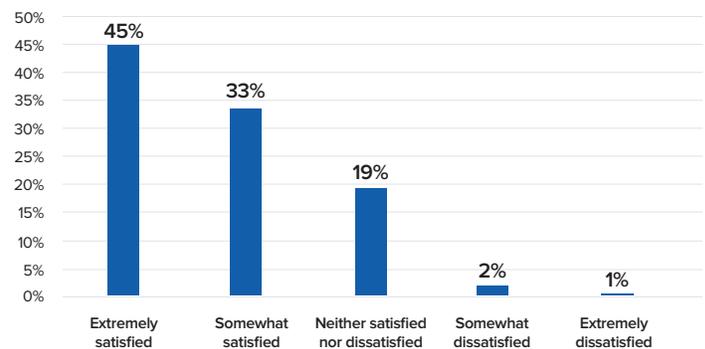
2. Telehealth appears to be an effective means of accessing care.

Fear of COVID-19 is making people less likely to seek in-person care, so many are now turning to telehealth to get the care they need—and they're having positive experiences.

More than half of respondents (51%) say they have access to telehealth.*

The overwhelming majority of respondents (78%) who have used telehealth were satisfied with their experience. Forty-three percent of consumers found their virtual visits as effective as an in-person appointment with a healthcare provider, and 31% said it was better than in-person visit. This could offer providers an incentive to ensure that they offer telehealth options going forward to give their patients a more complete range of options tailored to how they prefer to receive care, and to help ensure their practices can bounce back to some decent volume and revenue levels.*

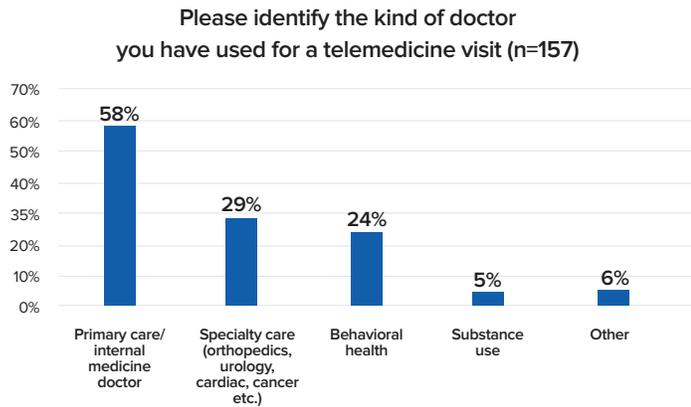
Telehealth visit satisfaction level (n=517)



The concern for providers is that this fear will linger, keeping patients away for the foreseeable future. The longer patients avoid and delay care, the bigger the potential financial impact for healthcare providers and facilities, especially small independent practices who may not be able to weather the loss of income.

*Analysis based on combined response (n=1,335) of the last two surveys.

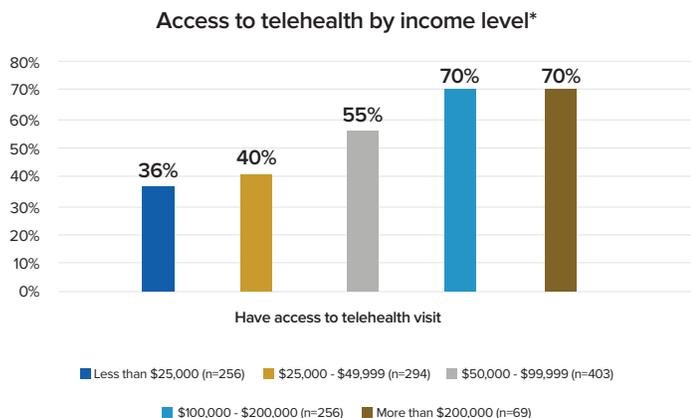
Consumers are using telehealth to connect with a range of providers for a variety of care needs:



The majority of older consumers, however, are not adapting to this new way of receiving care. 81% (n=222) of consumers age 55 to 64 and 84% (n=236) of consumers of age 65+ who have access to telehealth have not had a virtual/telemedicine visit. This compares to 50% (n=873) of consumers under the age of 55 who have had a virtual/telemedicine visit.*

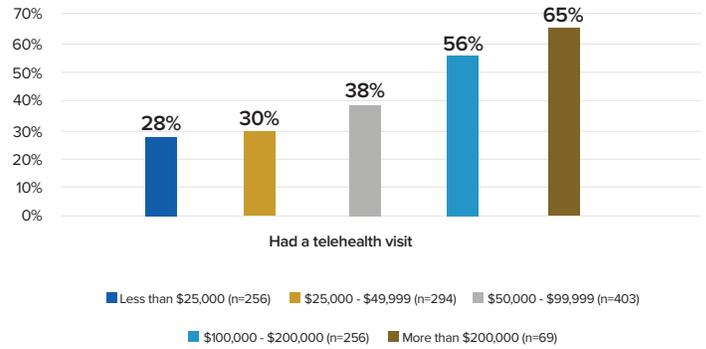
3. The more money you make, the more likely you are to have and use telehealth services.

In addition to age as a factor in adoption of telehealth, income also plays a role. People in higher income brackets have more access to telehealth and more of them used telehealth.*



*Analysis based on combined response (n=1,335) of the last two surveys

Telehealth use by income level*



Access to telehealth: 55% of people making \$50K to \$100K, 70% of those earning \$100K to \$200K, and 70% of those with an income of \$200K+ have access.*

Use of telehealth: Only 28% of respondents who make less than \$25K, 30% of those earning \$25K to \$50K, and 38% of people who make \$50K to \$100K have used telehealth services. In contrast, 56% of people who earn \$100K to \$200K and 65% of those making \$200K+ have used these services.*

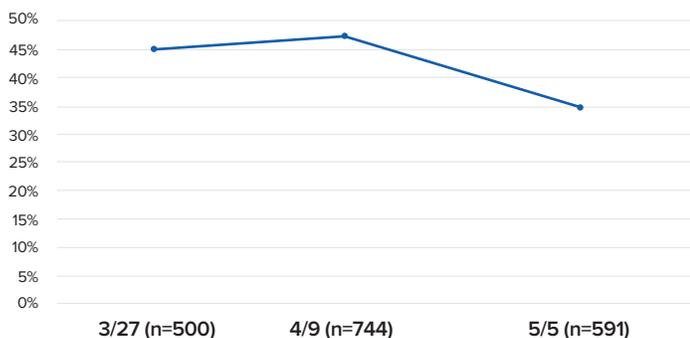
Telehealth post-COVID: 77% of consumers who earn \$100K to \$200K report being more likely to use telehealth since the start of the COVID-19 crisis.*

4. Anxiety dips but remains high; more than a third still want more access for remote behavioral and mental health services.

Ongoing isolation, the stress caused by seismic changes to daily routine, worry that they or someone they care about will contract COVID-19, fear of a second wave of the pandemic, and the increasing financial woes about the pandemic continue to fuel high levels of anxiety. However, the number of respondents citing the highest anxiety ratings (7 to 10) has dipped to 47%, down from 60% in the 4/9 survey, and are almost the same as the 48% who reported those levels in the March survey.

Demand for remotely delivered mental health services has also fallen. While more than a third (35%) still want increased access to remote behavioral or mental health services to help them treat and manage anxiety, depression, and social isolation, this is the lowest point in this data set across the three surveys.

% of consumers who would like more access to remote behavioral or mental health services for anxiety, and isolation.



Age, again, plays a role in demand for remote access to mental healthcare. The older the patient, the less likely she or he was to want access to remote behavioral or mental health services.

While 46% of respondents age 18 to 24 and 47% of those 25 to 49 said they want remote access to behavioral and mental health services, only 25% of respondents age 55-64 and 12% of those 65+ wanted these services.

5. We're not all having the same telehealth experience. Men and women's views differ sharply.

Although both men and women are turning to telehealth for care, they're not doing it the same way.

Men prefer video visits: 49% of male respondents preferred to conduct their telehealth visits by video, but only 30% of female respondents did.

Women would rather talk by phone: 49% of women compared to 35% of men would rather use the phone for their virtual healthcare visit.

Personal physician vs doc in a box: Women prefer to see providers they have a relationship with. Men don't. Men are more likely to use a third-party provider for telehealth, with 44% reporting they used these providers compared to just 27% of women. 68% of women chose healthcare providers with whom they had an existing relationship for their telehealth visit compared to 51% of men. Going forward, this could help providers shape their marketing communications to cement patient relationships and encourage patients to turn to them for care regardless of the format in which it's delivered.

In-person or virtual: Which is better? Finally, more than a third of men (39%) found their telehealth visit better than an in-person visit with a provider. Women disagreed, with only 12% of them finding a virtual visit better than an in-person one and the majority (57%) of women found it to be as effective as in-person visit.

6. Trust in handling of COVID-19 at all levels of government has plummeted.

As the pandemic wears on, people are unhappy with how their federal, state, and local governments are handling the COVID-19 crisis. Our survey asked respondents to rank how well government officials are handling the crisis on a scale of 1 (being the best) to 10 (being the worst). Since we conducted our second survey, there has been a 20-point drop to 10% of people who believe the Trump administration rates a 1 (best) and a 15-point increase to 42% of those who believe the administration rates a 10 (worst).

Congress isn't faring any better, with a 13-point drop (to 20%) in consumers who believe that Congress is handling the situation well (rankings 1 to 4) and a 16-point increase (to 57%) of those who rate Congress' handling of the crisis between 7 to 10.

Local and city governments are also facing a drop in consumers' confidence in their handling of the pandemic. The data shows a 10-point drop in consumers who rank their leaders' performance in handling the situation well (rankings 1 to 4) and an 8-point increase in those who give leaders handling the crisis the lowest rankings (from 7 to 10).

Lessons Learned

The COVID-19 pandemic is reshaping the healthcare landscape and we likely won't return to the way things used to be. Telehealth services have moved to the forefront as people delay or avoid seeking care at brick and mortar healthcare facilities for fear of contracting the virus. We believe the growing acceptance and use of telehealth signals an opportunity for healthcare providers to develop new, expanded models of care delivery for the future, offering patients a choice of how they prefer to engage with providers—in-person and virtually.

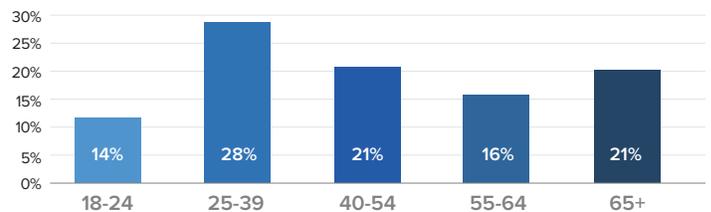
Payers have already taken note. Medicare and commercial carriers have added telehealth benefits and increased reimbursement rates for telehealth. Even CMS Administrator Seema Verma has declared that it is unlikely that these expanded benefits will disappear post-pandemic.

Change may also be coming for political leaders. People have lost confidence in how government leaders are handling the COVID-19 crisis and they may be taking a hard look at candidates on the federal, state, and local ballots come November.

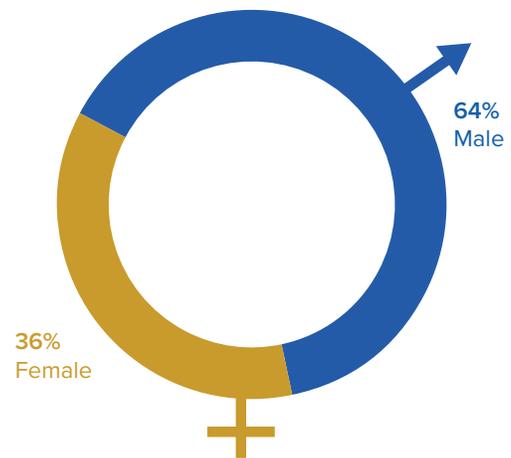
Demographics

Key demographics for study respondents are broken down as shown on these graphs.

Respondents by age

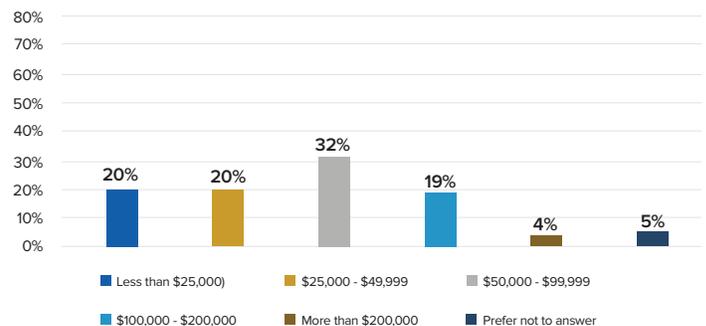


Respondents by gender



prefer not to answer 0.34%

Respondents by income



Methodology

Sage Growth Partners (SGP), a Baltimore-based healthcare research, strategy, and marketing firm, conducted the survey in partnership with Black Book Market Research. This is the third survey aimed at assessing the challenges, needs, and perspectives of U.S. healthcare consumers during the COVID-19 pandemic. It was administered to 591 U.S. healthcare consumers from April 28-29. SGP and Black Book

plan to periodically re-administer the survey to monitor changing attitudes during the crisis.

The data was representative of all states, and across genders and ages; as the sample fell into the norm, it did not require any weighting. Our data collection has a standard margin of error of (+/-) 5% with a 90% to 95% level of confidence.

About Sage Growth Partners

Sage Growth Partners accelerates commercial success for B2B, B2B2C, and B2C healthcare organizations through a singular focus on growth. The company helps its clients thrive amid the complexities of a rapidly changing marketplace with deep domain expertise and an integrated application of research, strategy, and marketing

Founded in 2005, Sage Growth Partners is located in Baltimore, MD, and serves clients such as Philips Healthcare, U.S. Renal Care, Quest Diagnostics, Vocera, Livongo, Olive, It's Never 2 Late, and Aperture.

About Black Book

Black Book Market Research LLC, its founder, management, and staff do not own or hold any financial interest in any of the consultants and advisory firms covered and encompassed in the surveys it conducts. Black Book reports the results of the collected satisfaction and client experience rankings in publication and to media before firm notification of rating results and does not solicit survey participation fees, review fees, inclusion, or briefing charges, or involve consultant firm collaboration with Black Book before the announcement of the polling outcomes.

In 2009, Black Book began surveying the client experience of healthcare software and managed services users, as well as polling for trend identification, industry insights, and outcomes. Black Book expanded its survey prowess and reputation of independent, unbiased crowd-sourced surveying to technology professionals, physician practice administrators, clinicians, user-level staff, financial leaders, executives, and board members. Consultants and advisor satisfaction polls were first issued in 2011. In 2012, Black Book included payer organizations and insurers and, in 2015, launched panel surveying healthcare consumers.



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