When Covid-19 drove an increased need for telehealth in care delivery and coverage, nonprofit health plans Harvard Pilgrim, Kaiser Permanente, and Priority Health adapted their reimbursement models for members across the United States and accelerated their time lines for bringing cost-effective virtual care insurance products to market.

As the Covid-19 public health crisis pressured the nation’s health care infrastructure, patients turned swiftly to telehealth for safe, convenient access to care.1,2 To keep pace with consumer demand and maintain the ability for providers to reach patients safely, many health insurers adapted their reimbursement models. Several nonprofit community health plans that are members of the Alliance of Community Health Plans (ACHP) quickly pivoted in the face of crisis to expand telehealth-accessible benefits, waive cost sharing and premiums, and in some cases launch new technology platforms to coordinate coverage and care for millions of consumers in communities across the nation.

As telehealth’s popularity skyrocketed among individuals and providers alike, three ACHP member health plans — Harvard Pilgrim Health Care, Kaiser Permanente, and Priority Health — accelerated the development of telehealth-first insurance products in time for the 2021 open enrollment season. Premiums for Harvard Pilgrim’s SimplyVirtual plan, Kaiser Permanente’s Virtual Forward plan, and Priority Health’s MyPriority Telehealth PCP plan cost up to 20% less than traditional products in the communities they serve.
Ensuring Best-in-Class Virtual Experience While Prioritizing Primary Care

A robust primary care system with access to behavioral health services is vital to improving the health of individuals and communities. These new telehealth-first products support a coordinated primary care system focused on prevention, management of chronic conditions, and the delivery of appropriate, affordable care.

Both Harvard Pilgrim, which operates in New England, and Priority Health of Michigan turned to existing virtual care provider Doctor On Demand to deliver primary and behavioral health services and coordinated care management for their new offerings.

Harvard Pilgrim had been working with Doctor On Demand since 2017 to offer members telehealth services for urgent care. As the health plan researched ways to expand those offerings, telehealth use increased by 6,148% in its Connecticut market alone during the Covid-19 pandemic, making the case for launching a telehealth-first primary care plan sooner rather than later.

Priority Health members wanted to connect with primary care doctors from their homes, often after hours — demands that only increased during the pandemic. Priority Health also sought to address issues of accessibility: members in rural areas sometimes had trouble getting to primary care and behavioral health providers, while in urban areas with more facilities, members sometimes faced long wait times.

Priority Health needed a virtual care partner able to integrate its flagship Cost Estimator tool into its virtual care offering for the individual market. Doctor On Demand’s willingness to do so, combined with its good reputation, made it the right partner for the new MyPriority Telehealth PCP plans.

“These new telehealth-first products support a coordinated primary care system focused on prevention, management of chronic conditions, and the delivery of appropriate, affordable care.”

Members of Harvard Pilgrim’s and Priority Health’s telehealth-first plans have 24/7 virtual access to Doctor On Demand’s entire care team — doctors, nurses, care managers, psychologists, psychiatrists, nutritionists, and more — for primary care, integrated behavioral health, chronic care management, and urgent care.

Members of both products can access their individual health system’s broad-based network for specialty care. Doctor On Demand also refers members to the health plans’ networks for additional virtual or office-based care. For example, if a Doctor On Demand clinician determines during a virtual appointment that a member requires in-person services (e.g., lab work, pharmacy, specialists), they will work with the member to identify a convenient location within the plans’ broader network, help schedule an appointment, and track follow-ups with the member.
Doctor On Demand’s virtual care providers are held to the same quality standards as in-person care. Working with Harvard Pilgrim’s SimplyVirtual plan, Doctor On Demand providers must meet Harvard Pilgrim’s Quality Advance Program requirements for hypertension and diabetes, quality improvements based on patient experience, and reporting on PCP HEDIS measures.

### Building on a Legacy of Remote Care Through the Payer-Provider Integrated Model

Kaiser Permanente has been offering telehealth visits, including phone and video, to members in its mid-Atlantic region for nearly a decade. During this time, telehealth has grown from urgent care or pharmacy refills to include the full scope of primary care, behavioral health, specialty care, and home health care. The mid-Atlantic region, spanning Washington, Maryland, and Virginia, saw video visits grow from about 50,000 in 2019 to nearly 800,000 in 2020, with consistently and overwhelmingly positive feedback from members.

By 2020, Kaiser Permanente had three critical components in place to expand its virtual offerings to provide its telehealth-first Virtual Forward products: a complete electronic medical record and remote patient monitoring that all physicians can access, a history of high customer satisfaction with virtual care, and a large internal physician workforce comfortable with using telehealth.

As with any product development process, the health plan conducted a market analysis, product and pricing analysis, compliance review, and state filing. In this case Kaiser Permanente’s existing robust virtual delivery platform enabled the plan to fast-track product design to deployment and customer engagement.

Kaiser Permanente was confident that care coordination in its integrated payer-provider system would translate seamlessly; with the same team of clinicians providing care in-person and virtually, the same industry standards apply. Regardless of care modality, Permanente Medical Group’s prepaid physicians can maintain their focus on high-quality and innovative care, and the best health outcomes for the member — not volume of services provided.

> As more patients seek the primary and preventive care they need virtually — and avoid developing health conditions that are obviated, or at least controlled, with excellent primary and preventive care — we expect a further reduction in overall costs to insurers, clinical teams, and patients alike.

A Kaiser Permanente Virtual Forward plan member can initiate care in multiple ways: speaking to a provider face-to-face via video visit, talking by phone, completing an online questionnaire to prompt personalized advice within a few hours, emailing their provider to seek a response within 2 days, or using online chat to reach a nurse 24-7.
The Virtual Forward health plans offer unlimited virtual appointments with Kaiser Permanente’s primary care and specialty care physicians. The plans also cover the first in-person primary care visit and allow for the use of in-person services, as needed. Because all Kaiser Permanente providers have access to members’ electronic health records, patient care is highly coordinated no matter how care is delivered. Permanente Medical Group clinicians can provide real-time care management, scheduling needed appointments or preventive services often on the same day.

**Improving Affordability**

In the near term, telehealth-first plans provide access to care at a more affordable price, without the overhead costs of space in clinics and hospitals. As more patients seek the primary and preventive care they need virtually — and avoid developing health conditions that are obviated, or at least controlled, with excellent primary and preventive care — we expect a further reduction in overall costs to insurers, clinical teams, and patients alike, including travel-related expenses.

While Priority Health went to market with a premium for MyPriority Telehealth PCP that is 6%–8% lower, on average, than its other plan offerings on the individual market, over time it expects the cost savings of the telehealth-first program to grow as members use their virtual primary care physician for circumstances that previously would have required a visit to more costly urgent care.

For 2021, Kaiser Permanente offered its Virtual Forward products at a rate 15%–20% below its traditional products. At the outset, Harvard Pilgrim’s pricing for the SimplyVirtual plan in Connecticut is 8% below a traditional HMO product, and the health plan anticipates similar products and other markets to be priced below traditional products.

**Early Enrollment Success and Plans for Growth**

Consumers seeking health care on the individual market are especially price-sensitive. Priority Health’s low-cost, virtual care offering was developed to meet their needs — but the popularity of MyPriority Telehealth PCP wildly exceeded the health plan’s expectations. Priority Health enrolled 5,000 members in the new telehealth-first product for 2021, more than 2,000 of whom transitioned from other Priority Health products.

Harvard Pilgrim and Kaiser Permanente both launched their virtual-first products with commercial members. Prompted by telehealth data from its members in Connecticut as well as the desire to grow its membership in the region, Harvard Pilgrim launched SimplyVirtual with large employers (over 51 subscribers) in the state as a proof-of-concept pilot, becoming the first to offer this type of product to employer groups in New England. To date, Harvard Pilgrim has quoted the product to more than 60 groups with more than 5,500 members, has sold a group account, and anticipates adding additional group accounts in the near future. Additionally, the health plan has filed the product in three states to make it available to groups representing tens of thousands of members across New England, expanding to the large group market in New Hampshire and Maine in July 2021, the small group market in New Hampshire and Maine in 2022, and the small and large group markets in Massachusetts in early 2022.
Kaiser Permanente of the Mid-Atlantic States launched Virtual Forward with medium- to large-group employers and expects about 1,000 members in this first year. The health plan will roll out Virtual Forward to other markets, such as small group and individual, in the 2022 plan year.

**Overcoming Challenges in Coming to Market**

We know that while these new plans have broad appeal, they will not work for everyone. Telehealth-first plans perform best for users with access to tablets or smartphones, strong Internet connectivity, and a solid technology data plan. While many people have a smartphone, they may not have a data plan that can fully support the technical aspects of a virtual-first health plan.

Additionally, users have to possess some tech-savviness, or at least comfort, with actions such as technology downloads and program upgrades when needed. And of course, these consumers must be comfortable with online interactions with clinicians.

"We know nothing in health care will be successful if we do not have a way to pay for it — and if does not serve everyone in a community. Now that health plans themselves are offering innovative, telehealth-first products, virtual access to affordable, high-quality coverage and care is likely here to stay."

The Web-based individual marketplace provided the greatest challenge for Priority Health, which found that the limited and unalterable space available to list the plan on the website made it difficult to fully explain the new offering.

As with any first-of-its-kind offering, these telehealth-first plans require strong onboarding support. Both Priority Health and Harvard Pilgrim sought to ensure that patients clearly understood that they were choosing a virtual-first primary care plan, not an urgent-care-only plan. Priority Health conducted immediate phone and email outreach during open enrollment — before the plan took effect — with members who chose the telehealth-first plan. The health plans also reached out to existing members switching to the virtual-first plan to ensure they knew to choose a new primary care physician through Doctor On Demand. Harvard Pilgrim also sent SimplyVirtual enrollees welcome kits personalized to their health care needs, including tools such as blood pressure cuffs and thermometers.

Largely in response to telehealth’s momentum during the pandemic, Kaiser Permanente worked rapidly to bring its Virtual Forward product to market in the mid-Atlantic region, but regulatory filing time lines presented challenges to entering additional markets in 2021. It is not unusual for health plans eager to expand telehealth to find state regulations to be a barrier. Each state has specific, unique requirements for health insurers and providers, adding costs and a layer of complexity in compliance for organizations operating in multiple states. Health plans may be able to overcome some of these challenges by utilizing vendors such as Doctor On Demand, which
handle physician licensure for all of their telehealth professionals. While this approach can also expand their provider networks, it comes with a cost.

**Ensuring Access to Telehealth**

We know nothing in health care will be successful if we do not have a way to pay for it — and if does not serve everyone in a community. Now that health plans themselves are offering innovative, telehealth-first products, virtual access to affordable, high-quality coverage and care is likely here to stay.

The promising enrollment numbers for 2021 from Harvard Pilgrim, Kaiser Permanente, and Priority Health reflect the widespread embrace of telehealth and hold the promise for value-based primary and behavioral health care for more individuals and communities. Now that our nation has seen the success of telehealth, we must commit to its full and permanent place in health care delivery.

**Ceci Connolly**,  
President and Chief Executive Officer, Alliance of Community Health Plans (ACHP), Washington, DC, USA

**Connie Hwang, MD, MPH**  
Chief Medical Officer and Director, Clinical Innovation, Alliance of Community Health Plans (ACHP), Washington, DC, USA

*Disclosures: Ceci Connolly and Connie Hwang have nothing to disclose.*

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