

## Virtual Health x Destination Medicine

### Are you using virtual health to support your Destination Medicine program

#### Destination Medicine stands on four value pillars

Destination Medicine often denotes travel-intensive medical tourism to obtain specialty care. We suggest a more comprehensive definition for Destination Medicine: *Accessing health care services that meet a patient's unique clinical and experience needs, including expanded opportunities to participate in clinical trials, within and outside of the patient's home geography.* This definition of Destination Medicine speaks to its breadth and accessibility, and the expected growth tells a consistent story with the global medical tourism industry projected to grow to \$207B by 2027, expanding at a CAGR of 21.1%<sup>1</sup>

Destination Medicine offers four value proposition pillars:

**Services:** Access care teams renowned for their specialized treatment or distinct care experience

**Outcomes:** Enrollment in programs with demonstrated track records and consistent, superior clinical outcomes

**Access:** Expanded access to medical centers that were previously geographically and logistically impractical

**Cost:** Efficiencies of scale and lower total medical expenditure derived from consistent outcomes

The value proposition appeals differently to each constituent: *Payers* (health plans, employers) pursue Destination Medicine with a short-term expectation to obtain preferential volume discounts and a long-term objective to lower total costs based on superior outcomes. *Health systems* offer Destination Medicine services to attract higher patient volumes to cover the costly infrastructure of specialty services, and to attract a greater pool of clinical trial candidates. And *Patients*, of course, hope for the best medical treatment packaged in a seamless experience.

#### Destination Medicine is more than international medical tourism

Destination Medicine providers can be characterized into three geographic archetypes: Regional, National, and International, all of which employ specific strategies to attract and serve distinct patient populations.

The number of US and international medical tourists is expected to increase 25% per year over the next decade<sup>5</sup>. This increase in patient demand is proportionate with Destination Medicine centers' efforts to improve convenience and access, demonstrate and publicize clinical outcomes, and offer attractive payment bundles. Traveling for care is expected to rebound, especially as pandemic travel restrictions are eased.

#### Virtual health can help solve some key challenges for Destination Medicine

The benefits of Destination Medicine are uncontested. Even so, the industry continues to experience administrative and logistical challenges. For example:

- 1) The effort and cost of travel for medical evaluation prior to the actual care episode may deter some patients
- 2) Prior authorization and financial clearance can be a challenge
- 3) Post-discharge communication between specialist and local provider can pose challenges
- 4) Follow-up care may be interrupted, which can compromise outcomes.

Fortunately, solutions are now available to address such long-standing challenges and streamline the Destination Medicine care episode.

DESTINATION MEDICINE ARCHETYPES			
	Regional	National	International
Offerings	Offers specific diagnostic and therapeutic tertiary and quaternary care in the region. Cater to a regional network of primary and secondary care providers	Enjoys national brand as center of excellence (COE) with highly ranked specialties and access to unique clinical trials. Have built efficiency and quality around specific services and obtained COE designation	Emphasizes cutting edge care and research packaged as broad / VIP care experience for travelers (e.g., accommodations coordination with overseas health systems for pre-and post- patient care)
Primary Business Model	Regional and national plans (Commercial and Government)	Carve-out contracts with national payers	Cash business and global health insurance (expats, executives)
Common Patient Attributes	Patients in communities with limited specialized care and diagnostic capabilities and the ability to travel or commute	Health literate domestic patients seeking the highest quality in-country care. They are often guided by their local health care providers or their employers to these COEs	High net worth individuals and embassy-sponsored patients seeking health services not available in their home country. Occasional expat or global executives
Demand Signals	Most patients (91%) worry about quality of complex care performed locally; they would rather travel to a regional destination center <sup>2</sup>	Over 80% of employers now use COEs to reduce costs, improve outcomes, and enhance the patient experience <sup>3</sup>	1 in 200 air travelers (between 100K and 200K) entering the United States annually list health treatment as the reason for visiting <sup>4</sup>

Over the last decade, and particularly since the beginning of the pandemic, virtual health innovation and adoption have boomed. A 2021 paper found that 52% of surveyed health clinical leaders reported significant shifts in their health system's virtual health strategy.<sup>6</sup> Challenges such as follow-up care logistics and clinical trial candidate evaluation can now be handled remotely with digital health capabilities (*more detail provided in the below table*).

**The outlook is bright for Destination Medicine**

As Destination Medicine travel returns, virtual health solutions can help improve the efficiency and efficacy of remote specialty care. Even so, the span of

Destination Medicine transformation goes far beyond that. There is opportunity to continue reshaping how Destination Medicine is defined by employing in-depth virtual health solutions beyond telephonic or video-based virtual health visits. This includes the integration of diagnostics and utilization of remote patient monitoring to manage patient health pre- and post-care, or to reach historically isolated populations. The opportunity to integrate remote patient monitoring is timely considering its increased adoption, particularly since the pandemic: Medicare visits conducted through telehealth in 2020 increased 63% from 2019.<sup>7</sup> However, these opportunities also present a new and unique set of challenges for organizations, such as state and national regulations on care delivery or

questions around access to broadband connectivity. As demand for both Destination Medicine and Virtual Health rise, health care organizations have meaningful opportunities to serve patients in new and differentiated ways beyond their geographical boundaries.

SECOND OPINIONS (INTERNATIONAL, NATIONAL, & REGIONAL)		
Challenge	How Virtual Health Assists with Patient Challenges	How Virtual Health Assists with Provider Challenges
Patients opt to receive care locally after all, even after being medically assessed by a specialist at the Destination Medicine center	Initial consultations can be conducted virtually. This removes unnecessary travel for the patient and is often more efficient for the specialist than an in-person clinic visit. Results from the initial evaluation can build a stronger case for financial clearance ahead of actual visit	By tapping the patient's local facilities to conduct preliminary labs/tests, providers can reduce strain on their Destination Medicine facilities, thereby increasing patient throughput; additionally, virtual health technologies facilitate enhanced provider-provider communication when reviewing patient records and diagnostics for second opinion
CLINICAL TRIAL QUALIFICATION (NATIONAL AND REGIONAL)		
Challenge	How Virtual Health Assists with Patient Challenges	How Virtual Health Assists with Provider Challenges
Clinical trial enrollment lacks patient diversity <sup>8</sup> due to geographic barriers or insufficient awareness of trial eligibility	Destination Medicine can reach broader populations while removing barriers to participation, including eligibility concerns as well as cost and time of travel. This can improve recruitment and increase diversity in trial participants	Virtual health expands the pool of eligible clinical trial participants by leveraging digital patient consultations to facilitate sufficient representation of the target population for the trial
FOLLOW-UP CARE (INTERNATIONAL, NATIONAL, AND REGIONAL)		
Challenge	How Virtual Health Assists with Patient Challenges	How Virtual Health Assists with Provider Challenges
Follow-up care can be time sensitive and difficult to coordinate after a patient returns home from the Destination Medicine provider. This can cause patients to disengage which possibly compromises outcomes	Virtual care visits improve follow-up care and allow patients to receive treatment even after returning home. Destination Medicine teams can more easily connect with traditional primary care providers to transition care and continue to stay engaged during the recovery process	Virtual care visits enable providers to conduct follow-up care without the logistics of setting-up and coordinating in-person visits, circumventing both travel and administrative challenges. Collaborating with the local PCP or Post-Op team is also streamlined

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*Acknowledgements:* Julia Brianne Kenney,  
Shaweta Saini, Stanley Seat, Owen Riley

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<sup>1</sup>Wood, L. (2020, April 15). Global Medical Tourism Market Trends report, 2020-2027 - [researchandmarkets.com](https://www.businesswire.com/news/home/20200414006133/en/Global-Medical-Tourism-Market-Trends-Report-2020-2027). Business Wire. Retrieved February 22, 2022, from <https://www.businesswire.com/news/home/20200414006133/en/Global-Medical-Tourism-Market-Trends-Report-2020-2027>

<sup>2</sup>Bühn, S., Holstiege, J., & Pieper, D. (2020). Are patients willing to accept longer travel times to decrease their risk associated with surgical procedures? A systematic review. *BMC Public Health*, 20(1). <https://doi.org/10.1186/s12889-020-8333-5>

<sup>3</sup>2020 Health Care Delivery Survey. Willis Towers Watson. (2020, October 16). Retrieved April 26, 2022, from <https://www.wtco.com/en-US/Insights/2020/10/2020-health-care-delivery-survey>

<sup>4</sup>Chambers, A. (2015, August). Trends in U.S. Health Travel Services Trade. USITC Executive Briefing on Trade. Retrieved February 22, 2022, from [https://www.usitc.gov/publications/332/executive\\_briefings/chambers\\_health-related\\_travel\\_final.pdf](https://www.usitc.gov/publications/332/executive_briefings/chambers_health-related_travel_final.pdf)

<sup>5</sup>Dalen, J. E., & Alpert, J. S. (2019). Medical tourists: Incoming and outgoing. *The American Journal of Medicine*, 132(1), 9–10. <https://doi.org/10.1016/j.amjmed.2018.06.022>

<sup>6</sup>Fera, B., Shah, U., Korba, C., Shukla, M. (2021, February). Virtual Health Accelerated. <https://www2.deloitte.com/us/en/insights/industry/health-care/virtual-health-accelerated.html>

<sup>7</sup>New HHS Study Shows 63-Fold Increase in Medicare Telehealth During the Pandemic. HHS. (2021, December 3).

<https://www.hhs.gov/about/news/2021/12/03/new-hhs-study-shows-63-fold-increase-in-medicare-telehealth-utilization-during-pandemic.html>

<sup>8</sup>Flores, L., Frontera, W., Andrasik, M (2021, February 19). Assessment of the Inclusion of Racial/Ethnic Minority, Female, and Older Individuals in Vaccine Clinical Trials. *JAMA*. <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2776562>