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PARTNERS****New Market Report Reveals Telehealth is Ready for an Upwards Surge***Sage Growth Partners research indicates providers should embrace remote healthcare delivery*

**Baltimore, MD – March 30, 2017** – Sage Growth Partners (SGP), a Baltimore-based healthcare strategy, marketing, and research firm today announced the release of a new industry report, “Making the Connection: Is the telehealth market ripe for a boom?” The research and analysis discusses opportunities in telehealth, regulatory and reimbursement hurdles, and offers key insights to drive successful investment in this promising sector.

Broadly defined as the use of electronic and telecommunication technology to deliver remote healthcare services, telehealth has grown due to four key drivers: access, cost savings, patient satisfaction, and quality of care. Widespread availability of mobile technology has also increased interest in telehealth’s potential, and adoption by patients. With 2015 market revenue at \$645 million, IBISWorld estimates a compound annual growth rate of 39.9%, growing to a market value of approximately \$3.5 billion by 2020.<sup>i</sup>

Telehealth’s value is most apparent in specialty areas such as dermatology, pharmacy, and behavioral health, based on the reduced need for in-person visits in these areas. Despite the appeal of remote, on-demand healthcare delivery, challenges in regulation at the federal and state level have hampered adoption and penetration to-date. Programs covered under Medicare are limited—however, as an indicator of telehealth’s importance in the move from volume to value, the Next Generation ACO Medicare Model will remove pending telehealth restrictions for participating ACOs, potentially lifting this restriction for its entire population.

“The telehealth market is relatively immature and highly complex, and buyer sophistication varies,” said Stephanie Kovalick, SGP Chief Strategy Officer. “However, increased telehealth adoption from private payers and Medicare demonstrate that this segment of healthcare is not a fleeting trend. Telehealth has incredible potential to help the healthcare industry achieve its quality and cost goals. A recent study found that, if all U.S. emergency departments were equipped with telehealth technology, 850,000 trips could be avoided each year, saving the country approximately \$537 million.<sup>ii</sup> This is clearly a segment of the healthcare market that demands close attention as it’s poised for an accelerated upswing in growth.”

**About Sage Growth Partners**

Sage Growth Partners accelerates commercial success for 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 strategy, marketing, and research.

Founded in 2005, Sage Growth Partners is located in Baltimore, MD and serves clients such as GE Healthcare, Doctor's Community Hospital, Healogics, Availity, Chase Brexton Health Care, LG Healthcare Solutions, St. Jude Medical and Philips Wellcentive. Visit us online at [www.sage-growth.com](http://www.sage-growth.com).

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<sup>1</sup> Ziegler. "DECONSTRUCTING THE TELEHEALTH INDUSTRY." Ziegler. Accessed March 17, 2017.  
[https://www.ziegler.com/zmedia/3159/zielger\\_telehealth\\_whitepaper\\_final.pdf](https://www.ziegler.com/zmedia/3159/zielger_telehealth_whitepaper_final.pdf).

<sup>2</sup> Cusack, Caitlin M., Pan, Eric, "The Value of Provider-to-Provider Telehealth Technologies" Center of Information Technology Leadership.  
[http://www.partners.org/cird/pdfs/CITL\\_Telehealth\\_Report.pdf](http://www.partners.org/cird/pdfs/CITL_Telehealth_Report.pdf)