

MAINTAINING SUSTAINABLE GROWTH IN VIRTUAL CARE

*Improved Quality of Telehealth Technology Will Enable Digital Health Infrastructure
to Align With Consumer Demand*

FROST & SULLIVAN VISUAL WHITEPAPER

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With virtual care emerging as a long-term viable and often preferred option for care delivery, this Visual White Paper illuminates the importance of strategic selection of video solutions to capture clinical value and improve experience, aligning with consumer demand and organizational priorities.

Note: Frost & Sullivan uses the terms “Virtual Care” and “Telehealth” to embody the totality of nomenclature associated with the evolution of mHealth, telehealth, telemedicine, and remote patient monitoring technology in this paper.



Global Strategic Imperatives Driving Virtual Care

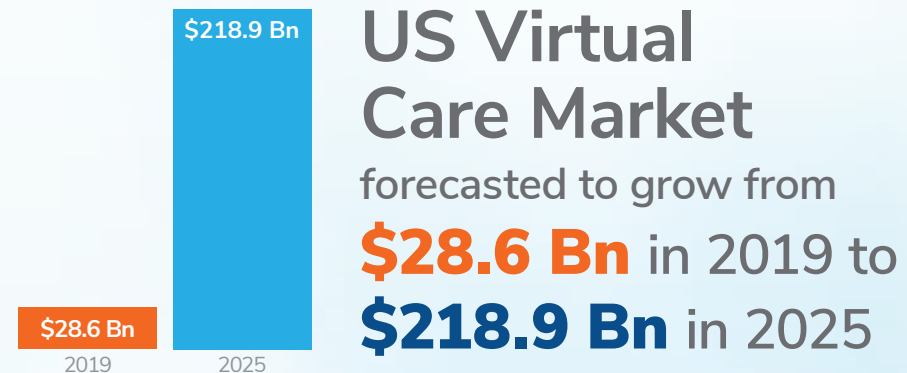
Moving From Geopolitical Chaos to Strategy

- ▶ Healthcare organizations must build virtual care capabilities to deliver quality interactions within cost limitations to deliver standards of care.
- ▶ Moving forward, healthcare organizations must take a critical look at the infrastructure and tools implemented to support the shift to a virtual care model.
- ▶ Technology must match the long-term needs, not short-term stopgaps.

Enabling Infrastructure to Meet Consumer Demand

- ▶ The transformation of in-person healthcare to a combination of in-person and remote delivery is changing the competitive landscape for products and services.
- ▶ The increase in the use of virtual visits and remote patient monitoring (RPM) is giving rise to new competitors that will improve the virtual care experience with new and innovative products.
- ▶ All healthcare stakeholders will need to enhance and deploy sophisticated digital health infrastructure.

GLOBAL MARKET ACCELERATED GROWTH



European Virtual Care Market

forecasted to grow from

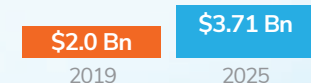
\$4.4 Bn in 2019 to **\$20.7 Bn** in 2025



APAC Virtual Care Market

forecast to grow from

\$2.0 Bn to **\$3.71 Bn** in 2025



In Australia, **10 million patients** now use telehealth services

Telehealth Solutions Now Prioritized to Bridge Gaps in Care Delivery

GOVERNMENTS CONTINUE FUNDING REMOTE ACCESS/ TELEHEALTH SOLUTIONS TO REACH THE UNDERSERVED

- ▶ Globally, governments increased reimbursement for telehealth interactions and reduced regulatory hurdles to accelerate adoption.
- ▶ Prior to COVID-19, telehealth solutions used sporadically in Europe and Asia and other parts of the world.



- ▶ Use during COVID-19 widened experience of both clinicians and patients with virtual care interactions.
- ▶ Social Determinants of Health (SDoH) helped map populations with unmet healthcare needs.

NATIONAL HEALTHCARE AGENCIES AROUND THE WORLD GREATLY ACCELERATED THE GROWTH OF TELEHEALTH WITH FUNDING



Canada budgeted **\$13.4 million** in late 2020 to fund three Toronto-based companies and an innovation hub to support digital health treatments, including telehealth.



China's post COVID-19 telehealth budget estimated at **\$8.6 Bn** and predicted to reach **\$54.2 Bn** by 2025, surpassing US market in 2023.



Australia set aside **\$88 million** for telehealth and extended the provision of telehealth services until end-2021.

Source: CNBC, Frost & Sullivan



Expansion of Virtual Care Applications is Here to Stay

Initially, quality issues appeared dampening enthusiasm and value of telehealth encounters.

However, providers quickly realized they must adapt to new competitive requirements and demands for telehealth to provide necessary technology that meets experience demands and organizational needs for cost, interoperability, and ease of use.

As 2020 global telehealth adoption accelerated and data became available, best-case evidence indicated healthcare organizations achieved Quadruple Aim initiatives due in part to telehealth implementations.

This mitigated reluctance to embrace telehealth and pointed to a new paradigm of virtual care solutions including the refining and improving of video technology solutions.

Both clinicians and patients have had positive experiences with virtual visits and other telehealth interactions, but the infrastructure supporting ongoing use is being reviewed and upgrades considered.

As providers shift to a focus on proactive care—versus the past reactive focus—

TELEHEALTH SOLUTIONS WILL BE KEY TO MORE CONTINUOUS AND PREVENTIVE CARE



Addressing Pain Points for End-Users—Providers and Patients

Priority One—Improving the Experience of Patients and Providers

- ▶ Telehealth has evolved to a much broader virtual care capability and mainstream alternative to in-person care due primarily to funding and clinician acceptance of the preferred standard of care by patients.
- ▶ Goal for all virtual care innovations should be to enable providers and patients to have a strong care experience for all parties.
- ▶ Patients have high expectations for telehealth technology including enhanced video-based communication solutions.

The Growth of Patient-Centered Virtual Video Interactions

- ▶ Patients rate virtual visits more highly when they have no technical issues connecting and the quality of the encounter is high—low quality video is a negative.
- ▶ Providers should be able to deliver quality interactions without concerns regarding technology hurdles—systems need to be easy to use, plug-and-play video technology is now expected.
- ▶ Healthcare organizations and health IT companies need to engage with a more personalized end-goal that provides high-quality video/audio that creates an immediate trusted medium.

A MASSACHUSETTS GENERAL HOSPITAL SURVEY FOUND:



62% of patients

reported the quality of virtual video visits was **NO DIFFERENT** from office visits AND **21%** thought it was **BETTER**



68% of patients

rated virtual video visits at **9 or 10 on a 10-point scale**



59% of health professionals

providing virtual video visits agreed that **virtual visit quality was similar to that of office visits**

Source: Frost & Sullivan



Scaling Solutions that Meet Clinical, Financial and IT Needs

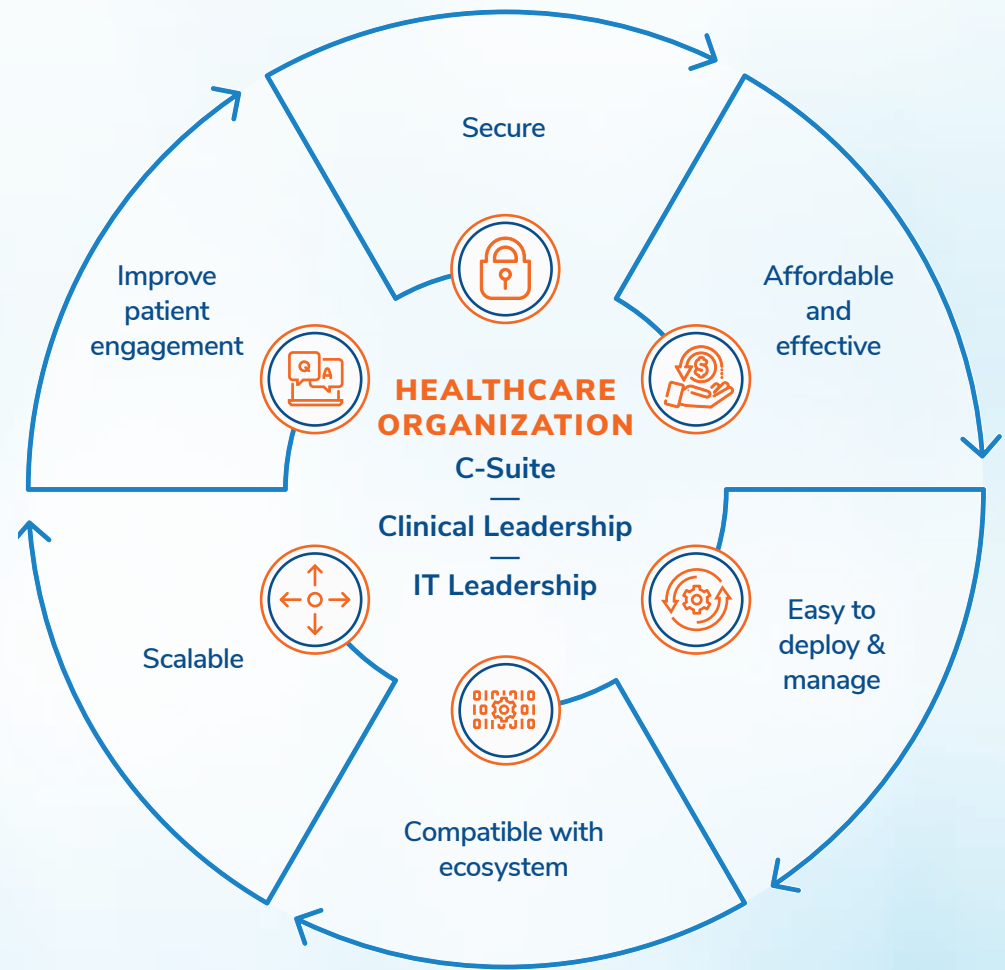
Discovering Collaborative Healthcare Solutions

- ▶ Regulatory hurdles limiting telehealth in the past have been rolled back, and won't return to full limitations post pandemic, given benefits experienced across stakeholders.
- ▶ With innovative video adoption by healthcare organizations worldwide, trusted brands in video collaboration services are demonstrating applicability to patient care and helping to define additional use cases.
- ▶ Simple, USB plug-and-play solutions now can enable seamless connectivity, support personalized experiences that build patient engagement, and extend access to health services where the need is greatest to improve the health of all communities.

Emerging Telehealth Standards of Care

- ▶ Seek simplicity, overcoming clinician resistance with easy-to-use solutions, ecosystem compatibility and ease of device management.
- ▶ Meet Clinical Leadership goals for improved patient engagement, quality interactions, seamless integration and interoperability, and ease of adoption/rollout.
- ▶ Meet Organizational and Financial Leader goals of high quality experiences with a scalable cost structure.

VIRTUAL CARE SOLUTIONS MUST MEET ORGANIZATIONAL REQUIREMENTS



Source: Frost & Sullivan



Challenges to Virtual Care Moving Forward

Will Existing and Emerging Virtual Technology Platforms Support Growth?

- ▶ Quite simply, virtual care is not and will not be the panacea cure to all healthcare needs around the globe.
- ▶ As virtual care is adopted and implemented, whole sectors of healthcare delivery verticals have been forced to transform, literally overnight as COVID-19 acutely impacted their daily operations and standards of care.

We Will Still Need Examinations and Procedures to be Performed in Person

- ▶ Virtual care is not the solution for all patients at all times; certain examinations and procedures must be performed in person.
- ▶ Video-based collaboration solutions.
- ▶ Yet, with advanced 5G broadband and greatly enhanced video cameras and seamless video production, the list of improbable virtual care clinical targets grows smaller with each innovation.

VIRTUAL CARE WITH ENHANCED HIGH QUALITY CAMERAS AND VIDEO WILL EXPAND THE NEED FOR STANDARDS OF CARE

Virtual Triage of Infectious Disease

World Health Organization (WHO)

Oncology

Cardiac Care

Chronic Wound Treatment

Physical Therapy

National Health Service Billing

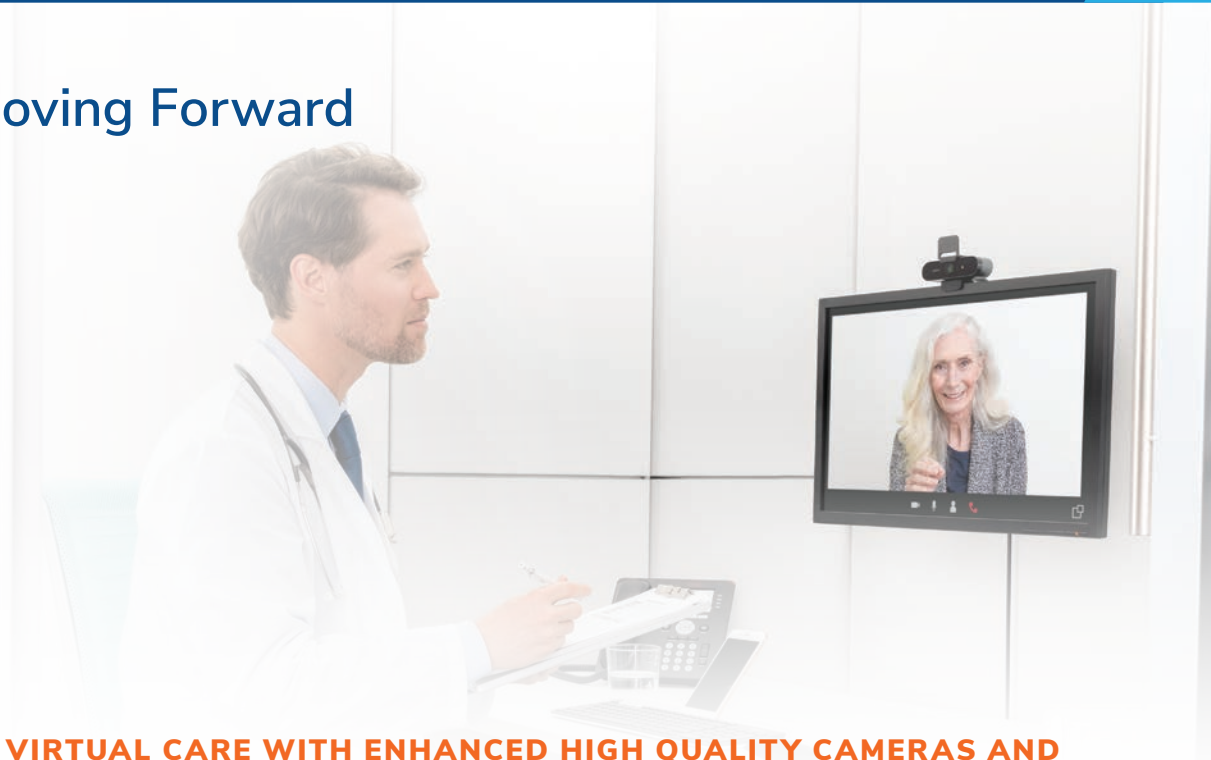
Cybersecurity

Wi-Fi and 5G Use

Health Information Security (PHI)

EHR Certification

Centers for Disease Control (CDC)



Vision for Integration and Video Collaboration

Emerging New Virtual Care Business Models

- ▶ The need for video telehealth capabilities has grown quickly and it is challenging to keep up with new technology and uses for high quality cameras and video.
- ▶ Practices can achieve a 20% revenue increase from telehealth and conservatively another \$45,000 annually from adoption of video-enhanced virtual care.
- ▶ 50% of patients said they would be willing to switch healthcare providers if it meant having regular virtual care access.

The Need for World-Class Solutions Moving Forward

- ▶ In the US, an estimated \$250 Bn in annual healthcare spending could be shifted to virtual or video virtual care, which represents 20% of all office, outpatient and home health spend across Medicare, Medicaid and commercially insured populations.
- ▶ As telemedicine increases its reach globally, video conferencing services will continue to play an ever-growing role in telemedicine practices and the quality and efficiency of healthcare.



VIDEO CONFERENCING IS HELPING LAUNCH TELEMEDICINE INTO THE FUTURE EXPANDING ACCESS TO HIGH-QUALITY HEALTHCARE



By adding video consultations to current telehealth technology, hospitals are reporting a

1,000% increase in the number of medical consultations performed

Today, using virtual video conferencing patients can

be supported by specialist doctors in a maximum of 15 minutes,

unthinkable in a traditional doctor's visit configuration



Source: Frost & Sullivan

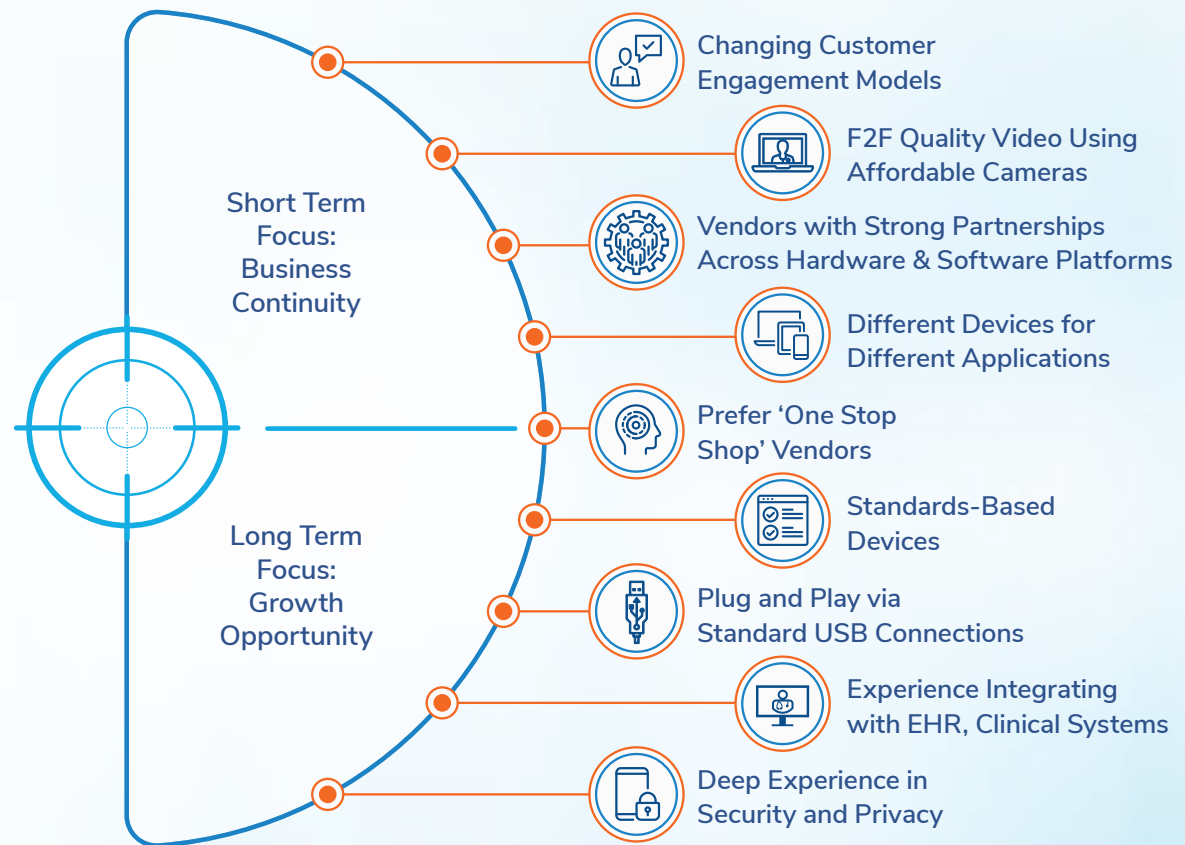


Required Infrastructure to Support the Paradigm Shift to Virtual Care

Cost effective solutions are readily available. However, careful evaluation of vendor partners that can best deliver the range of solutions that match unique needs will be an imperative. Now is the time to embrace the next step in virtual care innovation to gain from the emerging applications of virtual care and video collaboration technology.

VIRTUAL CARE SHOULD BE DESIGNED TO SCALE AND PROVIDE ACCESS, WHICH MEANS GETTING THE RIGHT HARDWARE THAT CAN DELIVER BOTH A GOOD PRICE AND DELIVER HIGH PERFORMANCE

- ▶ To gain added value and expansion of the applications for telehealth, healthcare organizations will need to expedite establishing the right infrastructure.
- ▶ Not all solutions and devices are created equally. This will require health care standards of care and practices to be re-visited to ascertain value, interoperability, cost effectiveness, and scalability of solutions.
- ▶ Delivering quality care does not mandate a liquidation of assets and capital reserves. On the contrary, virtual care should be designed to scale and provide enhanced access, which will mean getting the right hardware that can meet organizational goals.
 - Better quality outcomes
 - Lower the cost for providing care
 - Ease of use for clinicians
 - Quality experience for patients



Not all solutions and devices are created equally: focus on scalability, cost, quality, consistency of experience.

Source: Frost & Sullivan



About Us



At Logitech, we believe providers should be empowered to naturally build trust with patients, regardless of geography or setting. Our mission is to help people make a real connection without barriers—whether it's doctors discussing care options with their patients, providers consulting one another, or families communicating with loved ones. We offer an enhanced telehealth experience—one that's consistent, reliable, and drives user adoption for clinicians and patients—leading to a new standard of virtual care and building the healthcare ecosystem of the future.

In this period of digital health transformation, Logitech helps IT personnel overcome the challenges of deploying telehealth, such as cost and inconsistency of experience, by providing high-quality, enterprise-grade video at a scalable price point. Our solutions integrate seamlessly and securely with all major video conferencing applications, leading telehealth platforms, and healthcare equipment vendors, powering critical real-time human connection between care providers and patients. We help providers rethink what's possible from a patient's bedside, a provider's home, and anywhere in between.

To learn more, visit logitech.com/promo/healthcare



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