

# Pandemic's Silver Lining Highlights How Telemedicine Can Provide Medical Care Worldwide

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**Global Telemedicine Market  
Expected to Reach  
Nearly \$400 Billion by 2027**

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*By Jane Lemons  
Business Development Specialist*

## A Rapid Revolution

Sometimes it takes 20 years to become an overnight success. And sometimes it takes a catalyst to propel needed change. In the case of telemedicine, both of those realities converged in 2020 — as the COVID-19 pandemic propelled the acceptance of telemedicine in the United States and around the globe.



That shift was already underway, but the pandemic — with its need for prioritizing medical resources and maintaining social distance — accelerated the process. Data from the Centers for Disease Control and Prevention underscores the rapid transformation: In 2019, 43 percent of health centers were capable of providing telemedicine, but during the COVID-19 pandemic that increased to 95 percent of health centers.

The experience of Texas health care providers illustrates the changes revolutionizing the way doctors see their patients. Texas Oncology uses telemedicine visits for 25 percent of all visits, including 20 percent of new patient consultations, according to the Austin American-Statesman. Dr. Debra Patt, executive vice president of public policy and strategic initiatives for the statewide cancer treatment network, has used virtual visits to diagnose COVID-19, adjust patient medications, and conduct new patient visits.

“Telemedicine has been the silver lining of this pandemic year,” says Patt.

For the companies who provide telemedicine services, many of which are small businesses, the keys that unlocked widespread acceptance and usage have been changes made in response to COVID-19 that allowed Medicare and private insurance to reimburse for virtual appointments at the same rate as in-person visits. In addition, more than 40 states have modified telehealth requirements, such as allowing physicians to treat patients across state lines.

“In health care, you can’t go with the field of dreams model of — if you build it they will come. Rather, if you build it and they reimburse for it, they will come,” said Eric Bacon, president of AMD Global Telemedicine, a pioneer of virtual care technology based in Chelmsford, Mass.

As a result of the recent changes allowing reimbursement parity

and cross-state licensure, Bacon explained, “a doctor here in Massachusetts can see a patient in New Hampshire, and they can get compensated for it. We’re all doing things for the greater good, but at the end of the day, everybody has an organization and a payroll and things like that. For the telemedicine industry, this has been transformational.”

That means health care providers can now factor reimbursement for U.S.-based telemedicine services into their return on investment (ROI). That, in turn, is creating new

opportunities for telemedicine companies to expand operations — not only domestically, but also in the international marketplace where more than 95 percent of consumers live beyond U.S. borders.

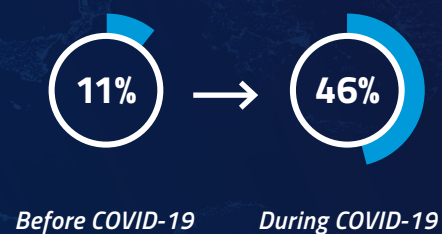
Whether companies are providing telemedicine to underserved communities in Appalachia or to remote villages in Paraguay, a crucial factor determining success for small businesses like AMD Global Telemedicine is the assurance that they’ll get paid for the work they do and the service they provide. ■

AMD Global Telemedicine has steadily increased the international side of its business. Exports now comprise about a third of the company's revenue.

**Health Centers Providing Telemedicine**



**Consumers Who Have Used Telemedicine**



## Telemedicine Market Growing Worldwide

While telemedicine has been around for decades, it's moved to the forefront of medical care since March 2020 when the pandemic upended in-person treatment options.

▶ **"The rapid and widespread adoption of telehealth by physicians in 2020 was one of the most significant improvements in health care delivery in decades."**

Jack Resneck, M.D., *American Medical Association Board of Trustees*

The share of U.S. consumers who have used telemedicine increased by 35 percentage points in 2020, from 11 percent in 2019 to 46 percent in 2020, according to a report by the U.S. International Trade Commission.

That was underscored when telemedicine was the focus of a recent congressional hearing.

The House Committee on Energy and Commerce's subcommittee on health convened the hearing — notably held virtually — on "The Future of Telehealth: How COVID-19 is Changing the Delivery of Virtual Care."

"The rapid and widespread adoption of telehealth by physicians in 2020 was one of the most significant improvements in health care delivery in decades. The new telehealth coverage and payment policies enabled physicians to deliver valuable services they previously could not afford to provide, but that their patients needed," Jack Resneck, M.D., a member of the American Medical Association's Board of Trustees, said in remarks prepared for the March 2, 2021, hearing

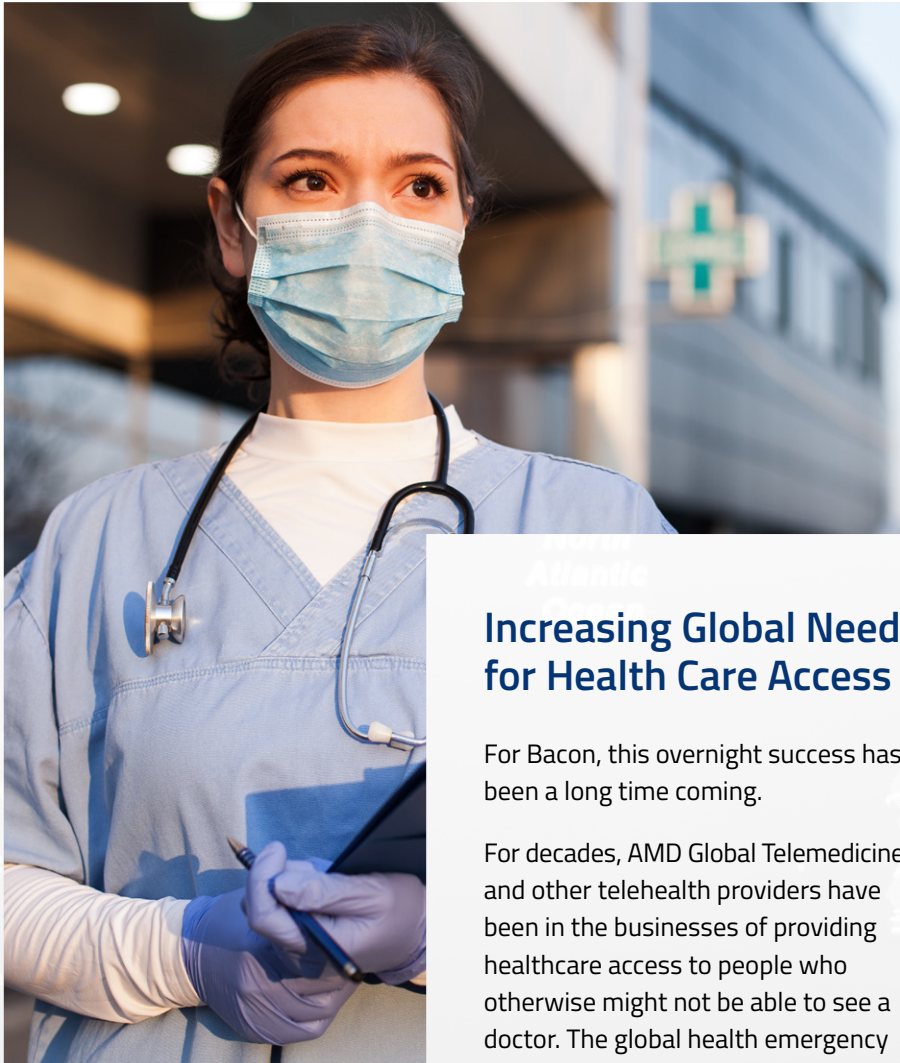
Even before COVID-19, the U.S. telemedicine industry was growing — with International Trade Commission

data showing an average of 17 percent annual growth from 2015-2019, culminating in industry revenues of \$3.2 billion in 2020. Market research predicts the market will continue to grow, at a rate of 28 percent, during the period 2020-2026.

That market growth is also expected to continue on a global scale. According to *Fortune Business Insights*, the global telemedicine market is projected to grow from \$79.8 billion in 2020 to \$396.8 billion in 2027.

The increasing size of the worldwide telemedicine market is underscored by surveys conducted by the *Pew Research Center* that found, in the wake of the pandemic, a wide range of experts believe people's relationship with technology will deepen as larger segments of the population come to rely more on digital connections, including telemedicine.

"Telemedicine has proved to be a key technology for diagnosing patients with COVID-19 and is crucial to all aspects of health," said Edson Prestes, a professor of computer science at Federal University of Rio Grande do Sul, Brazil. "My mother lives along the Amazon. She receives medical advice via mobile platform." ■



## Increasing Global Need for Health Care Access

For Bacon, this overnight success has been a long time coming.

For decades, AMD Global Telemedicine and other telehealth providers have been in the businesses of providing healthcare access to people who otherwise might not be able to see a doctor. The global health emergency brought on by the pandemic provided the tipping point to push those services into widespread use.

“We’re trying to bring access. That’s what it was 20 years ago when we were trying to bring health care to Iceland and Greenland and Nunavut and Alaska,” Bacon said. “Today, as the pandemic made clear, leveraging telemedicine technologies to deliver care gives patients digital front-door access to receive care no matter where they are located.”

➤ **The pandemic has exposed the need and created an opportunity to export telemedicine.**

AMD Global Telemedicine is among many companies — from industry leaders like Teledoc Health Inc. to cutting-edge start-ups constantly advancing technology — delivering health care via computer screens, smartphones, wearable devices, or even old-fashioned telephone lines, depending on the access available in various regions worldwide. The concept is to provide a telemedicine system specific to a location and its needs.

“The issue is — how do we increase access and reduce costs?” said Bacon. “That’s telemedicine, and that’s what it has always been. That’s what I spent 20 years of my career traveling the world and trying to educate people about, and that is going to continue.”

The pandemic has exposed the need — and created an opportunity — to export telemedicine. Since it was founded in 1991, AMD Global

Telemedicine has steadily increased the international side of its business. Exports now comprise about a third of the company’s revenue, and it has created telemedicine deployments in more than 100 countries. The pandemic has led to existing customers expanding their telemedicine services and new customers realizing their need to add a digital pathway to their operations.

But providing those services outside the United States can be complicated. Every country has its own rules and regulations, covering exports in general and medical devices in particular. Bacon serves on the board of the International Society for Telemedicine and eHealth, which has given him insight into the myriad challenges facing more than 100 member nations that are often unique to each specific location.

➤ **“Pick the right partner to represent you in the country, and find the right financial partner, like EXIM, to make sure you have the assurance you need to mitigate your risk.”**

*Eric Bacon, AMD Global Telemedicine*

When it comes to doing business abroad, one of the riskiest parts of the process for small businesses is the potential for not getting paid by their international customers. To solve that problem, AMD Global Telemedicine

turned to trade financing from the Export-Import Bank of the United States (EXIM), using export credit insurance to protect against the risk of nonpayment.

The insurance policy protects the foreign accounts receivable generated by the sale of goods and services from U.S.-based companies to international customers. This support also enhances overall competitiveness by empowering U.S. businesses to negotiate favorable credit terms needed to close deals in the fierce global marketplace.

“If I were giving advice to a small company getting into exporting, I would say that you need to understand the country’s regulations and their requirements before you accept that order or before you start running hard into delivery,” Bacon said. “Pick the right partner to represent you in the country, and find the right financial partner, like EXIM, to make sure you have the assurance you need to mitigate your risk.” ■



## About the Author

*Jane Lemons is a Business Development Specialist for the Office of Small Business at the Export-Import Bank of the United States (EXIM). As the nation’s official export credit agency, EXIM has a mission of supporting American jobs by facilitating U.S. exports. To advance American competitiveness and assist U.S. businesses as they compete for global sales, EXIM offers financing including Export Credit Insurance and Working Capital Loan Guarantees for small businesses.*

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