

How behavioral science can drive telehealth adoption

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We designed an intervention with NeuGen that more than **doubled** telehealth adoption and will save over an estimated **\$1.5 million** in healthcare costs over 5 years. Here's how.



The challenge

At Irrational Labs, we use behavioral insights for good. The benefits of telehealth are profound. Telehealth allows us to get immediate access to healthcare services, expands medical access to regions with limited medical resources, and enables us to speak with a doctor from the comfort of our homes. Further, it can help divert unnecessary Emergency Department (ED) visits – which have high individual and system-level costs – by offering an easy-to-access alternative.

NeuGen – a Madison, WI based Shared Services Organization that supports two large Wisconsin health insurance providers – looked to us to help them solve one of their toughest problems – telehealth adoption. Our behaviorally-informed postcard intervention successfully increased sign-ups for the insurers' telehealth services by as much as **168%** and will lead to an estimated **2,390 additional telehealth visits** next year. In addition to the myriad of short- and long-term health benefits that telehealth access and usage brings members, our simple campaign will save the two insurance companies an estimated **\$300,000 annually** or **\$1.5 million** over the next five years. Of this total estimated annual savings, \$70,000 is diverted from the ED alone and will account for an estimated **72 fewer annual visits to the ED**.



How we did it

We used a process called Behavioral Design. This involves generating a step-by-step map of the user experience, reviewing the relevant research, and marrying the two: You overlay insights onto the map to come up with a hypothesis-driven intervention, then test whether it works.

The intervention

In order to test various behavioral hypotheses we designed an experiment with four treatment groups and one control. We randomized members into one of the five conditions and evaluated outcomes across conditions. All members received a postcard, a mailer with supplementary materials/info, as well as an email and follow-up mailer six weeks later. The conditions were:

1. REGRET LOTTERY

Members in the “Regret Lottery” condition were automatically entered into a lottery to win \$100. However, if they were chosen, they would only win this money if they had signed-up for the telehealth service. We hypothesized that the desire to avoid the **regret** of winning the lottery and not being able to collect the prize, combined with the **endowment effect** of a personal, tangible lottery ticket would motivate telehealth sign-up.



2. UNCONDITIONAL REWARD

Members in the “Unconditional Reward” condition were sent a \$2 bill as a “thank you in advance” for signing up for telehealth – regardless of whether they would actually sign-up or not. We anticipated that people would desire to **reciprocate** after the gift of a small, fun, **salient** reward and would give a few moments to sign up for telehealth.

3. CONDITIONAL REWARD

Members in the “Conditional Reward” condition were offered a \$10 bill for signing up for telehealth. While we are **present-biased** to prefer immediate rewards, the benefits of telehealth sign-up come in the future when someone needs quick medical attention. We believed the immediate benefit of a **salient** \$10 reward would encourage telehealth sign-up.

4. INCOMPLETION BIAS

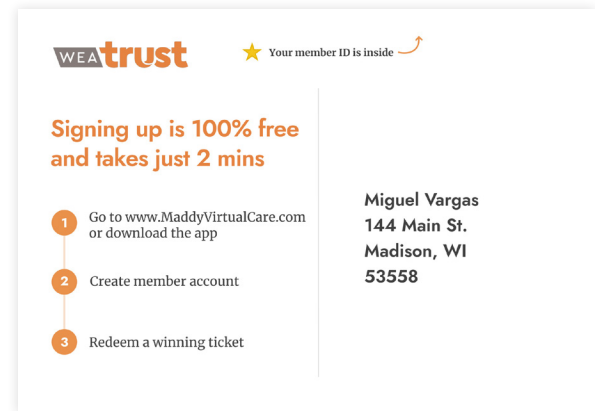
Members in the “Incompletion Bias” condition were told their profile was incomplete, but that they could complete it by signing up for telehealth. We hypothesized that an internal motivation to resolve **incomplete** tasks would result in signups.



5. CONTROL

Members in the “Control” condition were told about the benefits of the telehealth service—access to urgent care from home.

Throughout all of the conditions we aimed to reduce the *friction* created by an uncertain action by *simplifying* the message and the perceived level of effort, reducing the number of steps. We combatted *procrastination* by providing clear *deadlines* to action, and leveraged the power of *free* by highlighting the fact that the telehealth service is 100% free to sign up.



A peek into the results

All four behavioral conditions statistically significantly outperformed the control condition ($p < 0.001$). The two conditions with the greatest impact were Conditional Reward, with a **168% ($p < 0.001$)** increase in telehealth signups over the control, and Incompletion Bias, which demonstrated a **43% ($p < 0.001$)** increase in telehealth sign-ups over the control.

Notably, the *lowest* cost intervention—purely behavioral incompletion messaging—outperformed all conditions other than Conditional Reward.

LOOKING FORWARD...

This experiment demonstrates the powerful impact of behavioral insights on health behaviors. Irrational Labs continues to collaborate with influential healthcare companies to improve health outcomes with behavioral science.

To learn more about this work or partner together to leverage our behavioral science expertise to solve your toughest healthcare problems, contact us at info@irrationalabs.com.