A Dangerous Game of Battleship

The Power of mHealth and the Risk of Inaction

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Dangerous Game of Battleship

- New models bypass traditional providers
  - Payers becoming providers
  - VC-backed new entrants
  - Employer-based care

- Calculated "shots" to identify services offering the strongest ROI

- Reducing costs of chronic disease care a prominent target

- Existential threat to healthcare providers

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Home and Mobile Care Expanding

- WellPoint
  - LiveHealth Online
- UnitedHealthcare
  - NowClinic
  - Doctor on Demand

It's difficult to get in to see a doctor across the nation

18.5 DAYS to see a provider across US

< 3 min. to see a doctor online

17 MILLION Americans would switch doctors for the availability of video visits

75 million e-Visits in 2014

8% required in-person follow-up

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Employers Becoming More Proactive

- Wellness programs taking hold
- Outsourced chronic disease care a logical next step
- E.g. Envision Healthcare
  - 24 x 7 command center
  - Remote care
  - Triage services
  - Remote services nearly as loss-leader as entry into home care

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mHealth Myths

- Impact unproven
- Difficult to launch
- Costs exceed savings

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Objectives

- Reducing hospitalizations for high risk patients
- Interventions during the initial onset phase to prevent deterioration
- Building affinity with the healthy
- Delaying nursing home admission
- Conducting psychological assessments

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Defining mHealth

- **Care Team Collaboration Engine**
  - o Provides care team with holistic, longitudinal view of patient

- **IMPACT Care Center**
  - o Health access workers monitor patient status and video call patients (daily for the most severe)
  - o RN shift supervisor available for escalations

- **Patient Devices**
  - o Dedicated tablet running easy-to-use software
  - o Biometric devices based on patient's condition

- **Patient Education Platform**
  - o Delivers educational content
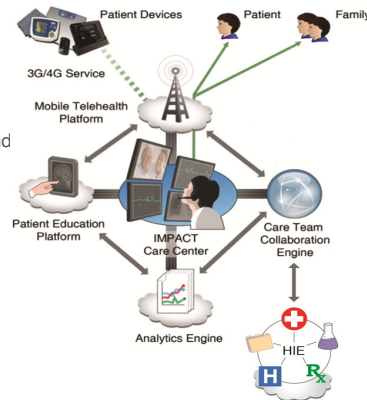
Magnifying human-to-human caregiving using mobile technology

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Remote Patient Monitoring Sensors
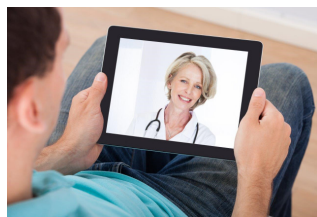
- Sensor technology rapidly advancing and costs dropping
- Ease of use increasing
- Need an agile platform to adapt as the technology evolves

Patients express a "sense of safety"

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Behavioral Contracts – Flexible Platform

- Individualized behavioral contracts
  - Empower the patient
  - Avoid perception of "nagging"
  - Establish positive reinforcement rewards
  - Provide benchmark for measuring success

- While negotiating contracts also profile:
  - Social and cultural contexts
  - Health literacy
  - Technology literacy

- Positive cases studies motivate others to pursue more aggressive goals

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Care for the "Homebound"

- Reduce hospital admissions

- Help alleviate loneliness

- Detect negative living conditions

- Connect with other social services

- Delay entrance to nursing homes

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Proven Impact – High ROI

9 to 1 Maximum
4 to 1 Minimum

But deployed for **< 0.5%** of chronic disease patients

Costs of $230 PMPM
Savings of $980 to $2,030 PMPM

Continuous programs most powerful
i.e. not just focused on post-discharge care

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Sampling of Results

- **Veterans Administration**
  - 59 % reduction in hospital days
  - 35% reduction in admissions

- **CHRISTUS Health in Texas**
  - 90% reduction in overall costs
  - 65% reduction in readmissions

- **St. Vincent/Ascension in Indiana**
  - 75% reduction in readmissions

- **Essentia Health in Minnesota**
  - 30-day heart failure readmissions down to 2% from 25%

- **Iowa Chronic Care Consortium**
  - 32% net cost reduction
  - 93% approval rating from patients

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The Timing is Right

- The technology is ready, dropping in cost and increasing in capability

- Consumers now expect the convenience

- 4G coverage across most service areas

- Payers beginning to create incentives

- Licensure bodies adapting

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The Patients are Ready

Pew survey results form 2013

- 56% of adults use a smartphone

- 70% of those with a single chronic disease engage in self-tracking

- 80% of those with two or more chronic diseases engage in self tracking

- Elderly acceptance of technology increasing rapidly

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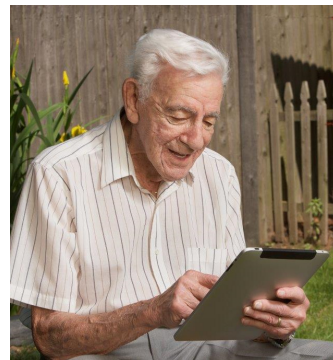
The Obstacles

- Fee-for-service dependency

- Limited of reimbursement

- Cost to implement

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The Financial Sweet Spots

- Health Plans

- Large Employers

- ACO's

- Medicare rule change reimbursing for continuous care

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Organizational Options

- Centralized
- Practice based
- Home health based
- Home-based teams
- Outsourced

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Deployment Decisions

- Cloud based services
  - o Upfront initialization costs
  - o Incremental PMPM

- Level of integration with existing EHR

- Outsourced logistics

- Outsourced end-user technical support

- Entirely outsourced (not recommended)

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Lead the Disruption or Be Disrupted

- Combination of convenience and effectiveness will propel mHealth

- Innovate now to keep the trust of the patients

- First mover competitive advantage

- If payers or new entrants win the patients' loyalty
  - Tough to recapture
  - Today's healthcare providers become tomorrow's subcontractors

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Unstoppable

Hard to call the winners at this point

But we've learned from previous technological disruptions …

You can't stop the wave …

So better learn how to surf!

We can help

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Questions

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