

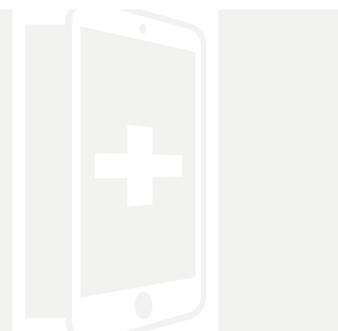
ERDMAN

ACCESS STRATEGIES:

PHYSICIANS & NEW SERVICE OFFERINGS



Effective consumer-directed services will be essential ingredients for healthcare provider's future market strategy plans. ERDMAN concurs with the concept that future care delivery models may rely much more heavily on providing services in diverse spaces, specifically the patient's home, hospital-controlled environments, and home-based/offsite settings. Healthcare providers will be presented with opportunities to differentiate themselves by considering effective, consumer-friendly strategies and programs. Telemedicine can be an important component of these strategies, especially for millennial and senior care patients.



SERVICES DELIVERED AT THE PATIENT'S HOME

Home-based care programs constitute a significant opportunity to engage and manage patients with acute and chronic conditions. Remote sensing and monitoring, telehealth, consumer-directed, and engaging internet services are key opportunities.

As the popularity and need grows for medical home management and expanded chronic care home programs, the FDA has started approving a limited variety of remote sensing and monitoring technologies. These technologies not only allow providers to gain a better understanding of patient compliance and daily behaviors, but also present excellent patient

engagement tools. In fact, the VA has managed many successful "at-home" chronic care programs for several years using these technologies to engage patients and manage chronic care conditions such as hypertension, diabetes, and congestive heart failure. Supplementing these programs with smart-phone apps and smart-devices to monitor and communicate medication compliance and personal activity levels can enhance care delivery and patient engagement.

When considering implementation of home-based care, it is important to understand and mitigate limitations associated with home-focused programs that incorporate remote

sensing and monitoring technologies. For example, wearable monitors can have inadequate sensitivity, accuracy and reproducibility for patient management decisions. Additionally, only a handful of such devices have FDA 510K certifications.

Virtual communities can also be utilized as a consumer-directed home-care management tool to engage patients and their families in healthy lifestyles, acute care recovery and chronic care programs. These virtual communities can be used to support a wide variety of clinical services ranging from concierge health programs to virtual health care networks.

SERVICES DELIVERED IN HOSPITAL-CONTROLLED SPACES

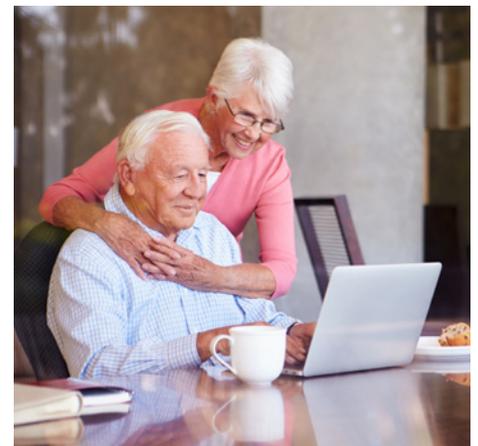
Telemedicine can serve as the keystone for new strategies to support a wide range of clinical programs including:

- Launching new products and services
- Augmenting existing clinical services
- Identifying and measuring new revenue initiatives
- Identifying and measuring quality improvement initiatives
- Developing superior staff and patient engagement programs

Telemedicine is widely employed today in the form of tele-radiology and distributed image interpretation, tele-psychiatry, tele-dermatology, tele-ophtalmology, and tele-neurology/tele-stroke programs. In the future, tele-pathology will likely gain interest, however that technology is largely limited by FDA policies at this time. →

Services such as the joint replacement program, adult behavioral health and adult daycare programs are largely associated with senior consumers and patients. There is a potential to expand senior-related services that may drive greater market value and support the population health strategies. Telemedicine, in the form of e-ICU-

like services can serve to improve the overall monitoring of inpatients at the hospital. In the not too distant future, these services will also be available to monitor patients recovering at home or at technology-aligned, post-acute care facilities.



NEW HOME-BASED AND OFFSITE SERVICES

Historically, hospitals have looked at telehealth services as solutions for improving access, revenue streams, coverage or quality. At the same time, physician practices have adopted telehealth services to drive new revenue, improve quality of life, and provide practice flexibility. Now, further exploration is being conducted to determine how home-based, offsite strategies can be incorporated to align with physician recruitment strategies and staff satisfaction goals. On a broader scale, systems like Kaiser

Health System are establishing Virtual Medicine Care Centers that provide primary care, speciality care, pediatric, and subspecialty pediatric diagnostic services to hospitals and practices across their markets. Physicians work out of a central, non-hospital facility. At Zoom Plus Health, diagnostic physicians are able to routinely provide primary care and limited specialty care teleconsults to patients and consumers across the Portland, Salem and Seattle markets from their offices and from home. Another system in northern

California has shifted from looking at how to keep existing physicians on the main campus busy, supporting services at their smaller hospitals and practices via telemedicine to a new strategy. Instead, they are exploring the use of telemedicine to recruit physicians into their underserved areas and to use those physicians to support appropriate services and clinical flexibility at larger hospitals in the system.

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