2015 KRHA Annual Conference

Telemedicine; Keeping Rural Kentuckians in Kentucky

Friday, September 18, 8:30-9:30am

Rob Sprang, MBA
Director, Kentucky TeleCare
Chair, Kentucky TeleHealth Network Board of Directors

Telemedicine; Keeping Rural Kentuckians in Kentucky

…discuss telemedicine-based opportunities to positively impact the healthcare of patients in rural America. Telehealth technology can increase access, improve quality and deliver additional levels of care to patients in rural areas.

Keeping rural Kentuckians in Kentucky

Keeping rural Kentuckians in Rural Kentucky

Keeping rural Kentuckians close to home

Keeping all Kentuckians close to home

Why do people travel for healthcare?

- Local community does not have specialty service
- Limited hours of operation for local providers
- Personal bias from patients/families that big city doctors or doctors in another state are better
- KY providers may refer to specialty providers that are out of state
- Self-referring around local providers may become a habit
- For patients in border counties, the closest provider could be across state lines
- Patients avoiding detection (drug seeking, pursue care for stigmatized condition away from home)

If the problem is in Kentucky, then the solution should be in Kentucky

Telehealth:

solving Kentucky's healthcare problems with Kentucky healthcare resources

Types of Telehealth

- Traditional, interactive videoconferencing between healthcare facilities
- Asynchronous, store and forward
- Direct-to-Consumer
- Remote Patient Monitoring

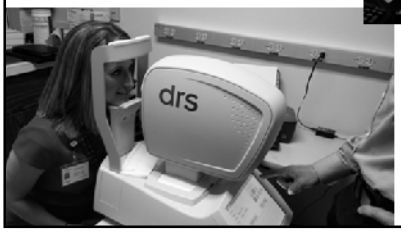
Traditional interactive videoconferencing between healthcare facilities

Traditional Telehealth

- Requires a physician referral
- Usually a consultation to help referring provider manage their patient while maintaining control
- Replicates a traditional clinical encounter
- May use medical peripheral devices for a robust clinical examination
- Near universal reimbursement for consultants
- Cost of equipment, connectivity and personnel may be more expensive
- Examples:

-ED service, including stroke care
-School-based primary care
-Telepsychiatry
-Medical Specialty to community
-Industrial Health/workplace care
-Correctional Health

Asynchronous, store and forward



Asynchronous Store and Forward

- Patient/Provider are not connected at the same time
- Patient information is captured and sent to storage
- Provider is able to access patient information, review and respond at their convenience
- No direct interaction between patient/provider
- Equipment/Connectivity/personnel costs can be less expensive
- Some applications are reimbursable
- Examples – Teleradiology and Retinal screening. Applications are becoming more complex

Direct to Consumer

Direct-to-Consumer

- Emphasis on acute primary care
- Access patients at home or anywhere with computer, tablet or smartphone
  - Interactive videoconference
  - Audio phone call
  - Text chat
- National call-center providers vs. local providers
- Intended to reduce unnecessary ED visits and compete with retail healthcare
- Not reimbursed by Medicare or KY Medicaid but insurance companies/employers may pay. May be an important part of pay-for-value.

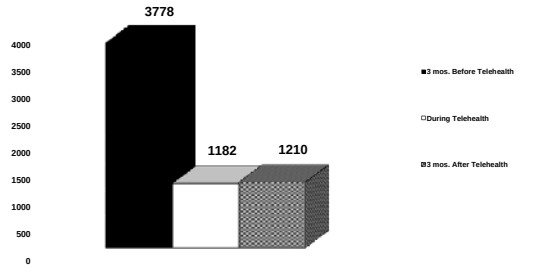
Remote Patient Monitoring

Remote Patient Monitoring (RPM)

- Chronic disease patients/high utilizers targeted for RPM – reduce readmissions, improve outcomes
- Vital signs captured automatically at patient's home and transmitted to monitoring station
- Negative trends trigger a call from monitoring station – medical illiteracy, cause and effect
- Medicare reimbursement
  - CPT 99490 – Chronic care management - $42.60/mo
  - CPT 99091 – Collect/review patient data - $56.92/mo
- Very important part of pay-for-value systems to keep chronic disease patients out of hospital

Year 1 Hospital Bed Days

Total Telehealth Patients = 683



Reduced hospital bed days by 68% during Telehealth.

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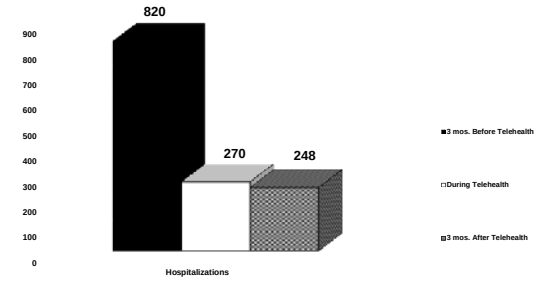
* Discharged Patients through January 2013

Year 1 Hospital Admissions

Total Telehealth Patients = 683



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Telehealth History in Kentucky

- 1995 – Telehealth launches at UK
- 1997 – Department for Juvenile Justice MH project
- 1997 – Community MHMR deployment
- 2000 – Kentucky TeleHealth Legislation
  - Medicaid/Commercial insurance reimbursement
  - Fund statewide network expansion
  - 4 telehealth resource centers
  - Statewide Board of Directors
- Post 9/11 – KYDPH deploys telehealth
- Today – Decentralized statewide network. Each site is responsible for joining on their own. KTHN oversight. Mcare/Mcaid/ Commercial Health insurance.
- Tomorrow – Move care closer to the patient

”Business as usual” isn’t

Medicaid Expansion in KY

- Traditional split 70%/30%, Expansion = 100%/0% then no higher than 90% through 2020
- In 2013, Kentucky uninsured = 20.4%*
- In 2015, Kentucky uninsured = 9.8%*
- What has happened in KY?
  - 375,000+ new Medicaid enrollees**
  - Uncompensated care dropped 55% **
  - State savings ($25.8M in 2014, $83.1M est. 2015)**
  - Deloitte Consulting - $1B windfall in 7 years and 40,000 new jobs through 2021**

*2014 Gallup poll
**2015 Deloitte Consulting report

Medicaid Expansion impact on health systems*

- Community Health Systems - 72% drop in uninsured admissions in 12 expansion states and 0% drop in 17 non expansion states
- Lifepoint Hospital System – 67% drop in uninsured admissions in expansion states and 14% drop in non expansion states
- Tenet Healthcare – 54% drop in uninsured admissions in expansion states and 8% drop in non expansion states
- HCA – 48% drop in uninsured admissions in expansion states and 2% drop in non expansion states

*Center on Budget and Policy Priorities

Adapting to changes in healthcare payment

- 2008 - Hospital acquired infections
- 2012 - Hospital readmission penalties
- Telehealth in Pay-for-Value/Risk and Reward sharing payment model
  - Keep population healthy at low cost
  - Increase access to needed clinical resources reduces barriers to seek care
  - Quicker diagnosis = quicker treatment = better outcomes at lower cost
  - Reduce no-show rates
  - Improve compliance with follow-up appointments

Threats

- Pay for Performance - Adapt to a new payment model that requires a different mindset
- Direct-to-Consumer, outside companies
- Retail Medicine

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- Pay for Performance - Adapt to a new payment model that requires a different mindset
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- Technology changes – Move from expensive stand-alone videoconference systems to PC-based software devices – Medical peripherals
- Legal/regulatory issues
  - Reimbursement
  - Privileging/Credentialing
  - Malpractice insurance
  - Licensure
- Providers outside KY – Medical Licensure Compact

Medical Licensure Compact

Comments from KY experts

"It's the inequality of reimbursement
(insurance company, employer or other entity would reimburse a call center MD to see a patient via phone, text, tablet/PC from home but would not pay the patient's own PCP that same kind of encounter)
that's most troubling"

A health system had over 50 physicians in a staff meeting and many were PCP's. None had any experience with DTC companies in the area. "Based on that survey, I think it's a non-issue in our health system"

"…we need to figure out how to leverage the 24x7 access channel"

"…we do rely on those (acute primary care) visits from a business standpoint…what concerns me more than that is taking the patients away from their medical homes…if I have a patient treated at a Wal-mart clinic for something, how do I know about it? How do I get communication that my patient was sick? How do I find out what was done testing wise and what medication they were given? What if I give them a medication that will interact with it? What if it is a medication given at the quick clinic that will interact with medication I already have them on?... go to CVS this month, then Wal-mart next month, then back to CVS the next…

PCMH and telehealth

- **Patient Centered** – partnership of practitioners, patients & family to meet the needs, wants and preferences of the patient
- **Comprehensive** – A team is wholly accountable for the patient's physical and mental health care needs
- **Coordinated** – Includes all elements of the healthcare system including specialty care, hospitals home care and community services
- **Accessible** – Shorter waiting times, 24x7 care and strong IT innovations
- **Committed to quality and safety** – emphasize quality improvement to make informed decisions

Patient Centered Primary Care Collaborative, 2014

Telehealth opportunities to consider

- "import" clinical services not available in the community (Memory Disorders, Emergency care, Diabetic Retinopathy Screening, psychiatry…)
- "import" educational programs
- "import" research initiatives
- Direct-to-Consumer for acute primary care as both a defensive and offensive tool
- Contracts with schools, jails, employers
- Remote Patient Monitoring
  - CPT 99490 – Chronic care mgt - $42.60/mo
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