Is Your Value-Based Care Strategy Thriving, Surviving or Non-Existent?

5 Key Steps Companies Can Take to Start or Accelerate Their Digital Health Strategy
More people than ever before are using technology to monitor and track their own health or the health of a loved one.
According to the global market research firm Parks Associates, the wearables market is set to reach **$5.4 billion by 2019**. These digital health devices are becoming a part of our socio-cultural fabric; these devices will be as common a tool as a smartphone in the next five years.

This quick and significant growth represents enormous potential for healthcare providers as they explore new ways to extend their reach and connect to their patient populations. Care is moving beyond the four walls of the hospital and physician’s office, and provider organizations are beginning to invest in the necessary infrastructure and programs to help launch data-driven initiatives.

These new, remote sources of patient health data provide valuable information to caregivers—whether it is a physician, nurse, clinician, or lab technician—that can be used in the treatment of a patient. With technology, healthcare providers are now able to monitor existing conditions, diagnose earlier and with more accuracy, and provide better preventative care.

In order to incorporate information from all of these new technology sources, providers need to establish a clear digital health strategy that incorporates telehealth services, remote patient monitoring, and analytics. All of these initiatives are critical to the future success of a healthcare organization. And, key to the success of those initiatives is patient-generated data.

**The Landscape: Where is Digital Health Today?**

Most providers have yet to implement or successfully launch a digital health strategy. Last year, Validic received responses from more than 450 healthcare organizations in an effort to better understand the current state of their digital health strategies.

According to the “Global Progress in Digital Health” Survey, the majority of respondents (59 percent) are either behind schedule with their strategy or have no digital health strategy at all. The remaining 41 percent of organizations say they are on schedule with their digital health strategy.
Respondents were primarily healthcare providers, but also included pharmaceutical companies, wellness companies and healthcare technology vendors. The survey garnered responses from healthcare professionals, who are members of the American Telemedicine Association, as well as subscribers to *MedCityNews* and *MobiHealthNews*.

For organizations that are behind the curve in formulating and executing their digital health strategy, there are tactics and technology partners available to help quickly kickstart programs and initiatives.

### Digital Health: Opportunities and Challenges

Formulating and executing a digital health strategy must be a priority for healthcare organizations. The industry is experiencing transformative shifts in the way care is delivered by clinicians and accessed by patients. The major driver of this shift is the rapid pace of digital health technology innovation and adoption.

Technology has a greater role than ever before in healthcare, and it is changing patient and provider behavior in profound ways. Patients now have the tools to self-manage, self-diagnosis, self-test, and self-treat. They have the opportunity to choose how, when and with whom they seek care. This means the patient has greater control and influence over his or her health than ever before.

Similarly, healthcare providers have more ways than ever before to connect with their patient populations. Patient portals, virtual visits, and secure messaging are just a few of the ways providers are now able to interface with patients outside of the hospital or physician’s office.

Digital health-powered initiatives, like telehealth, remote monitoring and analytics programs, may be a competitive advantage today. However, these solutions are quickly becoming status quo and will soon simply be a part of the normal healthcare environment. Organizations that lag behind in implementing these services risk losing patients who will seek services from third-party technology providers, like Doctor on Demand and HealthTap.

Technology is forcing the healthcare industry, which has historically moved slowly due to a number of regulatory and other factors, to move at a staggeringly quick pace to maintain competitive relevance.

The speed of innovation and competition in the healthcare landscape is requiring the implementation of more technology-enabled solutions. A digital health strategy is the only way for healthcare organizations to efficiently and effectively drive better outcomes, reduce costs and provide better care.
Innovators and Successors in Digital Health

Use Case: Telehealth

Kaiser Permanente, the largest non-profit, integrated health system in the U.S., has won numerous awards for innovation in digital health and is perhaps best known for pioneering its telehealth (virtual visits) services.

Kaiser noticed a trend of patients frustrated by long wait times in their urgent care centers. In response, Kaiser launched video visits conducted by emergency physicians for patients to access care from home or kiosks in the urgent care units. Patients were able to share images from smartphones or data from applications with physicians during visits to assist in care delivery.

The implementation of telemedicine services increased physician productivity, as they were now able to see six patients per hour rather than the 1.6 average with in-person visits. Kaiser Permanente members annually have more than 100 million encounters with company physicians, 52% of which are now virtual visits.

Use Case: Remote Patient Monitoring

The Partners HealthCare Center for Connected Health, a not-for-profit integrated health system in Boston, was one of the first large medical delivery services in the U.S. to incorporate remote monitoring with patient records. Partners HealthCare heavily relies on digital health devices in remote monitoring programs to reduce readmissions for chronically-ill patients and those recovering from surgery.

One of their programs focuses on heart failure patients to detect daily changes in weight, heart rate, pulse, and blood pressure readings. Clinicians monitor this information to track progress and then use telehealth services to educate patients about the significance of changes in weight or other readings. When needed, the clinician will intervene to facilitate treatment in collaboration with the patient’s physician.

Partners HealthCare found this type of remote monitoring and data collection not only reduced the cost of providing care, but also increased access for patients that faced difficulty in visiting their provider in person due to physical impairments or lack of transportation. The approach has reduced heart failure-related hospital readmissions among these patients by 50 percent.
Utica Park Clinic, a multi-specialty physician group in the Midwest, was experiencing challenges with implementing population health management programs and initiatives as a means to reduce costs and improve care. Utica Park utilized analytics software to determine gaps in care across patient populations and create the infrastructure to better manage care coordination.

The analytics software pulled data from financial records, patient records, and physician records. With the necessary data, the system was able to identify gaps in care with over 65,000 patients and create communication, outreach and engagement programs to fill the voids.

Incorporating analytics, they were able to improve their overall quality of care delivery by reducing readmissions, re-engaging patients through secure messaging, and generating almost $850,000 in billable revenue.
Implementing a Digital Health Strategy:

While there is an increasing number of providers that are successfully executing on digital health, the “Global Progress in Digital Health” Survey confirms that the majority of organizations are still struggling. To help those organizations move forward and maintain their competitive advantage in the market, Validic has identified five commonalities of healthcare companies executing in digital health. We have translated these commonalities into steps that help lay the roadmap for organizations struggling to advance or start on their digital health strategy.

Strategizing to Value-Based Care Success

There are five key steps to take before launching a digital health initiative as a means to achieve value-based care requirements.
Understand Regulations and Reimbursements

Nearly forty percent of healthcare executives cited compliance with MACRA as their biggest challenge for this year, while more than half of U.S. physicians admit have never heard of MACRA and are not familiar with the requirements. The first step to building a successful and sustainable digital health strategy is to understand how these regulations, like MIPS and MACRA, can work to your advantage - specifically how they relate to reimbursement models.

Target High-Cost, High-Risk Business Areas

Data is critical to obtaining the needed insight to understand the total cost of care across the continuum. This data will enable you to identify the high-risk, high-cost business areas to target first. For many providers, these areas are related to readmission prevention, clinical decision support, or management of patients suffering from one or more chronic conditions.

Build the Clinical / Technical Teams & Workflows

For many providers, this step proves to be the most challenging because it requires cohesive buy-in from senior leadership, physicians, and administrative staff. Best practices are beginning to emerge, however. A care team supported by dedicated technical resources is proving conducive to managing panels of patients more effectively, especially in remote monitoring programs. Also, clear is the need for the revised workflow incorporating new data sources is built on the existing clinical workflow in place.

Determine Infrastructure & Tech Requirements

Data interoperability is critical to achieving the fluid cross-departmental communication and coordination needed to support a value-based care model - and APIs are the best way to achieve this. The first priority should be to determine the centralized clinical system that will house and aggregate this data, as well as the data sources needed to pull in. The electronic health record (EHR) is a natural choice for many providers as the central clinical system. However, the customization options are limited with most EHR vendors. Therefore, others have selected to develop a centralized system outside the EHR which pulls data from that system as a (primary) data source. Prescription, Financial, and PGHD are additional common sources.

Align Internal Incentives & Success Metrics

It is necessary for health systems to align care team incentives and individual success metrics with outcomes to ensure adoption and compliance. A culture shift internally is needed to facilitate greater transparency, coordination, and communication from the top-down and between teams. Reimbursement models (to provide a payment structure for remote care) are slowly evolving and will continue to be driven by CMS and private insurers. In the meantime, health systems will need to structure a financial model around remote care and data review.
“We are experiencing transformative shifts to the way we deliver, access, and think about healthcare. The major driver of this shift is the rapid pace of digital health innovation and adoption.”

Ryan Beckland
President, Co-Founder
Validic
Technology continues to shape the delivery and management of care - primarily driven by regulations, consumers, and increasing market competition. The race to implement and execute is on. The leading innovators are already producing the evidence to support ROI and efficiencies of telemedicine, remote monitoring, and analytics programs. With the necessary infrastructure, incentives, and workflows in place, all providers have the opportunity to use digital health to build a better system and healthier populations.

Whether you are a healthcare organization thriving in this new value-based model or you are just beginning to review solutions and partnerships to build a strategy, there are always ways to innovate and improve. Implementing digital health, data and technology are the means to which we achieve value-based care, and not the end goals themselves.

About Validic
Validic is healthcare’s leading cloud-based, data connectivity platform. Validic provides access to patient data from hundreds of in-home clinical devices, wearables and wellness applications. Validic’s secure, scalable and FDA Class I MDDS platform delivers actionable, standardized and HIPAA-compliant health data into your system. Validic received Frost & Sullivan’s Best Practices and Best Value in Healthcare Information Interoperability award and Visionary Leadership Innovation award for solving many of the complexities of device data integration.

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