The Role of Telemedicine in NM for Next 5 years

Tuesday, June 16, 2015
1-2:00 pm

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Today’s Agenda

◊ Introduction of Net Medical
◊ Telemedicine Industry Overview
◊ Telemedicine Regulatory Environment
◊ Role of Telemedicine
◊ Networks of Care
◊ Building a Successful and Sustainable Program
◊ Brief Intro into various companies integration
Multiple components

- Neurologists
- Cardiologists
- Radiologists
- Infectious Disease
- Primary Care
- Psychiatrists

Doctors - 436

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Worldwide Client Base

Working with nearly 20,000 Facilities including Hospitals, Nursing Homes, Jails, Health Systems, and Physician Practices in 50 States across the Country, as well as 7 International Countries:
Industry Overview

Telemedicine

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Telemedicine is Here

It’s importance

* Patient Care
* Impact
* Technology
* Affordability
* Rapid growth & demands
* Same as in patient visits
Regulatory Environment

Telemedicine
National Regulatory Backdrop

There Are **Three** Main Objectives (Reform):

1. **Increase** Patient Access to Necessary Care
2. **Increase** Healthcare Quality / Outcomes
3. **Decrease** Healthcare Spending

There are 3 mandatory programs via the ACA today:

◊ **Value-based Purchasing Program**
◊ **Readmission Reduction**
◊ **Hospital-acquired condition penalty**
The National Landscape
Rapidly Evolving

- Reimbursement and coverage is State specific
- Rapidly evolving private payor climate—United Healthcare example
- Harris poll—27% of consumers would choose telehealth if available
State Legislation Tracking

- Parity laws—require private insurers to cover telemedicine-provided services comparable to that of in-person
- Medicaid leading the way in 48 States
- Some states apply technology, provider, geography, and/or originating site restrictions
- Requires hospital to consider the clinical and business case for the service

Telemedicine in the Next Five Years

*What data today is showing us*
The Future of Telemedicine
Increasing Implementation

◊ 52% of hospitals
◊ 450,000 patients will see a Doctor over the internet
◊ 15 million people
The Future of Telemedicine
Access to the Technology

◊ Technology and the Internet
◊ Healthcare is next
◊ 83.8% of households
◊ 90% of adults have Smartphone's
◊ We live in a connected age
The Future of Telemedicine
Effective for Hospitals

◊ Cost effective for hospitals
◊ Cheaper to use telemedicine than to transfer patients to hospitals
◊ Money saved of transferring patients
◊ Especially for rural hospitals

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75% surveyed said they were at least “moderately interested”

ONLY 27% had ever participated in telemedicine
### Reasons why patients liked telemedicine

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percent of Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>High quality of care</td>
<td>21%</td>
</tr>
<tr>
<td>Don't have to travel</td>
<td>21%</td>
</tr>
<tr>
<td>Comfort of home</td>
<td>20%</td>
</tr>
<tr>
<td>Quick access to care</td>
<td>11%</td>
</tr>
<tr>
<td>Shorter wait time</td>
<td>10%</td>
</tr>
<tr>
<td>Easy to use</td>
<td>9%</td>
</tr>
<tr>
<td>Avoid waiting room</td>
<td>8%</td>
</tr>
<tr>
<td>Cost effective</td>
<td>4%</td>
</tr>
</tbody>
</table>

*N = 138*
The Future of Telemedicine

Some Conclusions

- Technology is expanding
- Telemedicine is no exception
- Easier for everyone
- Cheaper
- Expansion, Exploration, and Implementation
Role of Telemedicine

What You can Expect
Role Of Telemedicine

- Efficient use of TIME
- Patient, Doctor, and the Family
- Family Involvement
- Community Involvement
- Economic Viability of Facility & Family
- Imaging with Clinicians & Specialists
- Affordability of Specialist Doctors
- Fulfills Your Mission
Barriers

The Future of Telemedicine
Telemedicine Credentialing

- Barriers to entry
- Single Biggest Obstacle for Telemedicine
- Hospital By-Laws
- Acknowledge delegated credentialing
- 5 states now have reciprocity
- Unnecessary Special requirements
Telemedicine Credentialing

◊ Antiquated demands for Doctors

* Facility fees
* Licensing across state lines
* TB Vaccination
* Copy of X-Ray results for positive TB
* Background checks for driver’s license
* Terrorism training
* Multiple Fingerprinting
* Proper Physician Monitoring/Performance
* OPPE (On Going Professional Practice Evaluations)
* Signature for Pharmacy & Order Verification
* Source Verification lack of compliance
Implementation “Gotchas”

- Need for Executive support
- Physician and Administrative champion a MUST
- Develop inclusive Steering Committee
- Engage EMS, pre and post hospital providers
- Have a plan and work the plan---measurable goals and timelines
- Create data driven framework for PI & outcomes management
  - Debrief all cases >60 minutes within 24 hours
  - Use metrics and avoid excuses
  - Promote SOLUTIONS
- Assure program “bench strength”
- Communicate! Communicate! Communicate!
- Educate! Educate! Educate!
- Share and learn from others
Telemedicine Implementation
“Most Important”

◊ Solutions

◊ Make sure you have buy-in/contracts/education
  ◊ “C” Level Personnel
  ◊ Emergency Room Personnel
  ◊ Nurses
  ◊ Training
  ◊ IT (FOR SURE)
  ◊ MEC Agreement that Telemedicine is Necessary
  ◊ Agreement on Certifications (if necessary)
  ◊ Gantt Chart procedures for implementation
Calculating the ROI
Successful Technology Integration

◊ Strategic
  ◊ Enhance clinical outcomes
  ◊ Physician Satisfaction
  ◊ Patient Satisfaction
  ◊ Community Image & Reputation

◊ Operational
  ◊ Reduction in duplicative processes or even LOS
  ◊ Ease of integration with new processes or perhaps facility
  ◊ Improved clinical outcomes
Role of Telemedicine
Creating the Business Case

◊ Contribution margin per case averages $4,000 for primary
◊ Contribution margin per case averages $10,000 for interventional
◊ Options for stand-alone services
◊ Options for combined services
◊ Low volume vs high volume programs
Building a Successful and Sustainable Program

Public & Private Company Integration

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Vision for New Mexico Network
$15m Grant = ACCESS

- University of New Mexico
- Net Medical – Corazon
- Broad-Based Buy-In
- 30 Hospitals
- CMS – Pays For 3 Years
- Free Equipment
- Neurology & Neurosurgery
- 18 Neurologists
- 8 Neurosurgeons

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Integration

What is Coming

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Examples of New Technology on the Horizon

What is Coming

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Role of Telemedicine

Integrating the Clinical Case

Ingestion → Diagnosis Team → Patient Plan → Storage → Report Submission
Doctor’s Report
What You’ll Need for Your Records
Telemedicine Cost

◊ Typical Industry
  ◊ $25k-$250k + $4,000 Installation + Travel + Maintenance
Telemedicine Cost

◊ **Equipment can be much more affordable**
  ◊ Workstation = $5,000
  ◊ No Keyboard
  ◊ No Mouse
  ◊ No Hard Drive
  ◊ Modern Technology
  ◊ Simple to install
  right out of the box