Tegria

The Tegria Vision Series: The Future of Healthcare

Imagine this

It's spring and time for the annual neighborhood cleanup. Your healthcare provider sends you a text that says, "John, remember to take your allergy medicine this weekend because, due to a high pollen count in your zip code, you may get clogged sinuses. We noticed you haven't ordered your medicine in the last 11 months. Would you like us to order some for you to be delivered tomorrow?"

This is the future of healthcare

You, as the consumer, patient and individual, get convenient, frictionless access to immediate and planned care. You talk to a person when and where you want to. The concept of "In Network" is history. Your experience with healthcare is economically aligned with private, public, and technology entities, and your specific needs—food, transportation, housing, etc.—extend well beyond the walls of the traditional provider. Your healthcare provider is a blend of the traditional health system and experts in industries that have historically been viewed as external but deliver key products and services that help you manage your health. Your care is precise and individualized, and your health information is controlled by the individual, stored where you want it and shared with who you want. You pay for what you need and are rewarded for taking accountability for your own care.

You also are plugged into a supportive community that shares your experiences and can be both your advocate and your accountable support. If you choose, your health can be integrated into your workplace, your school, your car, your home. It's digital 3.0 meets healthcare.

Consumer-centricity is the first part of the journey… membership is next

Organizations that are winning the hearts and minds of today's consumers successfully transitioned from analog to digital companies by changing their culture, investing in infrastructure to embed innovation within their core business, and adopting digital technology that enhanced their unique offerings. Healthcare providers face a growing population of informed patients with expectations to be treated with a high degree of personal attention. They want to be rewarded for being good stewards of their own healthcare and to establish a trusted relationship with their clinical care team—a team that knows them as an individual and sees them as a neighbor, co-worker, or advocate. The provider has the information and tools to customize care to the unique needs of the individual, creating a membership experience that is rooted in a foundation of community, inclusion, and trust.

The digital revolution has given consumers omnichannel experiences in every aspect of their life. Now they expect the same in healthcare. They want healthcare services on demand, so that healthcare fits into the natural rhythms of their lives.

Taking heed, as the future moves toward us, the entire healthcare industry is in the process of shifting to a patient-centric model. Advancements in technology are driving the disruption of the traditional primary care model that is the lifeblood of today's system.

The healthcare industry must innovate by becoming laser-focused on its patients as consumers and individuals, improving every interaction they have with a provider-based organization. Patients must be viewed as health delivery organizations' (HDO) top priority. Technology must be maximized to eliminate complexity, ensure privacy, and bring convenience and cost-effectiveness to the customer.

Leon Medical Centers in Miami-Dade County, Florida, is a perfect example of how this becomes a reality. Leon takes a full-fledged approach to caring for its 42,000-plus Medicare patients, who are known as members of the healthcare delivery system. On average, each member sees their physician five to seven times a year and the emphasis is on preventive medicine. Free transportation is provided to any of its seven state-of-the-art medical centers served by more than 2,300 primary care and specialty physicians. Leon offers onsite pharmacies, laboratories, dental and eye care, CT scans and MRIs. A 24/7 call center is open for anything from scheduling appointments to connecting with a doctor. With My Leon, members have full, secure access to their EHRs, which also goes with them if they travel out of state. Leon's service philosophy of "Personal Attention at all Times" permeates the entire healthcare system. It has been recognized three times as a Five-Star recipient under the Medicare Starts incentive program for outstanding quality, maximizing its service and experience such that the average member sees their provider seven times per annum. This is high touch and high quality. Today, this is healthcare at its finest.

How does this change the healthcare provider's role?

Right now, the hallmark of successful provider culture is its ability to adapt rapidly based on the needs of its patients. An HDO's technology plan is downstream from its overall strategy, and it partners with market research aggregators and firms to streamline technology investments.

Providers know their patients and their history, and in near the future will be able to engage in care to keep patients healthy—often before they even realize they need it. With patient-centric service, each provider will have access to the best course of treatment for each individual at that specific point in time. Decisions and investments will be made through the lens of the patient, who is embedded in organizational governance from the board room on down. Patients, along with clinicians, will become an organization's greatest strength.

Community infrastructure, both private and public, will be used to extend care beyond the walls of a health organization. The community will be aligned around the mutual benefits of keeping patients, customers, and members healthy, productive and informed.

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How can we get there?

It's no secret there are challenges to tackle. Managing cost is one. According to a 2020 CMS report, the U.S. reported spending more than $4 trillion on healthcare, with projections of spending rising to more than $6 trillion by 2028. Collectively, the industry, including its regulators and decision makers, continues to try and solve for rising and high costs and pass more savings on to the consumer.

We need a comprehensive, demand-sized strategy that gives patients the information they need to be better customers of healthcare, and an aggressive supply-side strategy that changes how providers are reimbursed so their margins are tightly linked to outcomes and efficiency rather than the volume of services delivered (Harvard Business Review, 2015). We have witnessed a continued increase in investment in this area. According to CB Insights, Q1 2021 saw the largest quarter of investment in Digital Health, outpacing the previous high in Q4 2020.

An example of the demand side is 98point6, a technology platform delivering primary care almost exclusively via SMS & text. This free platform for patients resolves more than 95% of their patient visits without a referral to a physical visit, has the ability to modulate from asynchronous to synchronous, and is driving more than five engagements per year for the average member. This is the next generation of healthcare delivered to improve access and deliver high-quality and high-touch healthcare at a completely different price point and reach than the traditional healthcare system. Leading-edge organizations will figure out how to partner with these technologies rather than view them as competitors to their existing business model.

On the supply side, Blue Cross Blue Shield of Massachusetts' Alternative Quality Contract adopts value-based-payment reforms in the private sector combined with public-sector reforms such as accountable care organizations and bundled-payment initiatives to bring new economic models to healthcare that align risk between providers and payers in ways that lead to better outcomes for patients (Harvard Business Review, 2015).

Improved access to care is a critical need across all patient segments

Average wait times for new patients across the nation to see physicians have risen by approximately 30% since 2014, according to Merrit Hawkins (2017). In large metro markets, wait times for family medicine appointments average 29 days and soar to 109 days in select markets such as Boston.

One reason contributing to lack of access could be attributed to the lack of continuity of health insurance, a particular challenge post-COVID-19. According to a study from the American Journal of Preventative Medicine (2021), adults with disruptions in insurance were less likely to receive recommended preventative care and more likely to forgo any necessary treatment compared to adults with continuity of coverage. This is especially relevant with recent increases in unemployment due to the pandemic and widespread loss of employer-based private coverage, the primary source of private cover age in the working-age population. It comes on top of the looming issue of physician shortage; the Association for American Medical Colleges estimates the demand for physicians will exceed supply in the range of 34,000 to 88,000 by 2025.

But there is a light at the end of the tunnel. Research from McKinsey & Co. (2018) shows that before the COVID-19 pandemic, unused capacity existed among employed clinicians for many health systems and opening the door to this capacity would address major consumer frustrations with healthcare delivery. In addition, setting best-practice appointment lengths, doing away with legacy concepts such as blocking parts of the scheduled for certain types of visits, and developing an approach to double-booking can go a long way toward easing wait times.

This underscores the need to transform the provider-centric business model, which puts the patient last, into a patient-centric model, where the patient is both a customer and an individual with real feelings, challenges, fears and hopes. If you ask most CEOs of HDOs today what their most valuable asset is, they say it's their clinicians. That answer needs to be twofold: clinicians and patients. Taking a page from the playbook of major consumer brands like Amazon or Walmart, healthcare should be hyper-focused on our customers, tailoring their experience as much as possible to individual wants and needs.

Healthcare data tsunami begs for a cure

Another big challenge is the diversity and complexity of healthcare data, which is stored in multiple places, is both structured and unstructured, and has inconsistent and variable definitions. This makes it nearly impossible for data to "talk" to each other and allow clinicians and HDOs to draw insights that will help them better serve patients—whether that's at the point of care or in the billing office. The software necessary to support healthcare is complex—arguably the most complex of all industries when factoring in the size of the data set, the sheer amount of different variables/data points captured on a patient, the necessity of real-time information, and the privacy and security requirements to protect sensitive personal health data.

Efforts are already underway at the federal level and among some vendors to adopt process standards. Healthcare will not fully realize the value of technology available today until a framework is built together, secure and protect the tremendous amount of data generated every minute, and then translate it into actionable information that is delivered to the patient and the clinician to improve decision-making, align incentives and generate better outcomes.

It's also worth noting that the healthcare experience happens 24 hours a day, 7 days a week, 365 days a year. This creates a constant flow of information that needs to be generated, monitored, synthesized, and secured in perpetuity. The good news is that for the first time, the technology and infrastructure requirements exist to allow the industry to unlock and harness the potential of this information. A challenge, however, is provider capacity to manage the information flow— approximately 30% of the world's data is being generated by the healthcare industry, according to RBC Capital Markets (2019). Consumer wearables, for example, generate about 28 petabytes of data per day. However, most providers can only manage about 10 or fewer petabytes, the majority of which are around imaging.

This data flow is only going to increase as new products create new data sets. In the future, HDOs will need to figure out how to manage hundreds of thousands of petabytes of data.
(RBC Capital Markets, 2019.)

Amid a pandemic, good news for patients

In the early days of the COVID-19 pandemic, the industry pivoted to innovate to serve patients and clinicians remotely, and in many cases to run their administrative processes offsite. This led to record market investment and growth in the space. According to CB Insights (2020), global healthcare funding to private companies reached a new quarterly record of $18.1 billion in Q2 2020 and there were 1,271 equity investments that same quarter. Digital health deals were also up. Global digital health equity funding grew by 22% to reach $5.8 billion in Q2 2020, the second-best performing quarter for funding on record, with 441 deals.

At the same time, emerging technologies like voice, AI, and Remote Patient Monitoring (RPM) are radically altering and driving the industry. Healthcare technology will soon touch us all in ways once unimaginable. Cutting-edge innovations will spawn new and vast potential uses. RBC Capital Markets (2019) forecasts that everything from earbuds for measuring core temperature to socks for measuring a baby's heart rate to a sports bra that can detect cancer are on the way. The group postulates that digital health will enjoin a tremendous number of industries that include genomics, ingestibles and implantables, wearables, sensors, retailers, social media, AI, analytics, clinical data and electronic health records, among others.

Consolidations and partnerships in the space are becoming increasingly common, which, if managed well, have strong potential to create more innovations and provide consumers greater access to care, particularly for hard-to-reach populations, communities of color, and those in rural America. According to RevCycle Intelligence (2020), ten major healthcare merger and acquisition deals were announced in 2020. The most recent is the joining of Utah's largest hospital system, Intermountain Healthcare, and Colorado-based SCL Health who are developing a strategic partnership that will create a combined organization of 33 hospitals and 385 clinics across six states and will employ more than 58,000 individuals.

Beyond expanded capabilities via consolidation, forward-thinking healthcare systems are pursuing partnerships with companies both inside and outside healthcare to bring new capabilities into their ecosystem, amplifying the healthcare system strengths and playing to the strengths of partners and other industries to expand shared potential. For example, Mayo Health recently partnered with Apple on HealthKit development and Providence health system partnered with Microsoft to more effectively deliver technology within the industry.

How Tegria steps in

Tegria has deep roots in healthcare and a broad understanding of the entire ecosystem, including patients, providers, payers, clinicians and communities. Launched by Providence, one of the largest health systems in the nation, Tegria's global promise is to humanize each healthcare experience by bringing bold ideas and breakthroughs to improve care, technology, revenue, and operations.

Our mission comes to life and light as we endeavor to:

- Provide high-quality, reliable data clinicians can trust

- Establish our customers as leaders, enabling them to hire and retain the best healthcare talent

- Improve the day-to-day workload of clinicians by creating efficiencies

- Help organizations prioritize, so patients can be treated as people, not numbers

- Simplify and streamline operational processes

- Ensure that patients *and* providers are heard, respected, and treated with dignity

- Build trust back into the healthcare system

We're holding onto a compassionate care philosophy that few others can emulate. In fact, the very name Tegria, based on integrity, marks and symbolizes an organization guided by a strong moral compass, always striving to take the right path.

Tegria is taking steps to help its customers put their patients, employees and clinicians first by modernizing and simplifying care delivery. We're using the most promising and practical ideas, together with experience and expertise from people inside the healthcare industry, to improve pathways to care, innovate new products and services, and transform the customer and digital experience. But we know we can't do it alone.

We are developing partnerships with Microsoft, Google and other technology innovators to help shift the healthcare industry to a cloud-based architecture, such as Microsoft Azure, Amazon AWS and Google GCP. Since there are currently limitations on the number of concurrent users (4-6K) that public cloud vendors can handle, bigger HDOs are not able to fully move to the cloud today. Additional limitations such as significant investment in owned data centers and technical limitations by incumbent ERM vendors, will require healthcare systems to begin a "cloud journey" in which they begin a graduated process of migrating the technical stack to the cloud.

Our customers can start the process by working within different cloud-hosting environments, such as those for training, data warehouses and disaster recovery, which will give them exposure to and enable them to reap value from the public cloud. This is the foundation required to maximize the tremendous amount of data being unleashed around the patient and truly shift the industry to a customer-centric position.

There is more...

Tegria will start helping its customers make this shift by improving their convenience and cost-effectiveness while maintaining the quality benchmarks they've already established. HDOs will need to use a combination of strategy, technology and outsourcing, along with partnerships, to shift to a new model that embraces a more member-oriented mindset. Tegria can provide the roadmap.

We will combine forces with our HDO customers to rethink the traditional "competition" and explore new ways to reach out to members—using technology at every turn and directing data where it will provide the most value.

✉ connect@tegria.com   🌐 tegria.com

We will help HDOs create partnerships and alliances to innovate quickly. The focus will be to choreograph capabilities that enable digital care to be delivered conveniently and appropriately to patients. A tremendous component of our success lies in shifting to the member-oriented model, where individuals and their unique situations are known and provided much more affordable, accessible healthcare.

By doing this, we will help build a healthcare system where the human connection always comes first and provider organizations are continuously innovating to meet the needs of their communities. Consumer preference has already demonstrated that certain techniques, experiences and capabilities, largely driven by technology, are the key to generating trust, and in turn, loyalty. If we, as a nation, can motivate individuals to become loyal patients, that means they will be more likely to consistently engage with their wellness and care—lowering costs, increasing access and leading to healthier lives for all.

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