Virtual Health: The Rise of the Consumer and Strategies for Health Systems

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System VP

SCL Health
• Full-time Equivalents: 12,205
• Medical Staff: 5,116
• Total Inpatient Admissions: 84,773
• Emergency Visits: 283,199
• Available Beds: 1,758
• Non-acute Care Beds: 204
• Births: 14,388
• Total Community Benefit: $226.7 million
A Blockbuster Parable
600 Million Traditional PCP Visits in 2015

- Primary Care Visits - 600 million annually
- Retail clinic visits – 10.5 million annually
- Virtual visits – 1.8 million annually
- Home health visits – 112 million annually

Multiple Sources: Deloitte, Cigna, Tractica
20% Reduction in PCP Office Visits by 2020?

Primary Care Visits - 660 million annually

Retail visits - 25.2 million annually

Virtual visits – 120 million annually

Home health visits - 136 million annually

Multiple Sources: Deloitte, Cigna, Tractica
"IF I HAD ASKED PEOPLE WHAT THEY WANTED, THEY WOULD HAVE SAID: FASTER HORSES..."

Henry Ford
Today: We Should **Accelerate** The Shift To The ‘Second Curve’

**Curve #1: FEE-FOR-SERVICE**
- All about volume
- Reinforces work in silos
- Little incentive for “real” integration

**Curve #2: VALUE-BASED PAYMENT**
- Achieving “Triple Aim”, as per IHI:
  - Better Care Experience for Individual
  - Better Health for Populations
  - Lower Per Capita Costs

Second Curve Market Requires Services, Integration

Courtesy of Navigant  Source: Institute for Health Improvement, Ian Morrison and NCI analysis.
Strategy, Innovation, and Execution?
Growth Trend

• Kaufman Hall predicts that the Virtual Health market will grow from $19.2 billion in 2014 to $43.4 billion by 2019

• Sg2 projects that by 2023, 17% of all E&M visits will occur virtually
Virtual Health Continuum

Clinician to Clinician
- Tele-specialty
- Virtual multidisciplinary conference
- eConsult

Clinician to Patient
- Virtual e-visits Primary/Urgent Care
- Virtual specialist consults (e.g. teledermatology, telepsychiatry)

Consumer Oriented
- Mobile self-tracking apps
- Social media
- Epic MyChart
- Patient scheduling apps
- Remote monitoring
- Virtual medication management
- Personal activity monitors
- Quality and price transparency tools

Source: Sg2
Use Cases:
- Professional Consultation
- Diagnosis & Treatment
- Education & Engagement
- Ongoing Monitoring & Care Coordination

Modalities:
- Videoconference
- Asynchronous Store-and-Forward
- Remote Device
- Telephone
- Patient Portal
- Mobile App

Source: Advisory Board
Segment & Beachhead Position on Continuum

- Consumer-Based Care (retail) for Associates and Public
- 24/7 Primary Care at your fingertips

Source: Sg2
Telehealth as a Service

Siloed Efforts → Integrated Service
Segment & Beachhead Position on Continuum

- Consumer-Based Care (retail) for Associates and Public
- 24/7 Primary Care at your fingertips

Source: Sg2
Consumers Seeking Convenient Solutions, Not Office Visits

**Patient Needs**

- "I feel sick but I have a lot of work to catch up on and can't leave work till late in the evening."
- "I can’t stand going to a doctor’s office. I feel like I’ll get sick every time I step into the office."
- "I hate the wait times. I wish I could see a doctor without leaving my home."

**Competitors First to Meet Need**

- Walgreens
- Walmart
- One Medical
- MedLion
- Paladina Health
- Qliance

**Traditional Health System Responses**

- PCPs
- Health System Specialists
- Emergency Department
- Urgent Care

Source: Advisory Board
Turning family rooms into exam rooms.

Whether you need a diagnosis for dry skin or a prescription for sinus pressure, you can now conveniently speak with a doctor from the comfort of home. With Doctor On Demand from SCL Health, a video visit with a board-certified physician is just a click away.

Try your first visit for free at uritbd.com/doc by entering promo code: SCLHealth.

Turning kitchen tables into exam tables.

Whether you need a diagnosis for dry skin or a prescription for sinus pressure, you can now conveniently speak with a doctor from the comfort of home. With Doctor On Demand from SCL Health, a video visit with a board-certified physician is just a click away.

Try your first visit for free at uritbd.com/doc by entering promo code: SCLHealth.
What do They Think About Healthcare?
# Net Promoter Score

= % 😊 - % 😞

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Not likely to recommend

Extremely likely to recommend

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The Virtual vs. Physical Experience

Consumers
• 50 - 60% of their time in virtual experience
• Researching health & providers
• Tracking health & fitness
• Accessing virtual health
• Reviewing & rating providers
• Transacting via health portals

Healthcare Leaders
• 90% of their time managing the physical experience

NRC Blue Sky Exercise – 2012 - 2015
I approve this project based on your boss' spreadsheet calculations.

His calculations must be accurate because an engineer handed them to me.

Is that all you need?

I need a hug, but I don't want to catch what ever caused all of this.
How Can We Fix Where We Need To Be?

DID YOU READ MY TECHNICAL RECOMMENDATION?

NO. IT'S TOO LONG AND COMPLICATED.

HOW DO YOU PLAN TO MAKE A DECISION WITHOUT READING IT?

I'LL USE MY GUT.

IT'S PROBABLY A GOOD IDEA TO KEEP YOUR BRAIN OUT OF THIS.

QUIET! IT'S SAYING SOMETHING.

GROWL
Using Innovation Types Strategically

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<th>Delivery</th>
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<td>Customer experience</td>
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<td>Brand</td>
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Source: The Doblin Group
Leading To A Shift In Value Creation...

Volume of innovation efforts
Last 10 years

Source: Doblin analysis
Leading To A Shift In Value Creation…

Cumulative value creation—
Last 10 years

Less than 2% of projects produce
More than 90% of value...

Source: Doblin analysis
HOW TO BUILD A MINIMUM VIABLE PRODUCT

NOT LIKE THIS

1
2
3
4

LIKE THIS

1
2
3
4
5

image by blog.fastmonkeys.com  original idea: spotify product team
Closing: My Observations

- Strategy is the True North -> Innovation can create new services/business models
- Capture value!
- Consider: Tradeoffs and Risk
- Create a swim-lane
- 2 worlds can Co-Exist: Facilitation/Communication is key
- Widen the search
- Be flexible
- Foster the culture
SCL Health: The Vision and Journey Ahead

- Hospital
- Ambulatory Clinic
- Home
- Post-Discharge Coordination
- Patient Engagement Tools
- eConsult / eReferral
- Specialty Video Visits
- Remote Monitoring
- eVisits