Meet Gertie

The Goals of this Presentation

- Differentiate Telehealth and Telemedicine
- Understand the important role each can/will play in both skilled nursing & assisted living facilities
- Discuss quality of care implications
- Discuss the value proposition (ROI)
- Update on regulations and reimbursement issues
- Discuss critical success factors
- Respond to questions

Telemedicine vs Telehealth

What is Telemedicine: two-way, real time interaction communication between the patient and the physician or practitioner at a distant site.

What is Telehealth: the use of electronic information and telecommunication technologies to support and promote long-distance clinical health care, patient and professional health-related education, public health and health administration.

Source: Centers for Medicare & Medicaid Services

Telemedicine vs Telehealth

▶ **Telemedicine:** In SNFs and ALFs helps to:

  ▶ Enhance quality of care

  ▶ Reduce emergency room visits

  ▶ Reduce acute care admissions and readmissions

  ▶ Improve financial performance

  ▶ Improve access to specialty consults

  ▶ Reduce the risk of spreading COVID

  ▶ Competitive advantage

Telemedicine vs Telehealth

- **Telehealth: Remote Patient Monitoring**
- In SNFs and ALFs helps to:
  - Reduce emergency room visits & hospitalizations
    - Early warning system
    - Provides time for physician intervention
  - Enhanced communication with family
  - Improve financial performance
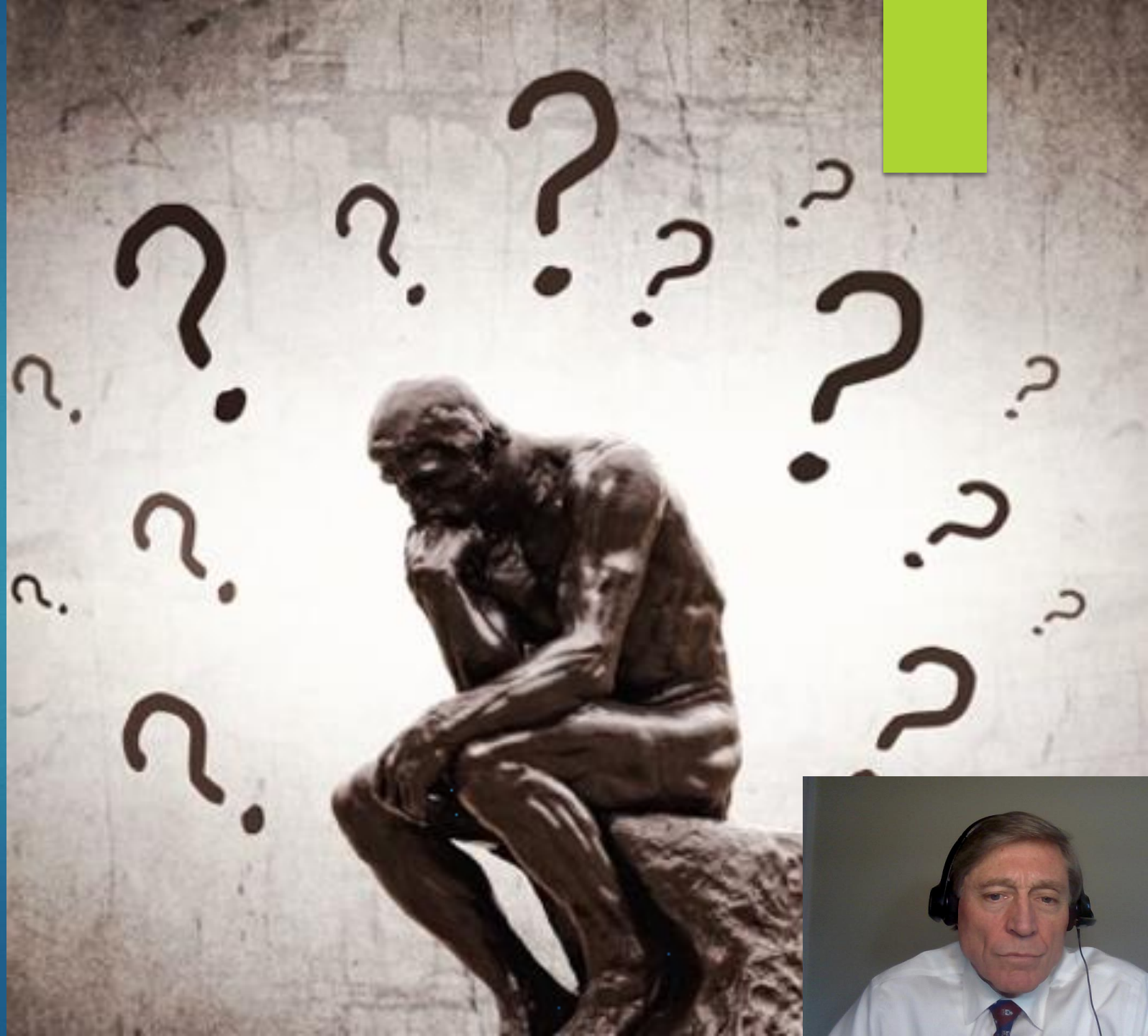 - Reduce the risk of spreading COVID
  - Competitive advantage

Remote Patient Monitoring

Scale

EKG

Link+

Glucometer

Thermometer

Home | My Mail | My Day
Home Care | Tele-Health
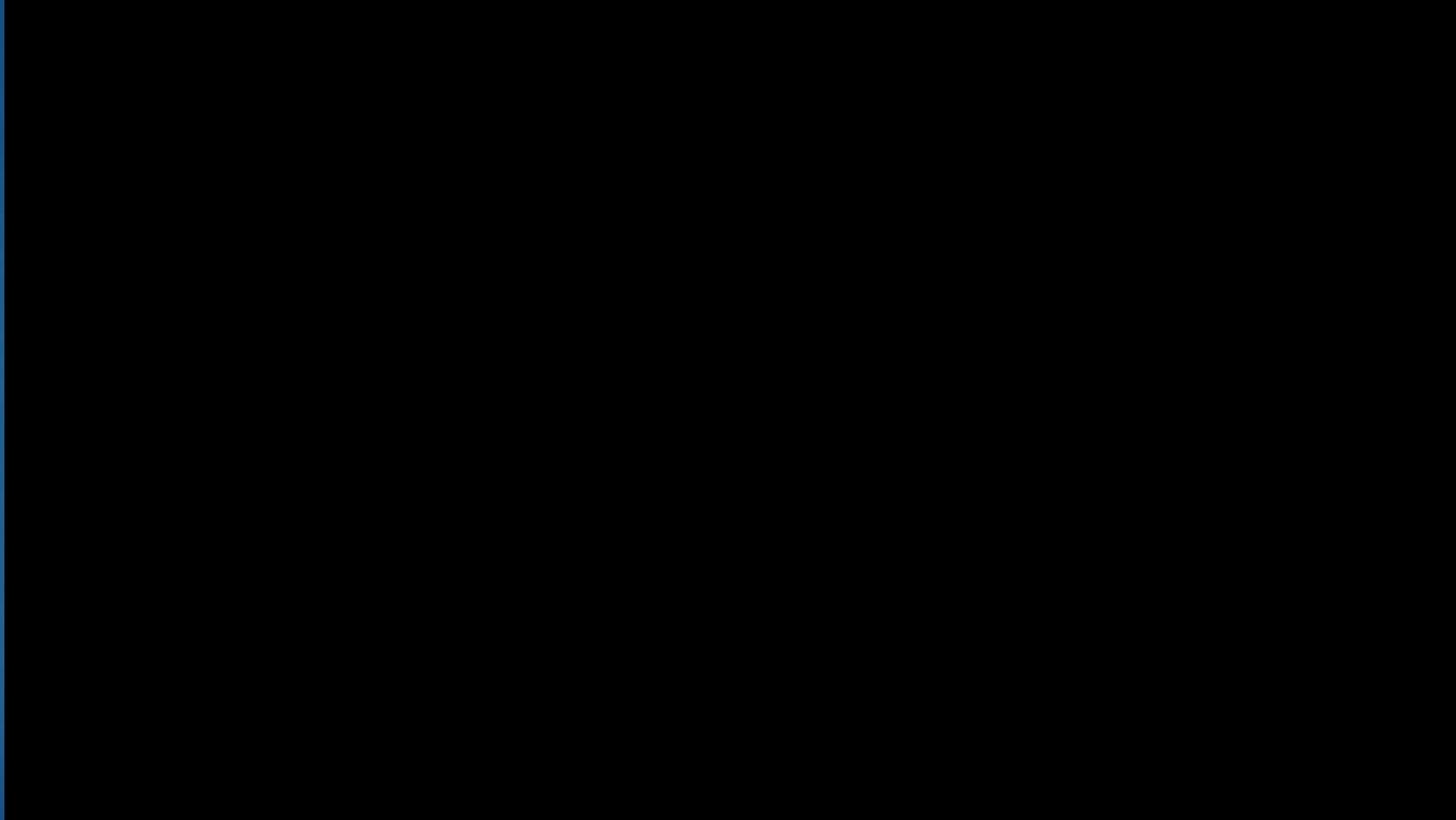
Blood Pressure Monitor

Billing Reports

SPO2

Remote Patient Monitoring

How Can Telemedicine & Telehealth transform America's Long-Term Care Industry?

Interview with Dr. David Chess, CEO/Founder of Tapestry Telehealth

How Telemedicine Can Transform America's Long-Term Care Industry

By replacing

"phone medicine"

with virtual bedside visits

What is "Phone Medicine"

▶ When a physician evaluates and treats a nursing home or assisted living resident using a phone, without ever seeing or talking to the resident!

▶ Unfortunately, this is the current **"industry standard"** for caring for seniors in SNFs & ALFs when the physician is not physically in the facility.

▶ When using "phone medicine" it is extremely difficult to **differentiate** which medical conditions justify acute care intervention.

Congratulations…

You are now a physician!

It is 2:00 AM and you get a call from the local nursing facility about Mrs. Smith… an 85-year-old female resident with chest pain…

What do you do?

What Do You Do?

The realities of this difficult situation:

▶ You may or may not know the resident

▶ Even if she is your patient, when is the last time you saw her?

▶ Skill level of the staff providing critical info may not be known

▶ Limited ability to effectively intervein (over the phone)

▶ The ever-present liability concern

▶ Strong personal desire to "go back to bed!"

Most physicians would….

"Send the patient to the hospital!"

▶ To be sure her condition isn't more serious

▶ To avoid the potential of liability

In reality however, if the patient's condition does not warrant hospitalization, and they are admit we are actually placing them in **Harm's Way!**

The Default Factor

As a System, we lack the ability when utilizing "phone medicine" to effectively differentiate which residents need to be sent to the hospital and which residents can and should remain and be cared for in the SNF!

These unnecessary and avoidable hospital admissions are costing our health care system in excess of

$1 billion dollars a year!

In some studies, estimates exceed $3 billion dollar

The Default Factor

- 40% to 60% of SNF to hospital transfers are found unnecessary

- Wasted dollars that can/should be used elsewhere

- Adds medical risk to the patient

  - Increased mortality and delirium

  - Skin breakdown

  - Incontinence

  - Exposure to hospital acquired infections

This is not quality care yet it is an accepted standard

It also reduces revenue (billable days) for the SNF.

"No-Brainers" in Long Term Care

▶ Summit held at Wharton School in November 2018

▶ 40 long term care experts

▶ "No-Brainer" = Current practices within the LTC system that are not in the resident's best interest and result in unnecessary and wasteful spending

▶ Caused by antiquated regulations, reimbursement limitations, and/or historical practice patterns

The #1 No-Brainer identified by this group:

Why isn't every nursing facility in America offering Tele

Clinical and Social Impact Provided

- Early treatment of conditions
- Reduced emergency room transfers
- Reduced hospitalizations
- Reduced need to transport resident out
- State Survey Assistance
- Medication stewardship
- Advanced care planning
- High nurse/staff satisfaction
- Onsite experiential nurse/staff training
- High patient and family satisfaction
- High attending physician and integration and satisf

Pre-COVID Reimbursement for Telemedicine

▶ **Rural SNFs**

  ▶ **Physician services billable**

  ▶ **SNF can bill the "originating fee"**

▶ **Urban SNFs**

  ▶ **Historically no reimbursement**

  ▶ **SNFs had to pay for services**

The economics for telemedicine for urban SNFs was positive even pre-COVID if staff effectively utilize service

Telemedicine Offerings in Rural SNFs
Primary Care – 24/7
Specialty Consults
Behavioral Health

Telemedicine Offerings in Urban SNFs

Evening
Nights
Weeken...
Holiday...

Current Reimbursement for Remote Patient Monitoring (RPM)

- ▶ CMS authorized a series of billing codes for RPM

- ▶ Billed by physicians

- ▶ Can add significant net revenue for practices
  - ▶ Important when office visits have fallen due to COVID
  - ▶ Daily monitoring superior to "monthly check ups"

Remote Patient Monitoring is really an "early warning system". By identifying a downward tread in a senior medical readings and allowing time for physician intervention to prevent that situation from turning in medical crisis.

Medicare Reimbursement For remote Patient Monitoring

CPT Code	Medicare Reimbursement Frequency/Subscription Fee	100 patients	300 patients	600 patients
99453 _Patient Education and Setup_	$21/one time per patient	$2,100	$6,300	$12,600
99454 _Remote Physiologic Monitoring Data - Devices_	$69/month per patient	$6,900/month	$20,700/month	$41,400/month
99457 _Remote Physiological Monitoring - 20 minutes_	$54/month per patient	$5,400/month	$16,200/month	$32,400/month
Subscription Fee _Includes Link+, blood pressure monitor, SPO2 & billing reports_	$45/month per patient	$4,500/month	$13,500/month	$27,000/month
Monthly Revenue	$78/month per patient	$7,800/month	$23,400/month	$46,800/m
Total Net Revenue	$936/month per patient	**$95,700**/year	**$287,100**/year	**$574,200**/

Interview with Dr. John Hopkins, President & Founder of CCS Health Care
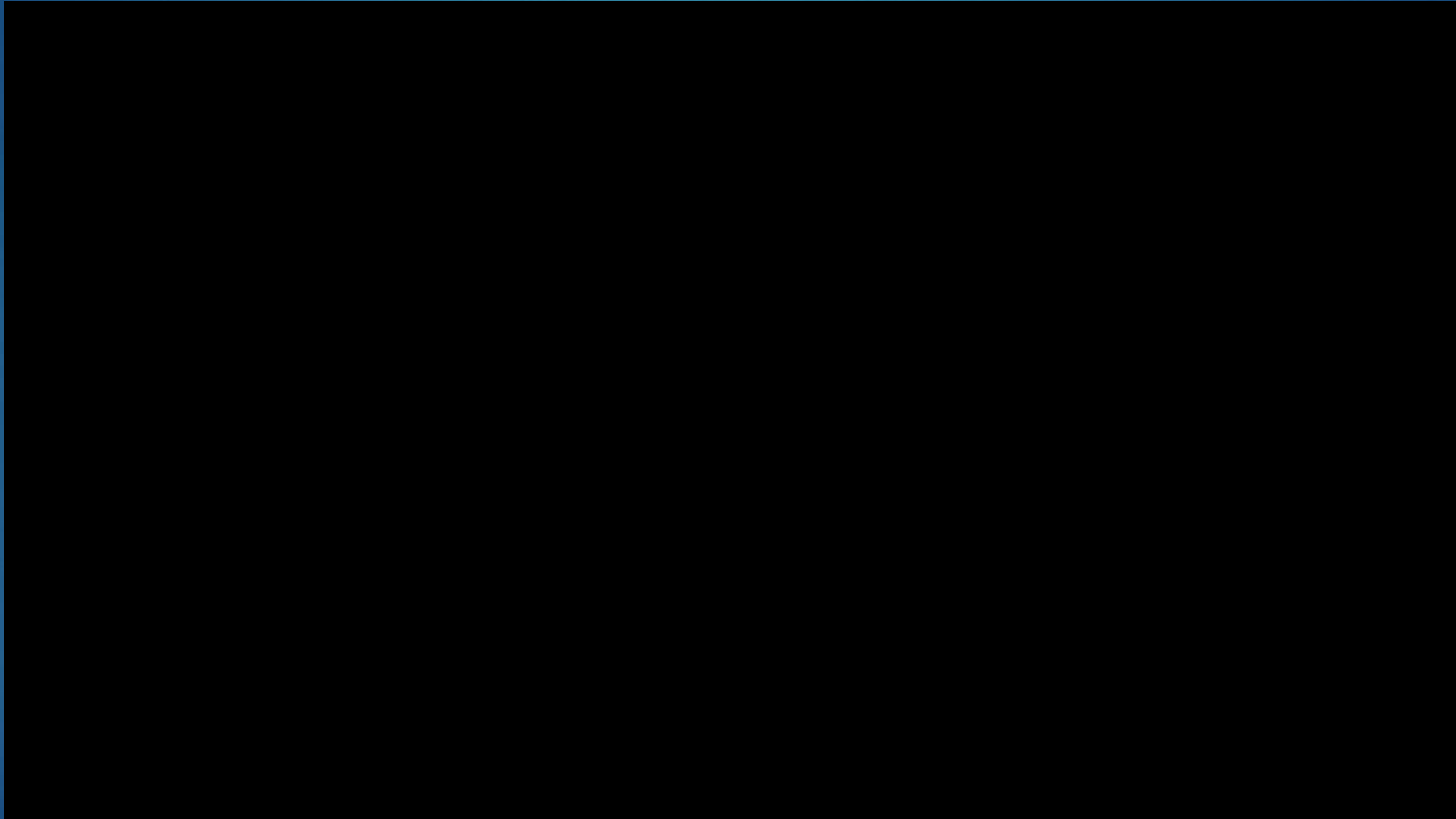
The Realities of COVID

- Reduced census has put the industry on life support!
  - 84.7% national occupancy rate in February
  - 71.9 % national occupancy rate in September
  - Some facilities are hovering at 60% national occupancy rate
- Increased expenses
  - Staffing
  - PPE & other supplies
- Concerns over liability resulting from COVID

What can/should facilities do to help improve their si

COVID has Changed So Much!

Current Situation for Telemedicine/Telehealth during COVID

▶ Reimbursement

  ▶ Urban & rural facilities can bill

▶ Physician licensure

  ▶ National licensure instead of state by state

  ▶ Certain limitations (state by state)

▶ HIPAA regulations

  ▶ Dramatically relaxed during COVID pandemic

▶ Facility lockdowns to non-essential personnel

What will Post-COVID Look Like?

Uncertain currently but industry opinion appears to be:

- Reimbursement
  - The "cats out of the bag!"
  - Urban reimbursement will continue
- Regulations
  - Physician licensure unknown but likely to be state by state
- HIPAA
  - Regulations most likely will return

Economic Impact of Telemedicine

- For Skilled Nursing Facilities
  - Additional revenue due to increased billable days
  - 2% CMS Penalty (or bonus)
  - Increased CMI
  - Reduced readmission rate = new admissions
  - Originating fee to SNF at approximately $20 per virtual visit
  - Ability to provide specialty consults through telemedicine
    - Eliminates delays in care
    - Saves cost of transporting to community site
  - Market differentiator

Economic Impact of Telemedicine

- Assisted Living Facilities

Note: ALF's do not have the same level of staffing found in SNFs, and are therefore limited in the services they can provide

- Telemedicine must be used to address potential medical issues "early"
- Additional revenue due to increased billable days
- Reduced readmission rate = added revenue from new admissions
- Ability to provide specialty consults through telemedicine
    - Eliminates delays in care
   - Saves cost of transporting to community site
- Market differentiator

Economic Impact of Remote Patient Monitoring

- Early warning system
  - Helps prevent ER visits
  - Helps prevent hospital admissions
- Possible billing potential
- Significant marketing advantage with:
  - Hospitals
  - Community at large

Critical Success Factors when Considering a Telemedicine Service
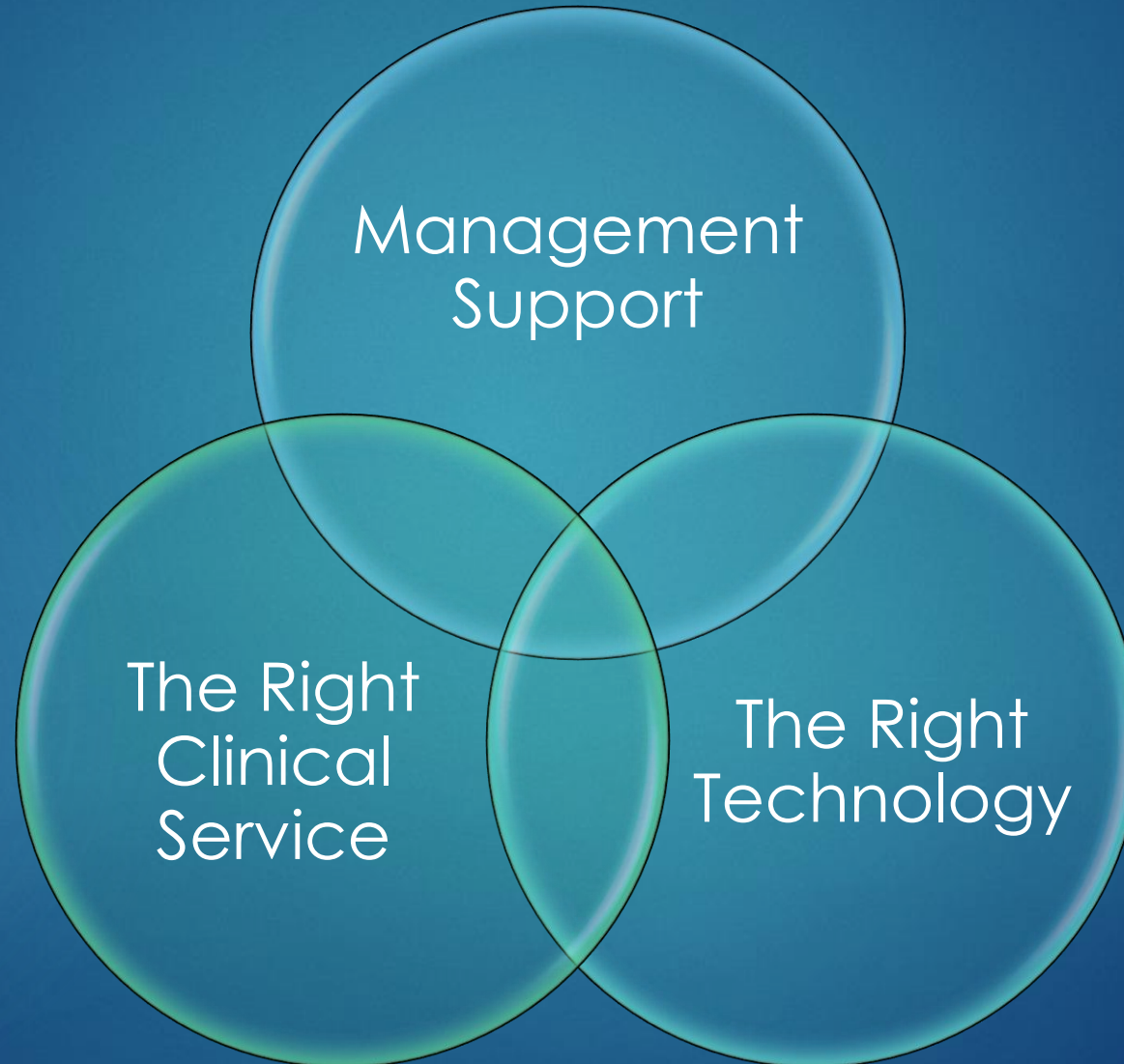
Technology Enables Telemedicine to be successful… but….

▶ The real key to a successful telemedicine service is the clinician at the other end

   ▶ Medically focused on senior care

   ▶ Familiar with nursing homes and assisted living operations

   ▶ Assume a teaching role with facility staff

   ▶ Good communicators with families

   ▶ Good communicators with PCP

Critical Success Factors for Implementing Telemedicine Services

- ▶ Medical Director's Support (A MUST)
- ▶ PCPs support
- ▶ NHA & DON support
- ▶ Staff Support
- ▶ A quality oriented, experienced, multi-specialty telemedicine physician practice to partner with!

While equipment is important – the quality of the phy
the "other end" of the equipment is critical to succe

Technology Enables Telehealth to be successful… however, it must …

- Be simple to use
- Be blue tooth connected
- Send readings to platform that identifies negative changes and/or trends
- Must alert physician so needed interventions can take place before reaching a crisis level

Simplicity is the key!

Final Thoughts

▶ Any facility that is not offering telemedicine services in the next 12 months will be seriously challenged from a competitive and economic perspective.

▶ Utilizing remote patient monitoring is just another way of improving the quality of care for residents, especially in assisted living.

▶ In telemedicine, it is not the equipment, but rather the physician service that makes the difference.

▶ In remote patient monitoring, it is the technology makes the difference.

Questions?