VIE HEALTHCARE® CONSULTING
MARGIN IMPROVEMENT EXPERTS

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HEALTHCARE DELIVERY IS CHANGING – WHAT IS THE FUTURE OF TELEHEALTH?

By

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VIE HEALTHCARE® CONSULTING RESEARCH REPORT

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EXECUTIVE SUMMARY

James Cagliostro brings over a decade of critical care nursing experience to VIE Healthcare®. This gives him a unique insight and understanding into patient care which he brings to our clients. He has observed for himself and throughout his career that hard work makes a tangible difference in the lives of patients and applies that approach and insight to his work with healthcare organizations.

Telehealth is defined by The Agency for Healthcare Research and Quality (AHRQ) as:

"…. the use of telecommunications technologies to deliver health-related services and information that support patient care, administrative activities, and health education."

In recent years, its use has expanded to include a vast array of services and technology used in American healthcare.

In this report, we explore the history of telehealth in the United States and consider the impact of the COVID-19 crisis, together with the current infrastructure and future strategies for the implementation of telehealth.

We will also explore the regulations in this area and the readiness of the current health system to sustain telehealth services in the long term.

LETTER FROM THE CEO

Healthcare in the United States is an industry which has been notoriously ''*slow to adopt digital innovations* ….'' but that stance is now changing out of necessity.

In the wake of the COVID-19 crisis, the use of telehealth has undergone a dramatic and necessary shift. As the CDC observes, policy changes during the pandemic have ''*…reduced barriers to telehealth access and have promoted the use of telehealth as a way to deliver acute, chronic, primary and specialty care.*''

Its rapid expansion, from an estimated 11 percent of US consumers in 2019, to 46 percent during the pandemic, is radically transforming the nature and shape of healthcare as we move beyond the pandemic. One study suggests that $250 billion of current American healthcare spend could be virtualized, compared to $3 billion before COVID-19.

It has taken a global pandemic for the healthcare sector to recognize the tremendous value telehealth offers in the delivery of patient care.

Technology is the key to transformation in healthcare, but we recognize the transition to integrating telehealth in a more permanent way may represent a challenge for some health systems. This timely research report considers the history of telehealth, the dramatic, recent changes, and delivers recommendations to assess and prepare your health system's infrastructure for its impact.

At VIE Healthcare® we successfully partner with hospitals to deliver innovative and profitable telehealth solutions and leverage the benefits of telemedicine to enhance patient care.

Please reach out directly to me to discuss the ways in which we can support your organization during this critical process.

I look forward to hearing from you.

Sincerely,

Lisa T. Miller, MHA
Healthcare Margin Improvement Expert, CEO

INTRODUCTION

As we noted in our Executive Summary, the use of telehealth has expanded significantly to incorporate a vast array of services across the healthcare sector.

Before exploring the details surrounding telehealth in this report it helps to define some commonly used terms:

While **telemedicine** refers specifically to remote clinical services, **telehealth** encompasses both clinical and non-clinical services, including provider training, administrative meetings, and ongoing medical education.

The Centers for Disease Control and Prevention (CDC) offers three ways in which healthcare providers and patients can connect using this technology. These are:

Synchronous: This includes real-time telephone or live audio-video interaction typically with a patient using a smartphone, tablet, or computer.

Asynchronous: This includes "store and forward" technology where messages, images, or data are collected at one point in time and interpreted or responded to later. Patient portals can facilitate this type of communication between provider and patient through secure messaging.

Remote patient monitoring: This allows direct transmission of a patient's clinical measurements from a distance (which may or may not be in real-time) to their healthcare provider.

From online patient portals and virtual visits to remote patient monitoring, wearable devices and personal health apps, telehealth is drastically changing today's healthcare landscape.

But why has the healthcare sector been so slow to adopt this form of digital innovation? In the section below, we consider the answer to that question.

WHY HAS IT TAKEN SO LONG TO ADOPT TELEHEALTH?

Telehealth capabilities existed long before the pandemic and offer untapped potential for the transformation of patient care. Given that potential, why did it take a global pandemic for the healthcare sector to embrace this technology?

In our experience, the five reasons below suggest the reasons why US healthcare leaders have been slow to integrate telehealth as normative within their hospitals and health systems:

- The cost of the initial investment for technology.
- Cost and time for training employees.
- Resistance to change.
- Security and privacy concerns.
- Limited reimbursement.

As a whole, technology often carries a steep upfront price tag and telehealth is no different, which is why most organizations hesitated to adopt it pre-pandemic. Many leaders were unconvinced that its benefits outweighed the high costs. Telehealth technologies may also benefit one health system or patient population more than others. It is impossible to know the true value before usage and effectiveness of a specific technology are evaluated.

As specialists in cost reduction, at VIE Healthcare® we understand that time is money. The available time of your employees is one of the most vital resources.

The adoption of new technologies requires time commitments; time to train employees, educate patients, install software updates, and rectify any unexpected issues which may arise. To be effective, telehealth requires an investment of much more than financial resources, which is why health systems have been slow to embrace it.

Resistance to change is not unique to the healthcare industry but healthcare has a specific human side to it and both providers and patients are creatures of habit. Change is often unwelcome because it removes individuals from the realm of the known to that of the unknown.

Multiple questions must be answered for health systems offering new care methods, for instance:

- Will this make things more complicated?
- Will people struggle to adjust?
- Will patients like it?
- Will patients use it?
- Will this step help to improve outcomes?

Furthermore, security and privacy concerns are increasingly being brought into the spotlight in the healthcare industry. Regulations protecting patient information are now much stricter and penalties for breaches more severe. Every healthcare provider must consider the implications of HIPAA regulations when implementing any new service or technology.

Finally, the lack of reimbursement for telehealth services compared to in-person care has been a further barrier for implementing telehealth. Historically, CMS determined reimbursement rates and private insurers would follow CMS's lead. Prior to the COVID-19 crisis, restrictions in place prevented many providers from receiving reimbursement for telehealth services. Without proper payment for these services, healthcare providers had little motivation for embracing its widespread use.

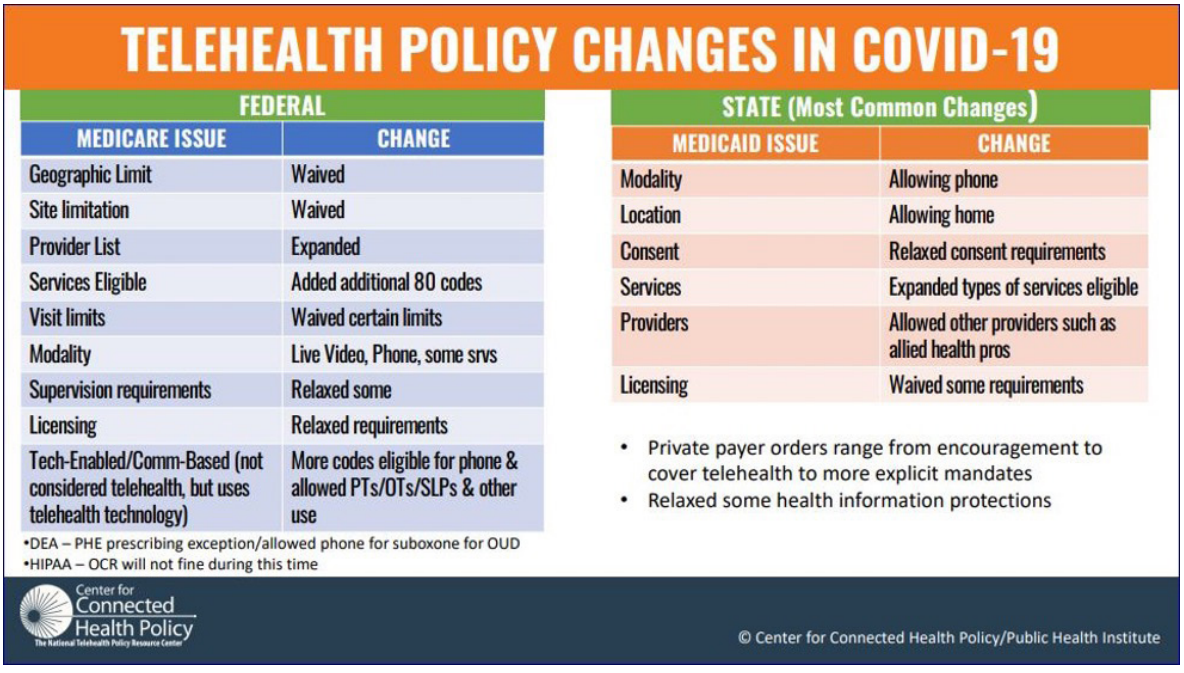
THE DRASTIC IMPACT OF THE GLOBAL PANDEMIC ON TELEHEALTH POLICY AND PRACTICE IN THE US

When the first American patients were diagnosed with COVID-19, healthcare and political leaders immediately recognized the need to take extraordinary action to prevent the spread of infection and preserve the capacity of health systems in densely populated regions.

Certain restrictions were lifted, coverage was expanded, grants were provided, and programs were launched. These changes were based on the understanding that telehealth services could uniquely serve the needs of a country in crisis.

Policy and program responses to the pandemic included:

- CMS and state regulators launched several emergency initiatives that expanded Medicare and Medicaid coverage.
  - Allowing more providers to be reimbursed for telehealth services.
  - Allowing providers to use a greater variety of mobile technologies.
  - Allowing for telehealth coverage across state lines that were previously restricted.
  - Allowing telehealth visits to be reimbursed at the same rate as in-person visits.
- HHS provided grants and support for telehealth initiatives.
- Federal Communications Commission also launched the COVID-19 Telehealth Program, aimed at supporting broadband expansion projects to optimize telehealth services in rural areas (see diagram below).



These pandemic-inspired policy changes led to major shifts in practice across the country, specifically:

- Telemedicine visits before pandemic: 12,000/ week.
- Telemedicine visits once pandemic began: 1 million+/ week. (www.statnews.com/2020/06/09/seema-verma-telehealth-access-covid19)

- Telehealth use by physicians in 2018: 18%.
- Telehealth adoption once pandemic began: 48% of physicians using some form of telehealth (www.merritthawkins.com/news-and-insights/media-room/press/-Physician-Practice-Patterns-Changing-as-a-Result-of-COVID-19/).

- 60-63% of physicians stated that they intend to use telehealth post-pandemic (mhealthintelligence.com/features/covid-19-gives-providers-a-blueprint-for-new-telehealth-strategies)

Early in the pandemic, telehealth was largely used for triage and screening.

Caregivers would direct potentially infectious patients to appropriate testing sites to ensure patients receive appropriate care, while protecting healthcare providers and other, more vulnerable patients from possible exposure.

Another priority for providers was the use of telehealth technologies for the remote management of high risk patients. Minimizing unnecessary physical contact with this vulnerable population was prioritized to prevent the spread of infection to those who would be most affected by it.

IS THE WIDESPREAD ADOPTION OF TELEHEALTH HERE TO STAY?

Widespread changes implemented to accommodate for the national crisis have proven both necessary and helpful. However, questions remain around which changes will remain once the pandemic resolves.

According to Center for Connected Health Policy, the changes that will remain include:

- Reimbursement Changes
  - Expanded coverage for visits from home.
  - Expanding list of eligible providers (OTs, PTs, speech therapy, etc).
  - Expanding list of eligible services (easier to do without requiring a federal law change).
- Increased discussion on training and workforce development (medical school, nursing school, employee orientation, in-services, etc).
- Expanded deployment and use of the technology (out-of-state college student who needs continued care while at home).
- Greater attention given to the patient (ie, the consumer/end user).

In contrast, the changes which are likely to cease include:

- Privacy issues and temporary waivers
    - "*Effective immediately, the HHS Office for Civil Rights (OCR) will exercise enforcement discretion and waive penalties for HIPAA violations against health care providers that serve patients in good faith through everyday communications technologies, such as FaceTime or Skype, during the COVID-19 nationwide public health emergency.*"
- Licensure across state lines.
- Connectivity and broadband policymakers remain committed to expanding access.
- Telephone use that was covered during pandemic due to lack of internet access for some patients.
- Increasing pressure on private health plans to cover more telehealth.

In the face of a global pandemic, national leaders recognized some of the long-standing barriers that would prevent the healthcare system from effectively delivering care to its citizens.

The restrictions that were lifted, policies that were changed, and technologies that were implemented transformed the landscape of healthcare in this country and saved countless lives by minimizing the spread of infection while maintaining a high standard of care.

MOVING FORWARD

The benefits of telehealth have been well documented and are far reaching for patients and providers alike. Introducing telehealth to the patient-provider relationship has been proven to be mutually beneficial for multiple reasons, which will be discussed in this section.

Embracing the use of telehealth throughout and beyond the COVID-19 crisis will not only effectively meet patient needs, but will also help to accomplish the mission of your organization.

The ability to offer better quality of care to patients will ensure a more stable future any healthcare organization

1. Meeting the needs of patients

Allowing providers to expand their use of telehealth and reimbursing them for it was a stark and much needed reminder that "patient first" must be the maxim of healthcare.

Promoting health and providing care by means of technology ideally aligns itself to the recent shift towards patient-centered care.

The Institute of Medicine defines patient-centered care as "*providing care that is respectful of, and responsive to, individual patient preferences, needs and values, and ensuring that patient values guide all clinical decisions.*"

Patient-centered care, by its definition, means that the specific needs of the patient are of utmost importance. These needs vary from group to group, which is why limitations, preferences, and Social Determinants of Health (SDOH) must all be considered when introducing any new service to the provider-patient relationship.

For example, younger patients value convenience and mHealth technologies that are easily accessed via their mobile devices, while the elderly population may be more influenced by transportation issues.

Those with limited broadband access benefit more from the use of phone calls to continue their care during times of crisis. Conversely, patients living some distance from their nearest healthcare facility can gain access to potentially life-saving care without leaving the comfort of their homes.

Cultural values and preferences must also be considered when weighing the benefits of a specific telehealth service.

Ensuring patients remain at the center of all healthcare delivery means making their providers more accessible. Patient satisfaction is enhanced through the use of technology that many patients are already familiar with.

In terms of telehealth services, patient needs are met in the following ways:

- Reducing costs for patients.
- Improving the health of patients.
- Decreasing medical errors.
- Optimizing the patient experience (quality, safety, satisfaction).
- Reducing readmissions.

- Increasing accessibility for current patients.
- Empowering patients / Increasing patient engagement.
- Improving care for rural communities.
- Managing care of chronic conditions more effectively.
- Creating a more accessible initial point of contact for urgent care.

2. Meeting the goals of your organization

Telehealth technologies not only empower health systems to meet the needs of their patients - they also help your organization meet its goals.

The ability of health systems to consistently deliver patient- and family-centered care is greatly enhanced when telehealth plays a prominent role. Opportunities for chronic disease management and continuing education can also flourish when those interactions are not strictly limited to in-person visits.

According to the Behavioral Health Workforce Research Center:

"Telehealth use among behavioral health providers is a promising strategy to reduce the maldistribution of professionals and improve access to mental health and substance use disorder treatment across the U.S."

Behavioral health is an area that has been increasingly neglected by the American health system. Telehealth provides opportunities to reverse this trend at a reasonable cost.

Additionally, telehealth offers providers a wide range of benefits which include:

- Reducing costs for your organization.
- Improving clinical outcomes.
- Decreasing medical errors.
- Improving patient experience scores (quality, safety, satisfaction).
- Reducing readmissions (including readmissions for which CMS will not reimburse hospitals).
- Expanding potential reach to more patients (distance no longer an issue).
- Strengthening relationships between providers and patients (greater trust).
- Improving care for those in rural or isolated communities.
- Managing a better quality of life for patients with chronic conditions.

In addition, remote patient monitoring programs have the potential to reduce chronic care costs and hospital readmissions while improving clinical outcomes by moving care out of the hospital or doctor's office and into the home.

Many physicians' offices have been overwhelmed by the sheer number of patients seeking care. Patients that need frequent care compete to secure appointment times that too often must adhere to the office schedule rather than the patient needs.

The use of telehealth can also minimize the need to hire additional staff to handle patient registration and room turnover. This is an aspect of telehealth that is often missed yet it is much easier to scale.

A physician's office or hospital can drastically increase the number of patients it sees with minimal need to increase staff or office space.

HEALTH SYSTEM READINESS & INFRASTRUCTURE

The COVID-19 pandemic has created a climate where the healthcare sector has been forced to "rethink" its utilization of telehealth as a vital tool to deliver high quality patient care.

The widespread acceptance of the modality by patients and providers can act as an ideal catalyst for fundamental changes in processes and workflow.

In our opinion, the time for this change is now. Multiple clinicians, healthcare leaders, medical organizations, and patient advocacy groups are appealing to government regulators to continue the telehealth payment parity and flexibilities provided during COVID-19 emergency.

Until these regulatory entities make final decisions, health systems can take positive action by preparing both their infrastructure and their teams.

Successful telehealth implementation requires a strategic approach.

For healthcare leaders seeking to implement and/or upgrade their existing telehealth programs, we recommend the following three steps for best practice:

Step I: Perform an environmental scan and needs assessment – define the problem

- Patient satisfaction: Know your patient population. Are they ready? Have you received any feedback re: telehealth utilization during the pandemic?
- Provider satisfaction: Know your providers. Are they ready? Have you received any feedback re: telehealth utilization during the pandemic?
- Know your community, your competitors, your geographic location/shortage of providers, areas of concern.

Telehealth is a technology tool which can help to solve a clinical problem. As healthcare providers, you must define the problem.

- Why is telehealth of value to your organization? Who will benefit from implementation? Could it reach an underserved group of patients? Can you define a need with your patient population?
- What specific problems could it solve? Could it help with patient education, chronic care management, workflow issues, patient/physician satisfaction, fill other gaps in patient care?
- Understand the capital investment required, the possible ROI, and if there is buy-in from executive leadership.

Step II: Gather the team - Define the stakeholders/governance - build strategic alignment

- Clinical Champion – to champion clinical efficacy (telehealth can be effective, convenient, flexible, and provide a balance in clinician's personal and professional lives).
- Project Manager – sets timeline, maintains focus on goals/milestones, directs teams and collects findings, keeps projects on-time/without project creep, ensures project completion.
- Multidisciplinary Team (Clinicians, Nursing, Social Work, C-suite, IT, finance, billing, compliance, administration, marketing, legal, etc).
- Advisory Panel- include third party expert to provide technical input, contract development and negotiation, and independent recommendations.
- Patient Representative/Advocate - provides input from the patient perspective (ie, convenience factor, lack of transportation, inability to take time from work, etc).

IMPORTANT: Not all clinical services can safely and effectively be provided through telehealth. It is vital that clinicians remain empowered to choose which modality of healthcare delivery is best for their patient. (virtual visit vs. in-person visit)

Step III: Design and implement the "Telehealth Strategic Plan" utilizing defined teams

1. Set project goals and timelines

- **Goal:** Patient-centered approach to optimize the delivery of patient care.
- **Goal:** Abide by the triple aim: increased patient satisfaction, better clinical outcomes, and a lower cost of care (best value).
- **Timeline:** research, vendor, education, launch, evaluation, changes needed, final assessment.

2. Utilization Team - chooses which processes to change, optimal utilization (i.e. pre-surgical education, outpatient services, chronic care, education/management, psychiatry/behavioral health, inpatient-Tele-ICU, post-op follow-up, etc).

3. Workflow Team - identifies new workflows, sets priorities, defines what is best for patient/clinician; defines the who? where? when? of implementation.

4. IT/Technical Team - technical input, identifies needs/process change, technology, devices and equipment needed, EHR integration/interfaces/upgrades, broad band requirements, privacy/security, disaster recovery, provides dashboard design and data analytics.

5. Finance/HR/Legal Team - performs cost analysis, projected and achieved ROI, reviews equipment ownership, added value and shared risk in vendor contracts, workforce requirements.

6. Compliance/Revenue Cycle Team - researches all federal and state and other payer telehealth compliance, up-to-date changes to policies, payment parity/billing requirements.

7. Communication Team - builds clinician-staff-patient buy-in, maintains transparency; communicates services available and successes to all stakeholders (clinicians, staff, current and potential patients).

8. Education Team - develops in-person and on-line training, develops policies.

9. Assessment Team - defines metrics for assessment (benefits: patient satisfaction, economic evaluation, clinical outcomes, etc.), measures success, compiles reports and presents the final analysis to leadership and team.

Adopting a widespread commitment to the best practice outlined above will enable your organization to prepare for the implementation of a successful telehealth program.

REGULATIONS & REIMBURSEMENT

I. Introduction

Prior to the COVID-19 emergency waivers and regulatory flexibilities (1) implemented by Federal and State laws, telemedicine was highly underutilized. This was due to numerous reasons, for example:

- Lower provider reimbursement than in-person visits.
- State licensure and credentialing restrictions (originating site vs. distance site – dependent upon where the patient and the provider were located- rulings varied per state).
- Place of service requirements – restricted to patients in rural areas and in specific facility settings (home setting not permitted).
- Established patients only- new patients not eligible for telemedicine services.
- Only specific types of providers and facilities were eligible
- Specific regulations regarding frequency of visits, consents, physical exams, documentation, supervision, etc.
- Audio-only communication not eligible.
- Concern of providers that telemedicine calls would not be effective, and patients would not embrace the modality.
- Resistance of providers to invest in high cost technology and security required for telemedicine implementation.

II. Covid-19 and Telemedicine

The impact of the pandemic transformed the way hospitals began to deliver healthcare.

The rapid spread of the COVID-19 virus and the federal and state directives to “stay at home” and maintain social distance created this essential change.

HHS provided Emergency Blanket waivers which temporarily modified Medicare, Medicaid, and HIPAA requirements to assist patients with greater access to care. In addition, reimbursement would be expanded for telehealth services.

Patients and providers alike recognized the value and convenience in this modality.

- Reluctant physicians were able to connect virtually with patients, monitor/manage chronic conditions and assess/triage patients with COVID-19 symptoms. They could be reimbursed similarly for their services and work efficiently and safely from their own homes.
- Patients were able to remain in their homes, feel safe, and be advised by their physician if their symptoms warranted a trip to the ED. The elderly and vulnerable patients did not have to worry about transportation or unnecessary contact with others (were able to maintain social distancing); yet they were able to meet virtually with a familiar and trusted provider.

The crisis evolved into a win-win situation and a catalyst for a greater acceptance of telehealth.

Multiple healthcare providers and organizations have embraced the utilization of telehealth to augment direct in-person patient care. Telehealth provides greater access to care; especially in rural communities, in home care environments, in managing chronic illness, in behavioral health, and where providers determine that virtual care is suitable.

It also offers the ability to improve the patient experience, allow patients to play a larger role in their health (with more consistent self-monitoring/reporting), and to produce better health outcomes.

Furthermore:

- The AMA has called for Congress to **continue the temporary telehealth provisions** that:

"enabled better patient care, greater alignment of telehealth coverage, payment and coding policies across all payers, and the continued suspension of further regulatory hurdles."(2)

- The Association of American Medical Colleges, in a May 14, 2020 letter to CMS, praised the flexibility provided by the CMS waivers and encouraged continuation of the changes to telehealth:

"Beyond aiding with the COVID-19 response, telehealth offers the long-term promise of expanding quality healthcare in the future, particularly to individuals with limited access to services, individuals with disabilities, and elderly patients who have difficulty traveling. Telehealth can reduce the time it takes to seek medical expertise for diagnoses and treatments and can allow for monitoring of chronically ill patients."(3)

- The AHA Center for Health Innovation(4) quotes the McKinsey report of May 29, (5) (also referenced in the Letter from the CEO above) stating that:

"the adoption of telehealth surged from 11% to 46% of consumers during the pandemic. At the same time, providers have rapidly scaled offerings, with various sources reporting increases of 50 to 175 times at some organizations." *Of the patients surveyed, McKinsey reported that 76% of consumers were interested in utilizing telehealth after the pandemic.*

- In a recent Journal of the American Medical Informatics Association publication, the authors write:

"Beyond the clinical benefits and more effective utilization of providers in very atypical circumstances, the changes instigated initially by the COVID-19 pandemic have likely irreversibly altered the position of telemedicine in the U.S. healthcare system. When prior literature speculated about the potential primacy of telemedicine over in-person care, it seemed futuristic, but it is now a reality practiced in multiple healthcare systems around the world."(6)

III. Next steps

The Problem: The waivers implemented during the federal emergency are temporary and will expire when the COVID-19 emergency declaration ends.

The Solution:

- At the federal level, Congress must embrace the use of telemedicine as a proven, viable and necessary healthcare service. The temporary changes ***(1, 7, 8)*** to reduce the administrative burden, to increase Medicare reimbursement for providers, and to remove regulatory barriers (ie, place of service, new vs. established patients, eligible providers, etc.) need to be made permanent.
- At the state level, Medicaid changes must follow suit. Additionally, individual states need to work together to implement state licensure flexibilities. **Note:** during the pandemic, various states have removed policy barriers for telehealth utilization. (current state actions as of May 13, 2020 can be found at: www.cchpca.org/resources/covid-19-related-state-actions)
- In addition, private insurance and Medicare Advantage plans will have to follow new permanent regulations as well.
- Office of Civil Rights ***(9)*** - a review of the temporary HIPAA changes, a review of the

security requirements, and a review of patient access/transparency with medical records will be necessary.

- An initiative to upgrade technology required for efficient and seamless telemedicine services and HIE (Health Information Exchange) capabilities throughout the healthcare system needs to be implemented.
- A united federal and state effort to recognize healthcare needs from the patient's perspective. A united movement to provide equitable healthcare services to all patients when medically appropriate.

In the 2018 mandated Medpac report ***(11)*** to Congress regarding Medicare's Telehealth coverage, the recommendation was that:

"policymakers should take a measured approach to further incorporating into Medicare by evaluating individual telehealth services to assess their capacity to address the Commission's three principles of cost reduction, access expansion, and quality improvement".

The COVID-19 pandemic has clearly demonstrated that telehealth:

- Served a vital purpose.
- Was embraced by providers and patients.
- Expanded access to patients at a time where in-person office visits were limited.

Post-pandemic, providers should be able to determine which patients and which services would be appropriate for telehealth utilization.

Payment parity, expanded coverage outside of rural locations, and the ability to provide telehealth visits in a patient's home will prove to reduce costs, increase patient access and improve the quality of care for some services.

TELEHEALTH AS A SUPPLEMENT, NOT REPLACEMENT

The COVID-19 crisis facilitated a rapid expansion of telehealth services that would not have been possible otherwise. Furthermore, it transformed the way patients received care by expanding the way in which providers delivered care. The use of telehealth created avenues of care delivery accepted widely by patients and providers.

Whether or not these changes persist remains to be seen.

Without a doubt, the 'new normal' of healthcare in this country will take a radically different shape to that which existed before the pandemic. For instance, it will include elements of telehealth that providers had previously resisted. There will also undoubtedly be challenges to overcome relating to regulations and reimbursement.

As patients grow more accustomed to using new technologies, however, providers will also have to develop strategies on how to implement telehealth that will effectively meet patient needs and optimize outcomes.

While this report has focused on the changes to and benefits of telehealth implementation, it must be understood that **telehealth must supplement, not replace** the current care delivery system.

Healthcare is extremely personal and requires a human touch and interaction in many cases. To ignore this basic truth would be a disservice to the frontline workers who daily place their lives at risk for the sake of others, a fact which was clearly demonstrated during the global pandemic.

CONCLUSION

The telehealth freedoms enabled by the CARES Act last only as long as the national emergency. Further research is required to address complex issues such as payment for telehealth services.

Experts have pointed out that the current reimbursement for telehealth is unsustainable long term. Others have highlighted the view of many patients who prefer the in-person visits over telehealth visits. The face-to-face interactions between providers and patients are foundational to physical assessment and the ability of a caregiver to gain a better sense of a

patient's overall well-being as it relates to behavioral health.

What is certain is that the hidden value of telehealth was certainly uncovered as a direct result of the COVID-19 crisis. Health systems that embraced telehealth reaped its benefits by optimizing their ability to provide a better patient experience with improved outcomes and significant cost savings.

Furthermore, as highlighted in the *Letter from the CEO* above, McKinsey suggests that, post-pandemic, up to $250 billion of current American healthcare spend could be virtualized, compared to $3 billion before COVID-19. If these predictions are realized, this represents a dramatic shift.

One thing is certain, however. During one of the worst health crises this nation – and the world - has ever experienced, the power of telehealth was on full display. All signs point to it playing a significant role in the delivery of patient care as we move forward.

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WHAT OUR CLIENTS SAY ABOUT VIE HEALTHCARE® CONSULTING

"The experts at VIE Healthcare® provided not only covered every clinical area of the perioperative environment, but also all the critical areas that support their processes. VIE Healthcare's collaborative approach allowed a real time education opportunity throughout the assessment process. From clinical, financial, supply chain and process experts, you managed to cover all the bases."

David M. Johnson, VP Operations Improvement, Inspira Health Network

I have worked with VIE Healthcare® on more than one project and found Lisa and her team to be subject matter experts in the perioperative environment. They have an affinity for details and picks up things that many have missed in prior reviews. They have access to a variety of experts within the hospital environment.

Amy Smith, Vice President, Perioperative Services at Robert Wood Johnson University Hospital

"We engaged VIE Healthcare® to assist us in evaluating and reducing our purchased services spend, a growing segment of our operating expenses. Their patented methodology to compare actual spend to contract spend, using line item invoice detail, helped us recover hundreds of thousands of dollars related to inaccurate billing. Further, they've been responsible for well over a million dollars in savings by partnering with us to evaluate our rates against market rates for services, ultimately leading to renegotiated terms with our vendors and I anticipate more to come as we continue our work with VIE Healthcare®. This all happened within the first 6 months of the engagement. I couldn't be more pleased with their approach and results."

Christine Pearson | Chief Financial Officer, AnMed Health

"We have been overly impressed with VIE Healthcare's approach to our purchased service agreements. We begin with a retroactive audit of our existing agreements and reconciliation of any discrepancies and overpayments through VIE Healthcare's Invoice ROI™ technology. From there VIE Healthcare's Invoice ROI™ technology continues to review invoices regularly to help avoid any future discrepancies. VIE Healthcare® have been able to identify hundreds of thousands of dollars in discrepancies. Because they analyze invoices at the line item level, VIE Healthcare® have the ability to quickly take utilization and usage trends to produce RFPs allowing us to renegotiate new agreements resulting in further cost reductions. This includes consolidating contracts and service providers across multiple hospitals in different regions."

Luis R. Martinez | VP Supply Chain, Cornerstone Healthcare Group

"I have worked with VIE Healthcare® in my past two organizations and they were highly effective in identifying and achieving cost savings opportunities in clinical, financial, and operational purchased services. They have strong capabilities in price benchmarking, contract reviews, spend data analytics, and have the ability to develop a negotiation strategy that can be implemented for deep cost savings. If your organization is looking for a cost saving partner, I recommend VIE Healthcare®."

April LaFontaine, FACHE, MBA, CPC | Vice President – Revenue Cycle, Memorial Hospital

James Cagliostro
MEd, BSN, RN

JAMES CAGLIOSTRO
MEd, BSN, RN

James joined VIE Healthcare Consulting in 2018 and brings to the role over a decade of critical care nursing experience at highly regarded medical facilities across three states. During that time, he observed both the "good and bad" of hospital operations in a number of regions, giving him a unique insight and understanding which he brings to our clients.

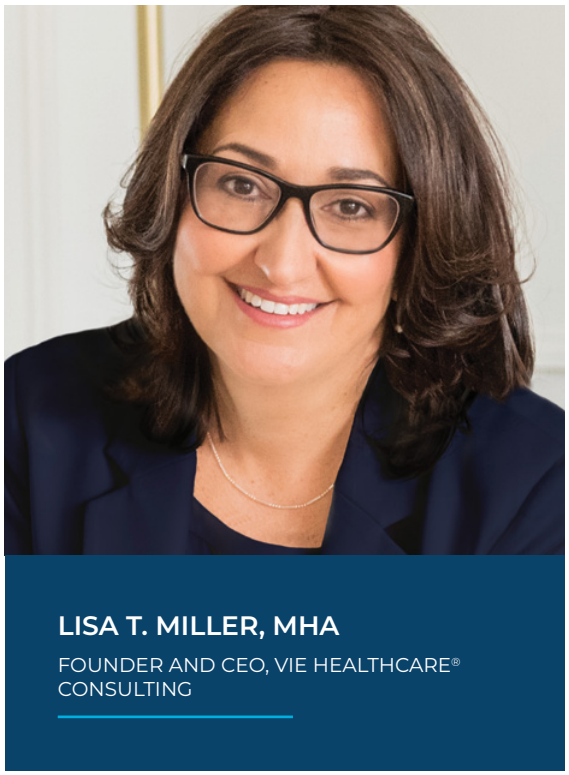
That insight means he prioritizes patient care. He has observed for himself and throughout his career that hard work makes a tangible difference in the lives of patients. While at Stanford, he was extensively involved in training staff on patient care with Ventricular Assist Devices and Total Artificial Hearts, which reinforced the importance of education and preparation in order to excel.

It is this, coupled with his experience at the bedside in reputable facilities, that has prepared him to be flexible and work on a "patient first" basis. Underpinning that drive for meeting patient needs is an understanding of the critical requirements for clear and direct communication within and between healthcare organizations.

James has a BS in Nursing from Messiah College and a Master's in Health Education from Penn State.

He also has 7 years of critical care experience at Hershey Medical Center (PA) and Stanford Hospital & Clinics (CA) and 3 years of PACU/perioperative/surgery center experience in NJ.

He also served as chair of unit education council at Hershey.



Lisa T. Miller, MHA
Founder and CEO, VIE Healthcare® Consulting

Lisa Miller launched VIE Healthcare® Consulting in 1999 to provide leading edge financial and operational consulting for hospitals, healthcare institutions, and all providers of patient care.

She has become a recognized leader in healthcare operational performance improvement, and with her team has generated in excess of $674 million in financial improvements for VIE Healthcare's clients.

Lisa is a trusted advisor to hospital leaders on operational strategies within margin improvement, process improvements, technology/ telehealth, the patient experience, and growth opportunities. Her innovative projects include VIE Healthcare's EXCITE! Program, a performance improvement workshop that captures employee ideas and translates them into profit improvement initiatives, and Patient Journey Mapping™, an effective qualitative approach for visualizing patient experience to achieve clinical, operating, and financial improvements.

Lisa has developed patented technology for healthcare financial improvement within purchased services; in addition to a technology that increases patient satisfaction through front line insights.

Lisa received a BS degree in Business Administration from Eastern University in Pennsylvania and a Masters in Healthcare Administration from Seton Hall University in New Jersey. She is a member of the National Honor Society for Healthcare Administration – Upsilon Phi Delta.

Her book *The Entrepreneurial Hospital* is being published by Taylor & Francis.

HOW TO WORK WITH US

VIE Healthcare® delivers dramatic margin improvement strategies and value driven solutions for breakthrough results.

Consulting and Advisement

VIE Healthcare® is passionate about empowering our clients to transform the patient experience and deliver smarter healthcare. Our team of experts conduct comprehensive assessments to deliver rapid results aligned with your core business goals for increased profit.

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STEP 1 → **STEP 2** → **STEP 3**

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VIE Healthcare® will dedicate expertise and resources that support you and your team to become a high performing hospital.

Call or email today Lisa Miller to discuss how VIE Healthcare® can work with you and your team to rapidly reduce costs: 1-888-484-3332 Ext 501 | lmiller@viehealthcare.com

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