

ENGAGING THE CARE COMMUNITY USING MOBILE TECHNOLOGIES



Value Based Reimbursement Creates Multiple Challenges

Financial Impact

- o Readmission Penalty (2016: 0 to -3%)
- Hospital Value-Based Purchasing Adjustment Factor (2016:-2 to 2%)
- Medicare Access and CHIP Reauthorization Act (2025: -9 to27%)
- OPPS Quality Reimbursement (2015: -2 to 0%)
- Non-Preferred Provider Cost

Clinical Outcomes

- Post d/c support limited to managing only high risk patients
- Lack of on-demand patient data
- Lack of identifying Preventative Care compliance failures
- Utilization of Non-Preferred Providers
- Lack of patient compliance

Customer Experience

- Conflicting Care Plans
- Post d/c support failures
- Limited connectivity and engagement of resources
- Inexperience and knowledge in navigating through convoluted and confusing maze of care options

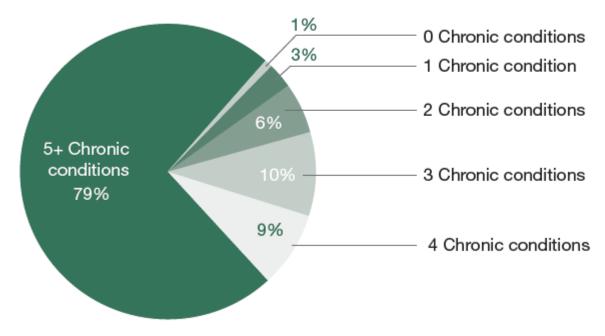
Percentage of Medicare health care spending associated with chronic conditions is 84 %



Chronic Disease Is a Major Cost Driver

Two-Thirds of Medicare Spending Is for People With Five or More Chronic Conditions

Percentage of Medicare Expenditures



Source: Medicare Standard Analytic File, 2007

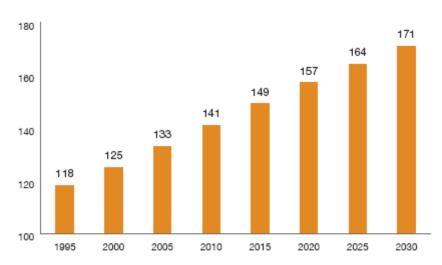
Robert Wood Johnson Foundation Study February 2010



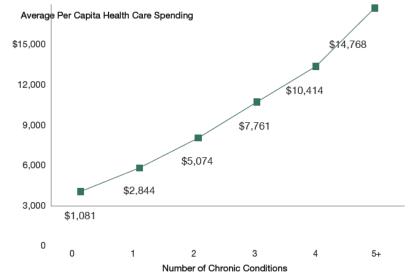
Chronic Disease Management is Important

The Number of People With Chronic Conditions Is Rapidly Increasing

Number of People With Chronic Conditions (in millions)



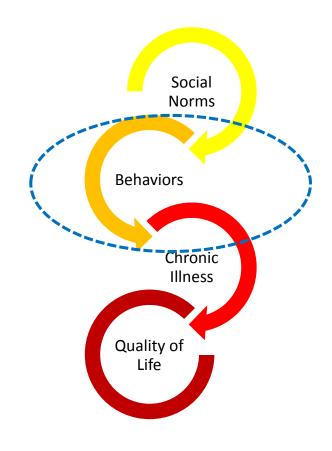
Source: Wu, Shin-Yi and Green, Anthony. Projection of Chronic Illness Prevalence and Cost Inflation. RAND Corporation, October 2000.



Source: Medical Expenditure Panel Survey, 2006



Behavior Change is the Holy Grail of Chronic Disease Management

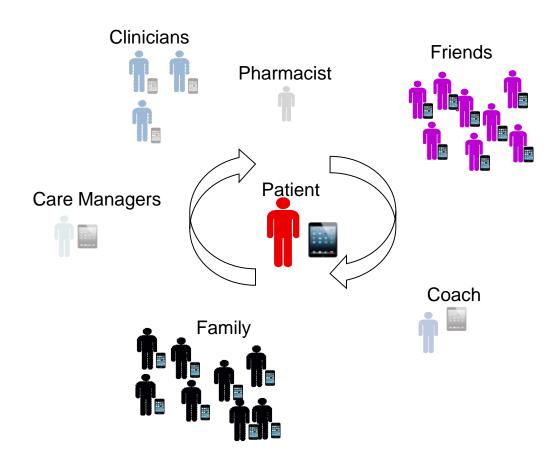


 8 behaviors & risks drive 80% of total costs for all chronic illnesses worldwide

"Behavior change happens mostly by speaking to people's feelings..." -- Kotter



Social Circles Have More Influence on Behaviors than Clinicians



What doesn't work:

- The white coat talk
- Providing 'information' to the patient
- Conflicting instructions from various clinicians

Behavior change fails 68-90% of the time using traditional approaches

What works:

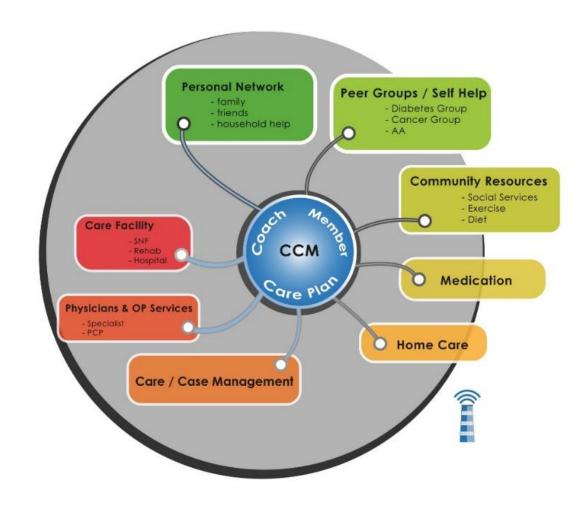
- Keys to Successful Change 1
 - 1. Relate
 - 2. Repeat
 - 3. Reframe
- A patients social support system is a key factor in defining their risk of readmission.
- Socially isolated individuals incurred 24% higher costs than socially connected individuals with an equivalent risk.
- At least 39,000,000 non-clinical caregivers in the US.

Non-Clinical Resources are Under-Utilized in the Care Community



CCM Must Remove Barriers for Care Plan Success To Reduce Risk of Acute Episode

- Personalized Care Plan based on Best Practice Disease Management
- Removal of Real World Barriers Enables Engagement to Care Plan
- Economics Matter:
 - Technology to Support Care Plan Success
 - Involvement of 'Free' and Caring Resources
 - Support by professional coordinators to remove barriers

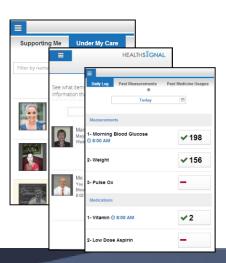


Mobile Engagement Technology For The Entire Care Community To Support and Remove Barriers



Chronic Disease Engagement Technology

- Mobile technology
- Personal Health Record / Lifestyle
 Management Tool for data generated at home
- Engagement Tool for patients, friends and family supporting chronic disease patients
- Support for infrastructure needs
- Early intervention alerts



CMS Supports Chronic Care Management

- Elements of CPT Code 99490
 - Established patient relationship via AWV
 - 20 minutes of Non-Face to Face time every Month
 - Medication monitoring
 - Coordination/continuity of service
 - Personalized Care Plan
 - 24/7 access to healthcare providers
 - 24/7 access to medical records and provide them as needed
 - Facilitated care transition
 - Schedule appointments / transportation
 - Coordinate with community-based services
 - Use of Technology to connect with patients and social support

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