



The Rise of Convenient Care, Retail Clinics, Healthcare Apps, and Robots

A HYBRID CONFERENCE AND INTERNET EVENT

THE SIXTH NATIONAL PHYSICIAN ADVISOR
AND UTILIZATION REVIEW BOOT CAMP

Produced by
GHC
Global Health Care, LLC

Attacking Payer Denials – Chapter 2.
Lessons Learned and Strategies for Success

HYATT REGENCY LA INTERNATIONAL AIRPORT, LOS ANGELES, CA
JULY 25 - 27, 2018

MERRITT HAWKINS 
an AMN Healthcare company

Convenience is King

Today, people want convenience,
and they want it now



"You know, you can do this just as easily online."

Convenience is King

Anything that saves time
is highly sought after

As a result, companies
are changing how they
offer their products and
services



Convenience Comes to Healthcare



“Reflexes seem normal. You kept him waiting over two hours.”

A Key Driver of Convenience

Rising Demand
&
Static Supply



Rising Demand

A wide-angle photograph of a massive crowd of people celebrating on a city street. The street is lined with tall poles holding numerous Union Jack flags. In the background, a large, ornate building with a central archway is visible. The crowd is dense and extends far into the distance.

50 million more people from 2000 to 2020

We are adding the population of England

Rising Demand



**150,000,000 Additional
Physician Visits Per Year
By 2020 Based On
Population Growth Alone**
(3.0 visit per/pop X 50 million
population growth)

Increased Access Leads to Rising Demand

Since 2012, the healthcare system in the United States has seen more changes than in any comparable two-year period in recent memory

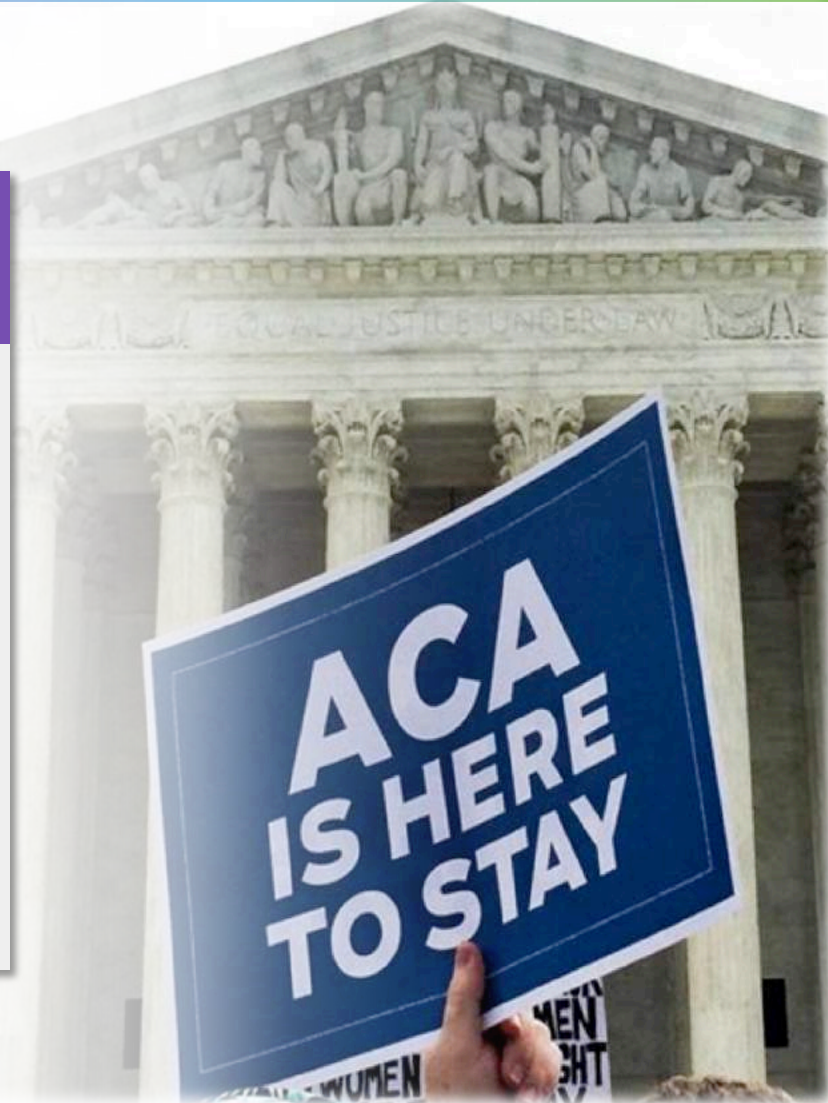
- Enrollment of 12.7 million people in insurance plans through the Affordable Care Act (ACA)
- The enrollment of an additional five million Americans in Medicaid
- An unprecedented number of hospital and medical group consolidations
- A growing physician shortage, dramatically highlighted this year by long lines at Veterans Administration facilities



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Supply is the Bottleneck

The Physician Workforce

Total In Practice	809,256
Number in primary care (FP, IM, PED)	259,771 (32.1%)
Number in specialties	549,485 (67.9%)
Total residents and fellows	123,190
Total final year residents	30,212
Percent male	539,774 (66.7%)
Percent female	269,482 (33.3%)
Percent international medical graduates	195,840 (24.2%)
Percent 56 and older	314,801 (38.9%)
Percent 66 and older	106,013 (13.1%)

Source: AMA Master File

How Do We Stack Up?



Country	Physicians per 1,000
1. Greece	6.2
2. Austria	4.9
3. Norway	4.2
4. Portugal	4.1
5. Germany	4.0
6. Sweden	3.9
7. Switzerland	3.9
8. Spain	3.8
9. Czech Republic	3.7
10. Italy	3.7
11. Iceland	3.6
12. Denmark	3.5
13. Slovak Republic	3.4
14. Australia	3.3
15. Estonia	3.3
25. United States (Active Only)	2.5

Source: Becker's Hospital Review, July 2014

Current Physician Shortage Projections

21,800 too few
physicians today

65,500 too few
physicians by 2020

90,400 too few
physicians by 2025

121,300 too few
physicians by 2030

***Shortage in
primary care will
reach 49,100 by
2030 while
demand for
specialists will
exceed supply
by 72,200 by
2030***

Source: AAMC, May 2018

Healthcare Delayed is Healthcare Denied

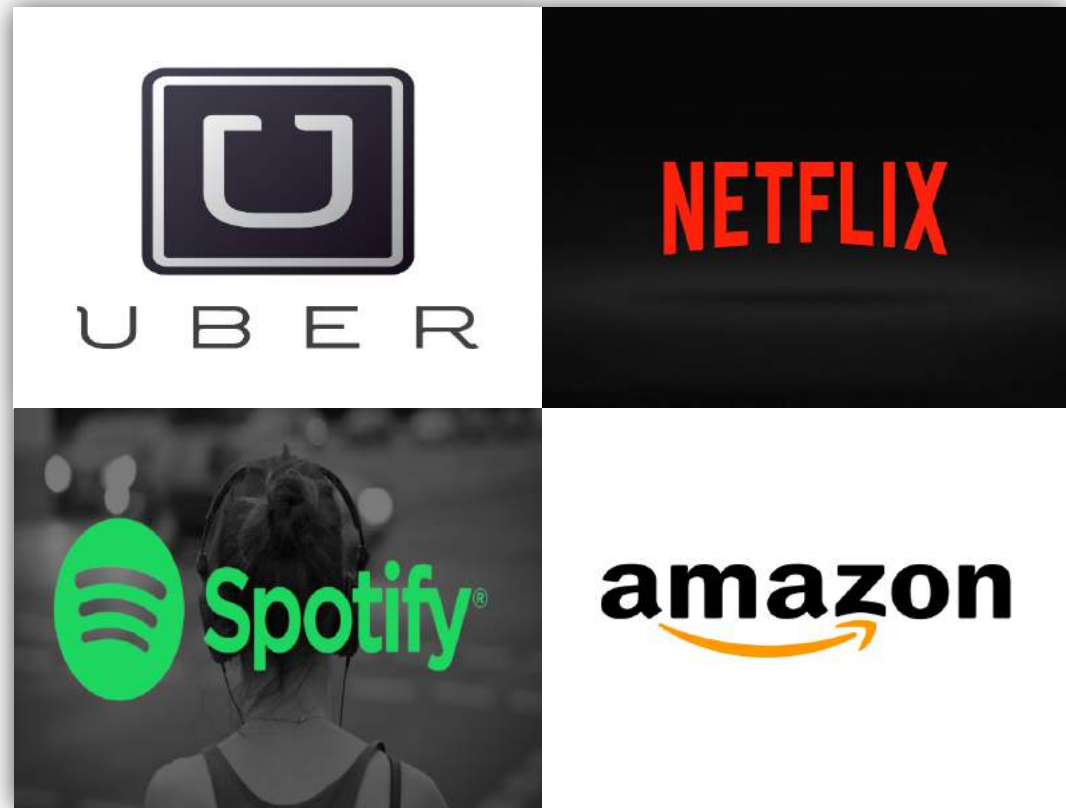
Average wait time for a physician appointment up 30% from 2014



Source: Merritt Hawkins 2017 Wait Time Survey

The Rise of Convenient Care

*The new mantra:
“Be everywhere,
all the time”*



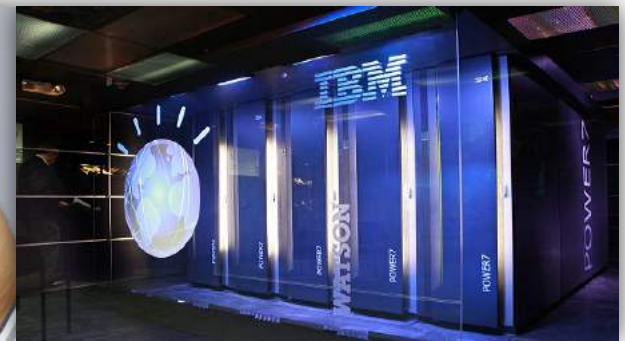
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The Doctor Will See You Now

Today's physicians are seeing patients in more and different ways than before



The Rise of Convenient Care



Began 15 years ago to offer consumers convenient, affordable, and timely access

Split into two sites of service:

Urgent Care Centers and Retail Clinics

Easy to Access

About 30% of the U.S. population lives within a ten-minute drive of a convenient care facility:

<i>Shopping centers/strip malls</i>	<i>38%</i>
<i>Freestanding buildings</i>	<i>32%</i>
<i>Medical offices</i>	<i>20%</i>
<i>Mixed use buildings</i>	<i>9%</i>

Source: Urgent Care Association of America

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Starbucks of Healthcare

Convenient care clinics appear to be popping up on every corner, much like Starbucks

Select locations previously leveraged by major retailers for optimal placement



A Sense of Urgency

- Urgent care centers offer care for common illnesses and non-life threatening procedures
- Typically staffed by primary care physicians and advanced practice professionals
- 7,357 urgent care centers nationwide
- Some states require urgent care centers to be licensed, most do not



Drive-Thru Healthcare

- 90% reported a patient wait time of 30 minutes or less
- 84% reported a patient throughput time of 60 minutes or less
- Open 7 days per week
- 80% offer walk-in, after-hours, and weekend access
- Average 4.5 patients per hour and can go up to 6 to 8 patients per hour

Source: Urgent Care Association of America

The Retail Boom



- Retail clinics offer treatment for minor ailments, preventive services, and screening for conditions
- 1,800 retail clinics today
- Number of visits to retail clinics 2007: 1.4 million
- Number of visits to retail clinics 2015: 10.5 million
- By 2020, pharmacy-based clinics will be the largest providers of primary care services

Source: Becker's Hospital Review, April 2015

The Retail Boom

- Average cost for a 14-day episode of 10 most common diagnoses in a retail clinic: \$484-\$543
- Average cost in doctors office, hospital outpatient department, or ED: \$704
- Consumers report a satisfaction rate of 93% for convenience and 90% for quality of care

Source: *Modern Healthcare*, November 2016



The Future is Now

As part of their collaborative care initiative, Kaiser Permanente developed new outpatient facilities known as "Health Hubs"

The facilities serve as a resource for healthy living with patient/doctor collaboration and educational opportunities promoting healthy choices



Free-Standing Emergency Centers

- There now are approximately 400 free-standing emergency centers (FECs) spread over 32 states
- Typically owned and managed by either hospitals, independent for-profit groups, or joint ventures
- Rules governing FECs are still in flux as some states have not yet established specific policy requirements

Source: Modern Healthcare, October 2016



FQHCs: Convenient Care for the Underserved



Community Health Center

- See over 24 million patients a year (twice the number from 2000)
- 9,000 sites of service
- Urban & rural
- Save the system \$24 billion a year
- Supported by both sides of the aisle
- Employ over 170,000 staff (doubled since 2005)

There's a Virtual Doctor in the House



The rise of
telemedicine has
spawned the return
of the “doctor’s
house call”

Telemedicine Services and Benefits

As technology has progressed, the array of services provided has expanded significantly:

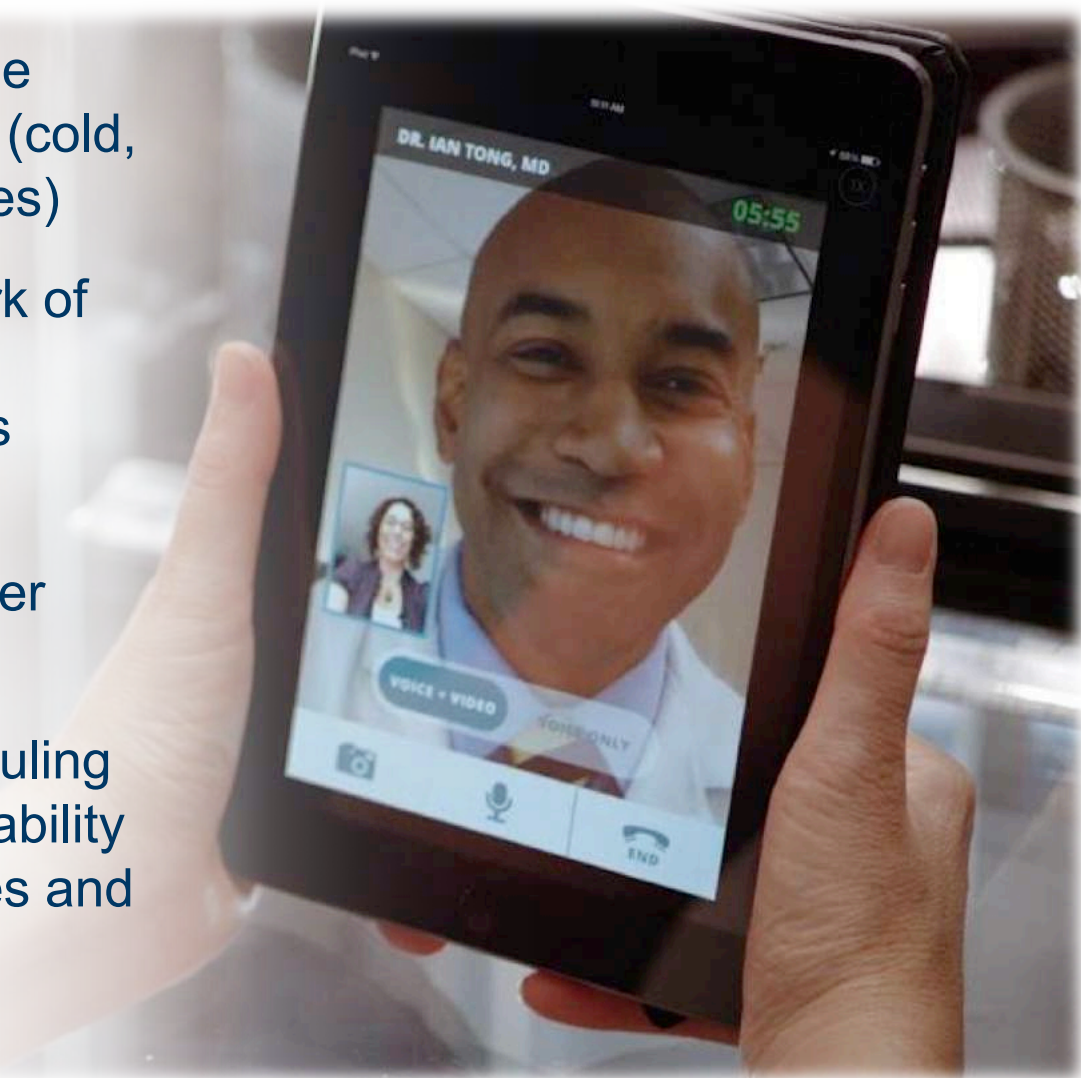
- Remote patient monitoring
- Predictive Analytics
- Referral Services
- On-line health information
- Continuing medical education

Telehealth also allows for improvement of patient outcomes and reduction of preventable hospital readmissions

Source: American Telemedicine Association (ATA); "What is Telemedicine?"

Providers are Expanding Access

- **Zipnosis:** Park Nicollet online diagnosis of minor problems (cold, flu, bladder infections/allergies)
- **Doctor on Demand:** Network of more than 1,400 physicians offering one-on-one sessions
- **Teledoc:** Virtual one-on-one consultation with a doctor over phone or video
- **Zocdoc:** Appointment scheduling service, providing users the ability to review physician schedules and make appointments



The Robot Will See You Now

A growing number of hospitals are using “telepresence robots” to expand access to medical specialists

Mobile videoconferencing machines that stand about on wheels and are about five feet tall with a large screen that projects the doctor’s face

Source: Associated Press, November 2013



Meet the New Staff Member

- ***Xenex robot “Gigi”***: Can clean a room to 99.9% whereas cleaning by hand can only disinfect a room to an 85% level
- ***Hstar Robotic Nursing Assistant***: Lifts patients safely, preventing back injuries among nurses
- ***Veebot***: Can find a vein and place a needle at least as well as a human can
- ***da Vinci Surgical System***: Robotic surgical system that keeps the surgeon in complete control while allowing greater reach and flexibility

Source: *Medical Futurist*, February 2017



IBM's Watson: “World’s Best Diagnostician?”

“The artificial intelligence machine correctly diagnosed a 60-year-old woman’s rare form of leukemia within 10 minutes — a medical mystery that doctors had missed for months at the University of Tokyo”

Source: New York Daily News, August 2016



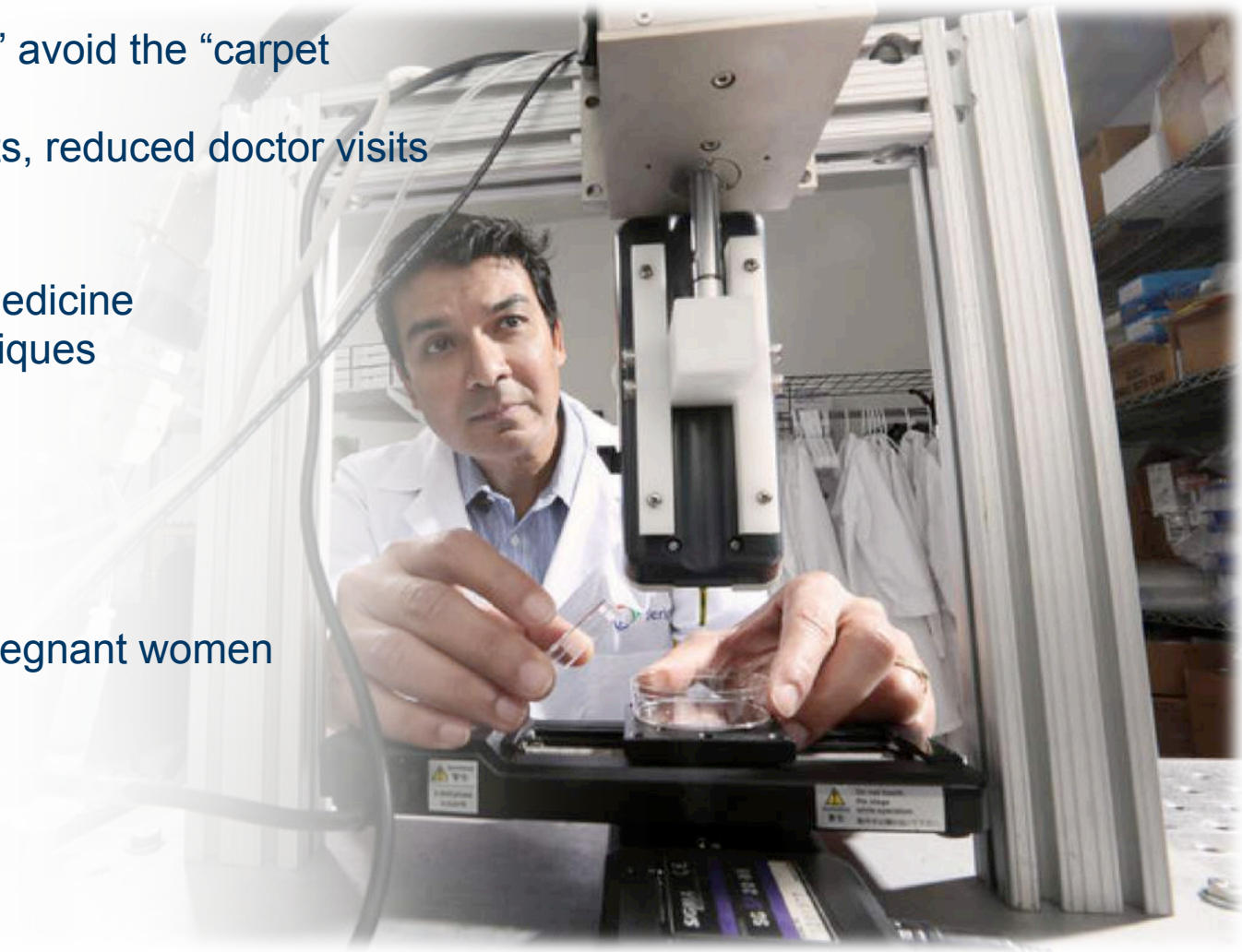
The Golden Age of Innovation

Today's endless stream of innovation has greatly benefited society by making things simpler, quicker, and more effective



The Golden Age of Medical Innovation

- “Targeted therapies” avoid the “carpet bomb” approach
- Reduced side effects, reduced doctor visits
- BioPrinters
- Face Transplants
- Teleradiology/Telemedicine
- Non-invasive Techniques
- Gene Therapy
- Neuroprosthetics
- “Smart” helmets
- Asthma breath app
- Ingestible sensors
- Mobile texting for pregnant women
- Origami robot
- 3D-printed casts
- PillCam
- iKnife



Heads Up!



- Sergio Canavero from Italy will partner with Chinese surgeon Ren Xiaoping
- Duo will plan the head transplant procedure intended for Valery Spiridonov, a 30-year-old who has muscular atrophy
- The techniques allow the patient's head to be grafted onto a healthy body
- However, each operation will cost an estimated £7.5million to complete

Source: *The Guardian*, October 2015

Qualcomm Foundation: The Tricorder X Prize

“We envision a future where mobile technology will bring consumers their healthcare diagnoses in a way that is more accurate, more accessible, and more understandable than today’s doctors.”



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It's Not a Tricorder, But...



- ✓ **Fast PCR machine can recognize disease-causing pathogens by obtaining the bacterium or virus DNA and rapidly copying it to identify the illness**
- ✓ **Submit a sample and have it processed while the doctor performs a check-up**
- ✓ **Appropriate treatment could be decided upon before the exam is completed**

Source: San Jose Mercury News, January 2014

But Can This...

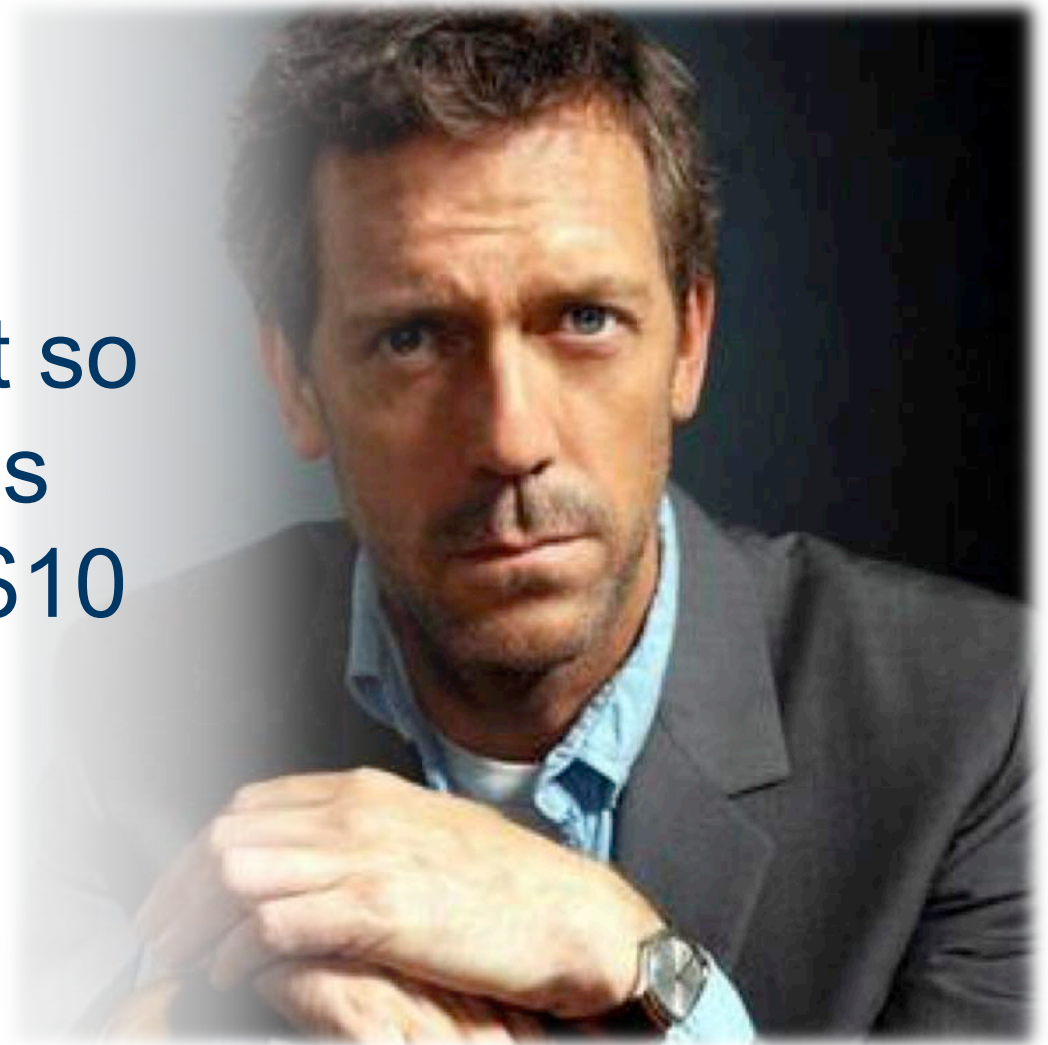


...Really Replace This?



...or Even This?

Time will tell, but so far, nobody has picked up their \$10 million prize



Continue the Conversation



A Raised Hand – Blog by Kurt Mosley

Follow on Twitter: [@Kurt_Mosley](https://twitter.com/Kurt_Mosley)

A Raised Hand BY KURT MOSLEY

A discussion on emerging healthcare trends



A Sense of Urgency

September 2, 2015

According to the United States Centers for Disease Control and Prevention (CDC), there are more than 1.2 billion physician patient encounters each year in America. Of those 1.2 billion patient visits, more than 135 million were administered in emergency departments. Experts suggest that more than 45 million of those emergency department visits could have been coordinated and delivered in an urgent care facility. As healthcare spending exceeds \$3 trillion a year, the industry must look to control costs without sacrificing patient care and wellness.

Continue the Conversation

MERRITT HAWKINS 
an AMN healthcare company

White Paper Series

Examining topics affecting the recruitment and retention of physicians and advanced practice professionals

Convenient Care: Growth and Staffing Trends in Urgent Care, Retail Medicine, and Free-Standing Emergency Centers

A resource provided by Merritt Hawkins, the nation's leading physician search and consulting firm and a company of AMN Healthcare (NYSE: AHS), the largest healthcare workforce solutions company in the United States.

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Introduction

Increased access to medical service —, the idea that success in healthcare delivery depends on “being everywhere, all the time” — is a part of a growing trend in which healthcare organizations are evolving away from a transactional model of care and toward an “experiential” model characterized by customer service, price transparency, provider ratings, and ease of use. With the understanding that consumers punish complexity and reward simplicity, healthcare is shifting to a convenient care/outpatient model with a wider menu of niche providers to suit varying customer preferences.

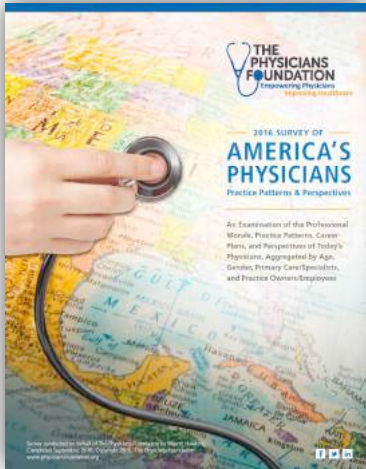
In order to capture consumer preferences for convenient care, hospitals, large medical groups, health corporations and other organizations are developing outpatient sites of service and amenities, including urgent care centers, retail clinics, free-standing emergency centers, telehealth services, healthcare monitoring apps and home health devices, even an updated version of the classic house call. Providing convenient care services is no longer a secondary consideration filled by “moonlighting” primary care physicians — it is a distinct growth service line likely to capture more of the projected \$5.4 trillion to be spent on healthcare by 2024.

Consider this excerpt from an August 8, 2015 article in The Boston Globe (“Walk-In Clinics Force Big Medicine to Reconsider,” Priyanka Daval McCluskey and Taryn Luna).

“Consumers ...are increasingly looking for faster and more convenient options to get basic medical care, and retailers like CVS are filling the gap with walk-in clinics and other services. That’s forcing traditional health care providers, from small doctors’ offices to big hospitals, to react.

“At Atrius Health, a large medical group, more doctors are leaving their doors open until 8 p.m. Tufts Medical Center is taking online

- ❖ Convenient Care: Growth and Staffing Trends in Urgent Care and Retail Medicine
- ❖ Telehealth: The Integration of Telecommunication into Patient/ Provider Encounters
- ❖ The Physician Shortage: Data Points and State Rankings
- ❖ Physician Supply Considerations: The Emerging Shortage of Medical Specialists



If you have any questions, please contact Kurt Mosley at:

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