

Wired?

Facebook, Twitter, LinkedIn, Amazon, Android, Email, iPod, iPhone, iPad,
Blackberry, Galaxy, Cloud, Laptop, Cell Tower, Satellite, Internet, Text, Apps,
Twitter, Google, Yelp, Square

CareCycle olutions

214•698•0600

info@CareCycleSolutions.net

www.CareCycleSolutions.net

3406 Main Street • Dallas, TX • 75226

Wired?

Facebook, Twitter, LinkedIn, Amazon, Android, Email, iPod, iPhone, iPad, Blackberry, Galaxy, Cloud, Laptop, Cell Tower, Satellite, Internet, Text, Apps, Twitter, Google, Yelp, Square

The internet's roots date back to the 1960s when the United States government commissioned development of a robust, fault-tolerant computer network and then funded, through the National Science Foundation, a U. S. "backbone" in the 1980s. There it was, the foundation of the greatest change-agent since the Industrial Revolution, used almost exclusively by governmental agencies and universities but, THERE IT WAS! We should stop here to reflect on the fact that our government does a LOT of things wrong—but not EVERYTHING wrong. The positive impact of this development on all mankind can not be calculated. And while by mid-2012 over a third of the world's population (about 2.4 billion people) had used the services of the internet, its use is still in its infancy. **Editorial Comment:** *Once the internet was developed, the Federal government got out of the way and let free enterprise innovators take over except for maintaining Protocol addresses and the Domain Name system. Is there a lesson about public-private partnerships to be learned here?*

So now let's reflect on how use of the internet has changed two of our largest industries, Banking and Healthcare. Few other industries are as large or of such great importance to the public as are these two. A piece of plastic, about two by three inches in size with a magnetic strip, functioning as a debit or credit card provides individuals with access to their bank account and/or credit line virtually wherever they may be in the world. Now, not tomorrow or next week. This "bank in your pocket" was first developed more than sixty years ago (60!) and therefore long pre-dates the internet. But fair to say the internet fostered explosive use (and abuse) of this little plastic facilitator of uncountable financial transactions. And this is but one example of how the internet greased the wheels of business and commerce. If the internet has had such a profound impact on the world of finance, then surely it must have also done so for another of our most important industries: healthcare. Well, maybe not.

Every doctor's office, hospital homecare agency, skilled nursing facility, pharmacy, assisted living facility, hospice, outpatient physical therapy facility—on and on—maintain their own patient charts and records, mostly on paper. Several years ago this writer had rather simple shoulder surgery and was required to complete, **ON PAPER**, virtually identical documentation for the

Wired?

physician, surgeon, hospital, lab and outpatient physical therapy facility. Each provider was required to translate very poor penmanship and impossibly bad spelling for their own charting and billing systems. Long after the fact, the insurer was able to report to the insured what had been charged and paid and what amount remained unpaid. The costs of such an inefficient system have been estimated but the facts are that nobody really knows how much these duplicative processes cost society. And no one even attempts to consider the cost to the patient in time and lost productivity resulting from completing almost identical documentation multiple times!

And so the power of electronic systems, the internet, and the analysis of “big data” has largely gone untapped by healthcare, 18% of the country’s GNP. Systems development has mostly focused on improving the speed and accuracy of billing and payroll systems, not on better understanding how, when and where patient care is most effectively provided. Medicare owns one of, if not THE, largest, deepest healthcare data-set in the world. Yet only now is this gold mine of information being used to compare the effectiveness of hospitals, and these initial efforts remain crude and flawed. Among the thousands of hospitals throughout the country there must be some that are far more efficient, producing better patient outcomes at lower cost, than others. **THERE MUST BE!** Such hospitals would be chosen by any rational patient if only the information were made available. The same point can be made of doctors, surgeons, homecare agencies, skilled nursing facilities, etc. But benchmarking information that would make it possible to know which providers are among the most, or least, effective is simply not available. Healthcare’s “big data” is used to understand how much money is being paid to which providers for what purpose; not to learn which providers generate superior patient results and how this is accomplished. But finally, at long last, decades late and at great expense, the healthcare industry is embracing the power of electronic systems coupled with the internet to move rapidly into the twentieth century; and it may even catch up to the twenty-first century before the twenty-third arrives. **However, there is one massive omission from this movement which will significantly limit its effectiveness.** We’ll get to that in a moment.

The American Recovery and Reinvestment Act of 2009 encourages most providers (with notable exceptions) to adopt and use an Electronic Health Record (EHR) so that patient records can be electronically accessed by multiple

Wired?

providers. Ultimately this will result in far improved patient information being quickly available to those providers who may be called upon to care for each patient. The federal government is providing cash payments to many hospitals and physicians to encourage their adoption of an EHR. In addition, those that have not done so by 2015 will be penalized by seeing their Medicare payments reduced. The “carrot and stick” approach favored by governments is once again being used to drive change. And so we will finally see the broad use of electronic patient records, but will these records systems be designed so that patient information can be readily moved from provider to provider? No and yes. There is no common system being mandated, so each provider can design an electronic patient record that fits its own particular need. Expensive and inefficient. But, and this is a big but, four of the giants that provide hospital systems have just announced that they are working on developing systems interfaces that will allow patient records to move electronically among those providers using any one of their systems. Finally, the power of electronic records and the internet are coming to bear on healthcare. But wait! As stated earlier, something is missing. Whatever can it be?

The Patient! Hospitals and physicians are being electronically wired together but patients, the only reason providers exist, are not part of the loop. Individuals who are chronically ill generate about 75% of all healthcare costs and these people do not get well; that's kind of what chronic means. (Exception: if very overweight people lose lots of weight, their diabetes and high blood pressure may be reversed). The very people who generate the vast majority of healthcare costs are not part of the healthcare wiring conversation. As long as that massive hole exists, the industry's movement to become efficient will be severely limited. Interestingly, the Federal government itself has solved an important part of this problem without seeming to know it. The Veterans Health Administration (VHA) has developed a telehealth service for many of its patients and over the years conclusively proved its value. By electronically connecting many of its patients with their care providers, the VHA has plugged the gaping communications hole that exists in almost all systems. They have proven the value of their telehealth service and now, with about 65,000 patients being served by this service, they are probably the largest such service in the world. So far, it seems that CMS has not learned much about the benefits of telehealth from its sister program. Others, notably Partners HealthCare, Geisinger Health System and Centura Health, have also proved the value and cost effectiveness

Wired?

of bringing patients into the electronic communications loop through the use of telehealth services.

CareCycle Solutions (CCS) provides its own TeleHealth solution to chronically ill patients. By using its Interventional TeleHealth service to manage some 20,000 unduplicated patients over a number of years, CCS routinely achieves thirty day all-cause rehospitalizations that are 62% lower than the national average for all Medicare Fee-For-Service beneficiaries. Thus far, CCS has focused on the most costly of Medicare beneficiaries, those who suffer with multiple chronically illnesses and therefore are among its most elderly and fragile patients. CCS has witnessed the progress that such patients can make in managing their own conditions, once trained and experienced in the use of telehealth, and is developing step-down programs that will allow the patient to become more self-reliant. And, as a growing number of Baby-Boomers become Medicare eligible, the smart phone is slated to become an important part of the CCS TeleHealth program. In addition, Tele-Physical Therapy services, now under development, will provide patients with increased availability of therapy services at decreased cost to the provider. As more providers recognize the value of wiring patients into the communications' loop of their very own healthcare ecosystem, there will emerge a wondrous series of connected events: patients will become more knowledgeable about their conditions and therefore more self-reliant; providers will become less over-worked, find themselves providing care that is nearer the top than the bottom of their license and national healthcare costs per capita will actually decline rather than only climb less rapidly. All of this can occur if healthcare providers enable patients to become active participants in their own care. The key is to make them part of the electronic communication's loop, not its bystander.

Wayne Bazzle, CEO