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## Use of telehealth could save billions

By Jason Goldberg

The Obama Administration is helping to fuel renewed interest in telehealth by actively touting it as a tool to expand access and lower costs. Bi-partisan legislators are also doing their part by addressing obstacles to widespread adoption, such as easing restrictions on funding for telehealth programs in rural areas. As of now, only about 20% of the nation's Medicare beneficiaries have access to telehealth; if passed, the Medicare Telehealth Enhancement Act introduced earlier this year promises to greatly expand telehealth programs.

It's estimated that widespread use of remote monitoring alone could cut healthcare costs by \$197 billion over the next 25 years. What's more, an increasing number of consumers are primed and ready for this technology. A 2009 survey by PriceWaterhouseCoopers (PwC) found that 73% of respondents would be open to using remote monitoring. The same survey also found that one in two survey respondents would be very or somewhat likely to use the internet or other computer technology to access healthcare.

Consumer satisfaction rates in remote monitoring pilot programs also reveal that patients are receptive to telehealth. The PwC survey examined the Veterans' Administration's telehealth programs and found patient satisfaction scores of 86%, and that health system utilization was reduced by 30%.

However, despite its proven ability to control costs and improve outcomes, systemic adoption of telehealth initiatives has thus far been glacially slow. But the healthcare environment is changing and innovative companies are introducing affordable, easy-to-use products that make remote monitoring as simple as dialing a phone.

While remote disease management systems have demonstrated that they can significantly improve health status and reduce healthcare costs, they also have an unfortunate reputation for over-promising and under-delivering. Some commonly cited shortcomings: not scalable for large patient populations; too expensive; not user friendly (difficult for patients to install and use, difficult for providers to integrate into existing systems); and collect too little useful data or too much of the wrong data.

The good news is, today's telehealth systems have advanced well beyond their former limitations. Industry experts now recognize that in order to succeed, telehealth devices must be designed so that people can manage their own health anytime, anywhere, with any mode of communication.

Below are a few examples of positive outcomes from telehealth programs:

- A remote monitoring program developed for home healthcare agency Bayada Nurses, Inc. reduced hospitalizations for congestive heart failure (CHF) and hypertensive patients by 40% to 60%. The resulting cost savings was substantial; avoiding a single hospitalization can save a health plan as much as \$30,000.

- Hospital re-admission rates for CHF patients enrolled in another remote monitoring program dropped 57 % when participants used a Bluetooth-enabled scale to monitor weight fluctuations. The savings achieved by avoiding expensive hospitalizations delivered a 7-to-1 return on investment for the program's sponsor.
- Some 900 hypertensive patients using devices to remotely monitor their blood pressure effectively reduced their systolic blood pressure, many to levels below 140 mmHg, the level traditionally defined as the threshold for hypertension.

Currently, telehealth is only covered by a limited number of public programs (such as state-run Medicaid programs) and an even smaller number of private health plans. The majority of today's healthcare administrators have not yet determined how to reimburse physicians using remote monitoring data as a preventive measure. Despite these restrictions, some health plans and medical groups are providing wireless devices to patients without reimbursement because of the cost savings afforded by fewer hospital admissions and physician office visits.

### **The Promise of Telehealth**

Some key elements to consider when implementing a telehealth program:

- Keep it simple. One of the problems with telehealth programs in the past is that they were developed in labs by skilled technicians and engineers. Newer programs incorporate consumer preferences and fit easily into patients' daily lives.
- Make it accessible from any location, at any time. Not all telehealth users are home-bound or communicate in the same way. Systems should be flexible enough to work with various modes of communication, such as broadband, telephone lines, or cell phones. Wireless devices are also optimal, as they allow for quick and easy implementation into a user's daily routine.
- Give providers the data they need, in their format of choice. Given the range of communication platforms now available, there is something to suit every provider's individual preference; systems with built-in flexibility allow accurate, real-time information to be accessed and used in a variety of ways. Remote monitoring systems should also include features to securely and easily share this information with the entire healthcare team.
- Aim for hassle-free integration. Seek out systems and programs that are compatible with providers' and health plans' existing systems for quick and easy implementation.
- Incorporate a clinical informational database with decision support tools. These features can interface with the flow of patient health data coming in from remote devices.
- Seek out telehealth systems with proven track records. Many telehealth companies have only tested their technology with small patient populations. Look for research-backed companies that have successfully used their products with large-scale programs (500 to 1,000+ patients), with references from existing clients who can validate claims for scalability, ease of use, and optimal patient outcomes.
- Make it affordable. To ensure widespread adoption, telehealth and remote monitoring systems must be cost-effective for everyone: patients, providers, and payers.

With an aging population and an increasing need to help people address the high physical and economic costs of chronic illnesses, the value of telehealth programs cannot be under-estimated. Health plans that look for ways to build and expand these programs will not only experience improved outcomes and lower costs, they will also help members create lasting healthcare changes that will benefit the entire nation.

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