

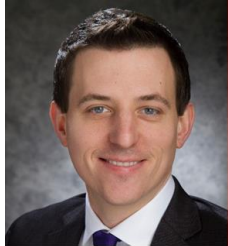


## Virtual Health:

Optimize Patient Access, Capture,  
and Retention

**August 27, 2020**

# Presenters



## **TRAVIS ANSEL**

MBA

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**10+ Years in Management  
Consulting for Health  
Systems and Employed  
Physician Networks**

#### **Expertise in:**

- Employed Physician Network Growth
- Physician Network Strategy
- Market Development Strategy
- Operational and Financial Performance
- Management Infrastructure



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**Family Physician  
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#### **Expertise in:**

- Physician Leadership and Governance
- Vision Development
- Compensation Planning

# Objectives

1. Consider virtual health as a pillar of the network's patient capture and retention strategy.
2. Adapt to the evolving nature of the telehealth regulatory and reimbursement environment.
3. Anticipate and mitigate ongoing barriers to long-term virtual health strategies.

See our previous webinars from HSG's Virtual Health webinar series:

- April 2, 2020 webinar – Virtual Visits: Reimbursement and Operational Logistics  
<https://hsgadvisors.com/performance-improvement/virtual-visits-collecting-fees-and-operational-logistics/>
- June 11, 2020 webinar – Virtual Health: Long-term Strategies for Employed Physician Networks  
<https://hsgadvisors.com/webinars/virtual-health-long-term-strategies-for-employed-physician-networks-webinar/>

# CURRENT AND FUTURE STATE OF VIRTUAL HEALTH

# Virtual Health – Background

- A form of remote telehealth delivery in which patient-provider interactions occur through telecommunications technology
  - Synchronous – Interaction occurs in real time
    - Video conferencing
    - Telephone
  - Asynchronous – Interactions have time lags between responses
    - Patient portal messaging
    - Secure email messaging
    - Secure text messaging
- Our focus is on the office-based care environment

# Virtual Health – Background

- Benefits
  - Patients
    - Greater convenience
      - Timing, Travel
    - Greater access – primary and specialty care
    - Lower costs (perhaps)
  - Providers
    - Greater convenience
    - More flexible scheduling/time management
    - Improved access to patients
      - Removes transportation barrier
    - Greater access to consultants
  - Administration
    - Decreased cost of care
    - Increased operational efficiency

# Virtual Health – Background

- Historic barriers to expanding and sustaining virtual care
  - Reimbursement in fee-for-service environment
  - Patient acceptance
  - Provider acceptance
  - Secure mechanism that protects patient privacy
  - Availability and facile use of technology
    - Includes adequate internet bandwidth

# Virtual Health – Background

- Adoption and use suddenly exploded with COVID-19 Public Health Emergency (PHE)
  - Social distancing
  - Canceling elective face-to-face encounters
  - Conserving resources (PPE)
  - Relaxation of regulatory restrictions
  - Payment in fee-for-service manner
- Catalyzed by significant CMS (and other insurer) regulatory waivers and reimbursement changes
- Accompanied by significant provider and patient “acceptance”
  - Perhaps born out of circumstantial necessity



# Virtual Health – Background

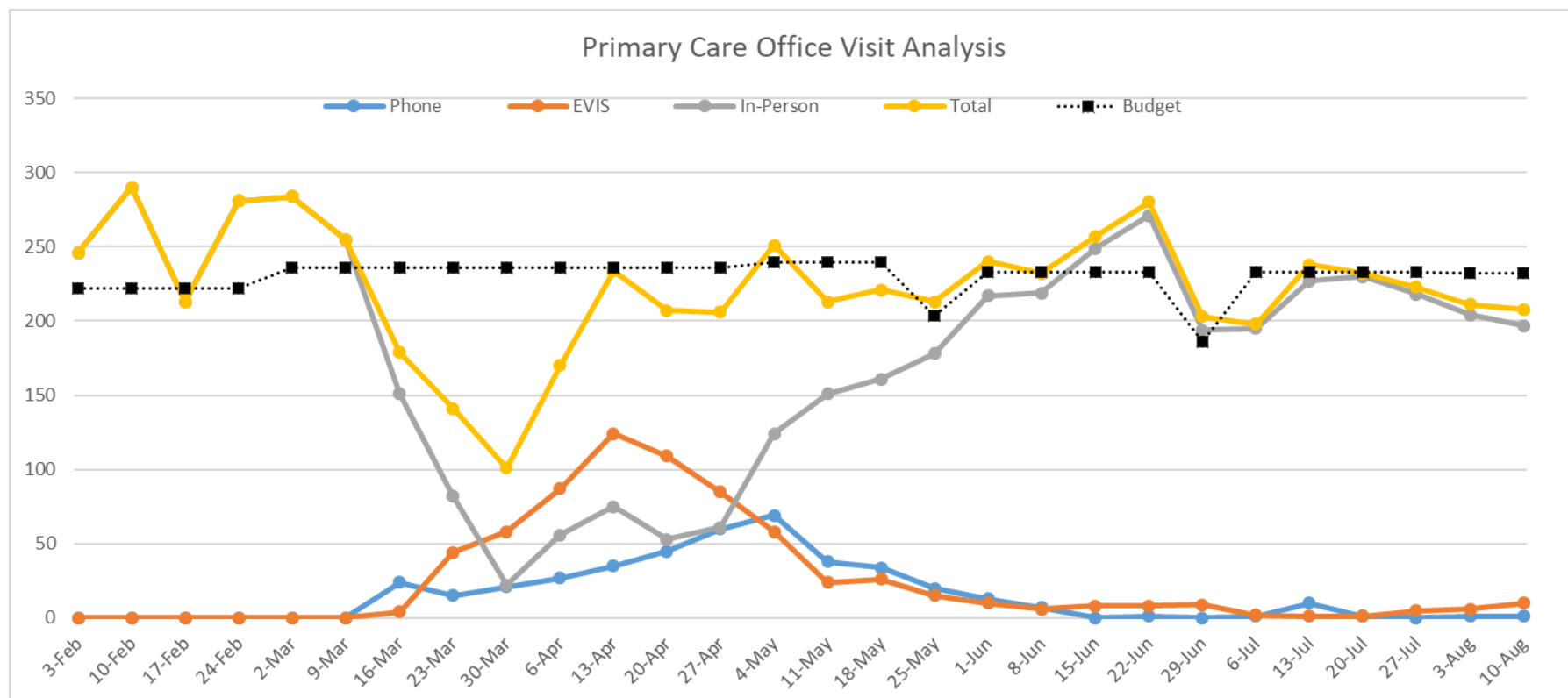
- During the pandemic, many health executives and health experts indicated that telehealth's time had come and that it would continue to be a significant part of the post-COVID care delivery fiber
- HSG conducted survey of healthcare executives between mid-April and mid-May
  - One of the survey statements was "Delivery of virtual visits will be a key part of our strategy even after COVID-19"
  - Of the 50 healthcare executives that responded, an overwhelming 94% Agreed or Strongly Agreed with that statement
    - 60% Strongly Agreed
    - 34% Agreed
  - A specific comment noted that ""Telemedicine has changed how/where our PC physicians will work."

# Virtual Health – Current State

- During the pandemic, many organizations used virtual health modalities because they **had** to
  - They had to figure out quickly how to maintain any patient care revenue
  - They had to figure out quickly how to maintain contact and care for patients that were not able to be cared for in the office
  - They viewed virtual health as a substitution for and not augmentation of in-person office encounters – and primarily for established patients
- With progressive resumption of face-to-face encounters, many of PHE-associated changes have receded
  - Many commercial payers announced rescission of favorable reimbursements
    - Reimbursement of telephone encounters the first to fall
  - Provider acceptance has waned
  - Patient acceptance fading for many
    - Exception is younger generations of adult patients

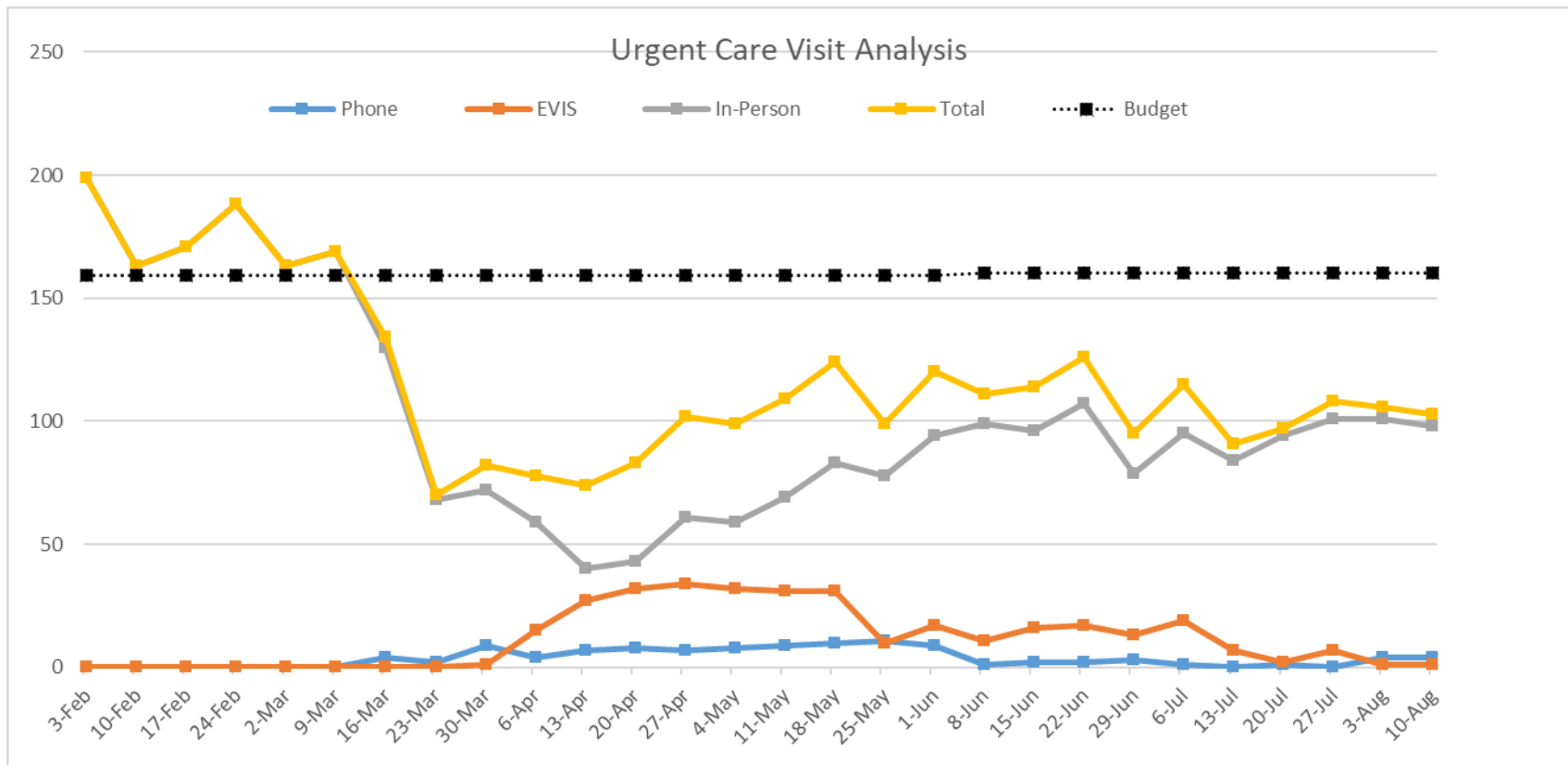
# Virtual Health – Current State

- The following graph represents a common experience – the elimination of virtual visits as in-person visits rebounded and essentially returned to “normal”



# Virtual Health – Current State

- Most organizations report a slower return of urgent care and emergency department visits, with a continued decline in volume for many



# Virtual Health – Current State

- Post-COVID telehealth landscape is still quite uncertain
- Many professional organizations and reported public opinions advocate continuing many of the COVID-spawned telehealth changes
- CMS actions only mildly promising and not yet comprehensive
  - Proposed 2021 Medicare Physician Fee Schedule Final Rule
    - Released August 3<sup>rd</sup> and published in Federal register August 17<sup>th</sup>
    - Would continue some waivers and reimbursement through the end of the calendar year in which the COVID-19 PHE concludes
      - Including telephone visits, Emergency Department visits, SNF discharges, psych and neuro-psych testing
    - Would permanently add several visit types to the list of permitted interactions
      - Home visits
      - Group psychotherapy
      - Neurobehavioral Status Exam
      - Care planning for patients with cognitive impairment
- Other CMS extensions or conversions are uncertain – as is the commercial insurer response

# Virtual Health – Future State

- Many aspects of the regulatory and reimbursement future state are unpredictable
- HSG recommends that organizations consider the following approach to determine their preferred future state:
  - Maximize the ability to augment current services through virtual visits and realize maximum reimbursement for them during the remainder of the PHE
  - Assume that the post-COVID environment will be quite similar to the pre-COVID environment
    - Be ready to adjust as reality changes
  - Develop a true telehealth strategy – not just a reflexive response to acute circumstances
    - Conduct internal SWOT Analysis
      - Critically review strengths, weaknesses, opportunities, and threats associated with network's virtual care processes, platforms, and performance
    - **Place in the context of patient capture and retention**
  - Consider the following threats and opportunities

# THREATS AND OPPORTUNITIES FOR HEALTH SYSTEMS

# Virtual Visits – Threats

- National companies are advancing their offering of online services – and thriving
  - Convenience hard to match
  - Favored option for younger generations of patients
  - Penetrating human resources departments and being offered in employee benefits packages
  - Example – Teledoc
    - Scope of services
      - Minor acute care and other nonemergency medical issues
      - Pediatric services
      - Dermatological conditions
      - Mental health consultations for issues such as depression and addiction
      - Sexual health consultations
    - Electronically prescribe to local pharmacies
    - Upfront payment of flat fee for service – varies by service
      - \$49 for “everyday services; \$75 for dermatology; \$90 for MH counseling
  - Others include Amwell (formerly American Well), MDlive, Doctor on Demand and others



# Virtual Visits – Threats

- Many large health systems are offering robust online services in their region
  - Example – Cleveland Clinic
    - Express Care Online
      - Common medical complaints
      - Dermatology
      - Urology
      - Women's Health
    - MyConsult Online Medical Second Opinion
      - "Access the expertise of our top physician specialists from anywhere in the world. Chat with our experts via telephone to thoroughly review your diagnosis and educate you on treatment options."
    - Partnered with American Well (late 2019) in a joint venture – The Clinic™
      - Offers virtual care from Cleveland Clinic's highly specialized experts through American Well's well-established digital health technology platform.

# Virtual Visits – Opportunities During COVID PHE

- Consider strategically offering virtual visits as a patient-centric care delivery offering – and a differentiator in the market
  - Percentage of interactions for chronic conditions
    - Hypertension, diabetes, hypothyroidism
  - Pertinent follow up interactions
    - Early post procedure, medication changes, initiation of antidepressants
  - Expansion of reach
    - Urgent care, mental health, dermatology
- Refine and convert virtual health practice operations from “interim necessity” to sustainable, standard practice
- Ensure all regulatory and reimbursement requirements are reliably met
  - COVID waivers
  - Post-COVID “reality”

# Virtual Visits – Opportunities During COVID PHE

- In clinical (and business) operations, prepare for virtual interactions as if in-person encounters
  - When staff and providers treat virtual visits as if in-person encounters, maximize impact and acceptance for patients, providers, and staff
- Virtual encounter approach
  - Choose interactions wisely and appropriately to best utilize time and effort
  - Be prepared
    - Support staff interacts with and “rooms” patient prior to provider interface
  - Smile – even if no one can see you – as it can be portrayed in your voice inflections
  - Engage the patient directly
  - Be present and attentive in the interaction
  - Keep educational explanations brief – break into digestible pieces and split into successive, briefer interactions
  - Determine and convey agreeable follow up plans and/or instructions
  - Repeat back verification becomes even more important

# Virtual Visits – Opportunities During COVID PHE

- Prepare for rescission of waivers post-COVID
  - Identify and address technological issues
  - Identify, address, and optimize scheduling issues
  - Identify and address future reimbursement issues
  - Identify and optimize “permanent” virtual care options
  - Identify and address provider and patient adoption barriers
  - Identify and optimize market presence
- Consider the benefits to total cost of care with progressive risk contracting
  - Maximum benefit in capitated reimbursement arrangement and direct to employer contracting

# Virtual Visits – Opportunities During COVID PHE

- The types of “virtual visits” codified by the 2019, 2020, and 2021 Medicare Physician Fee Schedule Final Rules will continue to be recognized and reimbursed by Medicare FFS<sup>1</sup>

<sup>1</sup> many restrictions and limitations apply

- Includes
  - Virtual Check-ins
  - E-Visits (via patient portal)
  - “Store and Forward” Communication (images and videos)
  - Interprofessional Internet Consultation
  - Chronic Care Remote Physiologic Monitoring
  - Self-measured BP Treatment Plan Support
  - Home Visits
- Receive wRVU credit and payment for previously unreimbursed “indirect” patient-related interactions (1<sup>st</sup> six entries above)
  - *But ...* Rates and wRVU credit less than office visits due to lesser complexity and less associated overhead
  - Be ready for the “why wouldn’t I just bring the patient into the office then” comment from detractors
    - Patient centric care
    - Do more in less time – greater efficiency

# Virtual Visits – Opportunities During COVID PHE

Interaction	E&M Code	Ave. Payment	wRVU Credit	Provider Time
Office Visit	99211	\$23.46	0.17	5 min or N/A
	99212	\$46.19	0.45	10 min
	99213	\$76.15	0.67	15 min
Virtual Check-in	G2012	\$14.80	0.25	5-10 min
E Visit	99421	\$15.52	0.25	5-10 min
	99422	\$31.04	0.50	11-20 min
	99423	\$50.16	0.80	> 21 min
Store & Forward	G2010	\$12.27	0.18	5-10 min
Self BP Monitoring	99474	\$15.16	0.18	N/A

# Virtual Visits – Opportunities During COVID PHE

- Business Operations
  - Will the network confine itself to future virtual care that is reimbursable by third party payers?
  - Will the practice implement future virtual acute care for a flat rate – similar to the commercially available companies that offer these services?
  - How will co-pays and deductibles be collected?
    - Credit card at interaction or delayed billing?
  - Documentation, billing, and coding
    - Develop EMR templates to assist with encounter note completion and documentation compliance
    - Develop coding educational program and point of care aids
    - Ensure effective bidirectional communication and feedback between office staff, providers, and revenue cycle staff
  - Marketing
    - Within practices – signage, staff interactions with patients
    - External to differentiate in market

# Virtual Visits – Opportunities During COVID PHE

- Business Operations (continued)
  - Explore options for reimbursement with commercial insurers
    - Determine business models required to maximize success with increasing levels of risk contracting – bending the cost curve and moving toward full risk capitation
  - Anticipate potential impact of future virtual care emphasis on provider compensation model
    - Are special considerations required?
    - Is model revision required?
  - What is the budgetary impact?
  - What is the strategic planning impact?
    - Regional presence
    - Bricks and mortar presence



# RESOURCES AVAILABLE

# Virtual Health – Resources

- CMS Telemedicine Toolkit
  - Available at <https://www.cms.gov/files/document/general-telemedicine-toolkit.pdf>
  - Collection of resources from multiple sources covering basics, vendors, technical assistance, and CMS policy
    - Special sections related to COVID-19
- Telehealth.HHS.Gov
  - Available at <https://telehealth.hhs.gov/>
  - Provides information for both patients and providers
  - Provider sections cover elements such as
    - Getting Started
    - Planning Workflow
    - Preparing Patients
    - Billing and Reimbursement
    - Legal Considerations
    - Other reference materials
  - Links to multiple sources

# Virtual Health – Resources

- AMA Telehealth Implementation Playbook
  - Available at <https://www.ama-assn.org/system/files/2020-04/ama-telehealth-playbook.pdf>
  - Provides extensive guidance for developing telehealth programs from start to finish – including evaluating success
  - Offers forms and other resources for consideration

# CONCLUSIONS

# Virtual Health

- Conclusions
  - Virtual visits offer a mechanism to enhance the capture and retention of patient volume now and in the future
    - Augment current service delivery in patient-centric manner
      - Engage patients in a manner that is most convenient and most acceptable to them as an individual
    - Provide patient care through a mutually convenient, secure mechanism
    - Differentiate self in market
    - Expand access to practice services – including urgent care
    - Expand access to patients
    - Safely deliver care in a very cost-effective manner
    - Prepare for full risk contracting

A blue-tinted photograph of a medical professional, likely a doctor, wearing a white lab coat and a stethoscope. The doctor is holding a smartphone in their left hand and gesturing with their right hand. A stethoscope is visible around their neck. The background is slightly blurred, showing what appears to be a medical setting. The text "HSG | Questions" is overlaid in white on the lower half of the image.

# HSG | Questions

# | Company Overview

**HSG builds high-performing physician networks so health systems can address complex changes with confidence.**

**Headquarters:** Louisville, KY

**Formed:** 1999

**Focus:** Health Systems and Physician Network Strategy and Execution



## Physician Strategy

Driving a common strategic focus with engaged physicians.



## Physician Leadership

Identifying and engaging strong physician leaders is integral to the network's development and success.



## Performance Improvement

Improving the performance of employed physician networks.



## Network Integrity

Leveraging Physician Network Integrity Analytics™ to create and monitor strategies for patient acquisition and retention.



## Physician Compensation

Aligning physician compensation with health system and employed network goals.



# HSG Services

HSG builds high-performing physician networks so health systems can address complex changes with confidence.



## Physician Strategy

Healthcare System Strategic Plans

Employed Physician Network Strategy

Growth Strategy

Shared Vision and Culture Development

Physician Manpower Plans

Service Line Strategy

Co-Management



## Physician Leadership

Shared Vision and Culture

Physician Burnout

Physician Governance and Leadership



## Performance Improvement

Network Performance Improvement

Performance Improvement Implementation

Network Revenue Cycle

Practice Care Model Transformation

Practice Acquisition

Advanced Practice (APP) Utilization

Virtual Health



## Network Integrity

Patient Share of Care

Patient Flow

Provider Location and Service Analysis

Market Insights



## Physician Compensation

Compensation Plan Design

Fair Market Value and Commercial Reasonableness Opinions

Advanced Practice Provider (APP) Compensation





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## **10 Years at HSG**

### **Strengths**

- Strategic planning
- Physician alignment strategy
- Employed physician network strategy
- Physician network performance improvement

### **Client Accomplishments**

- Multi-year enterprise-wide physician strategy planning for 9-hospital system with \$7.3bn in revenue; system has made significant progress in physician group profitability over three-year engagement

## **PROFESSIONAL EXPERIENCE**

Mr. Ansel's practice focuses on helping health systems create structured plans for evolving their physician networks, allowing them leveraging relationships with providers to ensure the health system's strategic objectives are being achieved. He believes that Physician Networks play a crucial role in executing health system strategy, and that health system management teams must evolve beyond solely tackling day-to-day decisions and develop a focused, long-term plan for physician network alignment, growth and capability development to be successful in the future.

## **EDUCATION**

Travis holds a Master's of Business Administration from Vanderbilt University, Nashville, Tennessee and dual Bachelor's of Science Degrees in Finance and Business Management from the University of Tennessee at Knoxville.





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### **6 Years at HSG 36 Years in the Industry**

#### **Strengths**

- Shared vision and strategic planning
- Physician alignment and engagement
- Physician leadership structure
- Development of clinical operations, assessments, and transformation

#### **Client Accomplishments**

- Worked with client executives and physicians to create shared visions that led to significant advances in network function and outcomes

## **PROFESSIONAL EXPERIENCE**

After retiring from Naval service, Dr. McWilliams spent a decade as the Vice President of Medical Affairs and Chief Medical Officer at Newport Hospital, a non-teaching community hospital within a larger academic health system. As CMO, he supervised the Medical Staff Services Office and was additionally responsible for quality of care/patient safety/risk management, clinical information systems, physician recruitment and clinical service line development. At the system level, he was intimately involved in creating system-wide Medical Staff Bylaws, spearheading various clinical IT projects, and contributing to broad-based performance improvement efforts.

## **EDUCATION**

Terry received his MD from the University of Pittsburgh School of Medicine and completed family medicine residency in the Navy. He completed a Master of Science in Jurisprudence (MSJ) in Hospital and Health Law from Seton Hall University School of Law.

