

OUTSIDE **THE** LINES

HOSPITALS AND HEALTHCARE ... AND DIGITAL

March 8, 2017

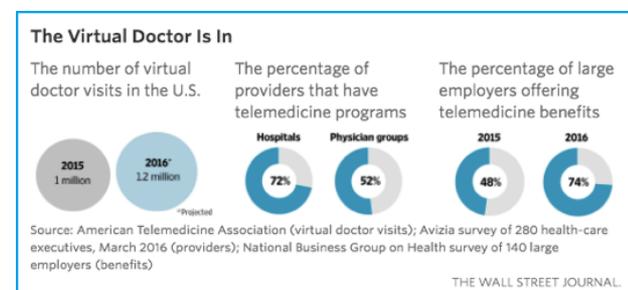
Digital health. This is a key question for leaders changing healthcare. What exactly is it? How do you add – or further build – “digital” into your strategy, and where should you start?

Throughout 2017, the [Outside the Lines series](#) is dedicated to what we call “breaking through” strategies, solutions and leaders. Starting in January, we introduced this topic generally and then featured “insider” and “outsider” leaders changing healthcare, some in partnership with one another. Today, we transition to a selection of strategic pathways that are becoming priorities for leaders as they advance the kind of change that is needed in our value- and retail-focused healthcare world.

Digital health is one of these strategic pathways. There are many definitions for digital health. For your organization, we recommend that you work with your



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physicians and other leaders to formulate your own in a way that makes digital health practical, value-adding and actionable for you. Generally speaking, digital health is more than digital tools used for marketing and outreach, more than telemedicine applied in your clinical settings, and more than smartphone-based apps and other tech tools. [According to the FDA](#), the broad scope of digital health includes categories such as mHealth, health IT, wearable devices and telehealth/telemedicine that work to reduce inefficiency and cost, improve access and quality, and make medicine more personalized for patients.

However you define it, our suggestions for your digital health strategy are that it:

- Aligns to the priorities in your enterprise-wide strategic plan;
- Actively works to address key issues and questions pointed toward specific and measurable goals;
- Applies solutions that are not only about technology tools, but also factor in physician time and adoption, clinical work flows, patient engagement, payment and other business processes;
- And is built via a series of pilots that are tested, proven and then scaled across the enterprise in well-measured phases.

Many telehealth + “go digital” “outsider” companies – like Teladoc, MDLive, Doctor on Demand, LiveHealth Online, Plushcare, HealthTap, Vivify and many other national, regional and niche players – have been pushing the digital health envelope for

more than a decade. As an example, [Teladoc](#) started its service in 2002. As of early 2016, it reported greater than 15 million members, a network of doctors exceeding 3,000, and more than half a million visits annually. In addition, [Vivify Health](#) — a remote patient monitoring company — provides at-home care platforms in partnership with healthcare organizations. Started in 2009, the company reports contracts with 500+ hospitals, a readmission reduction rate of 65% and patient satisfaction of 98%. There are countless “outsiders” playing in the digital health space, many of which we have studied and profiled in our ZIGZAG Healthcare ideas and innovation library. Click [here](#) to join.

Many hospitals and health systems, too, have taken steps to “go digital” in their care models and practices. [Kaiser Health announced](#) that more than 50% of its visits are now being done virtually. The trend across the industry is pervasive. [Almost three-quarters of hospitals and half of physician groups](#) have installed some form of telehealth program.

Digital health is one of the “new, new things” in healthcare. This train has left the station. Even still, the digital health revolution has only just begun.

Always looking ahead,

A handwritten signature in black ink, appearing to read "Kim King". The signature is stylized and cursive.

Kim Athmann King, MBA, FACHE

DO YOU KNOW...

In a poll of 1,500 family physicians – [as reported by the Wall Street Journal](#) in mid-2016 – only 15% had used telehealth/virtual visits in their practices. However, 90% said they would if it were appropriately reimbursed. But payment for digital health is changing quickly. [In California](#), more and more public, private and commercial payers are including telehealth and remote patient monitoring as a covered benefit. While each state is different, all are evolving in this regard. [The Center for Connected Health Policy provides a comprehensive resource](#) that can be filtered by state and by type of digital health.

DO YOU KNOW ABOUT...

There are a few hospitals and health systems that have gone big and bold with their digital health strategies.

The [Mercy Virtual Care Center](#), located outside of St. Louis, was opened in October 2015. The center was designed as “the home” for a variety of telehealth programs that allow Mercy to care for patients remotely around-the-clock. Recently, [a new Mercy Virtual program](#) was added, focusing on remote care for patients in their homes. According to Mercy, its virtual care programs have reduced ED visits for its patients by one-third.

[Humber River Hospital](#) in northwest Toronto also opened in October 2015 and is being billed as “North America’s first all-digital hospital.” While the hospital has automated about 75% of its back-of-the-hospital functions (such as pharmacy, laundry and food delivery), Dr. Rueben Devlin, Humber River’s CEO, said the new hospital is only at the beginning of its digital evolution. “We’re not even close,” he said.

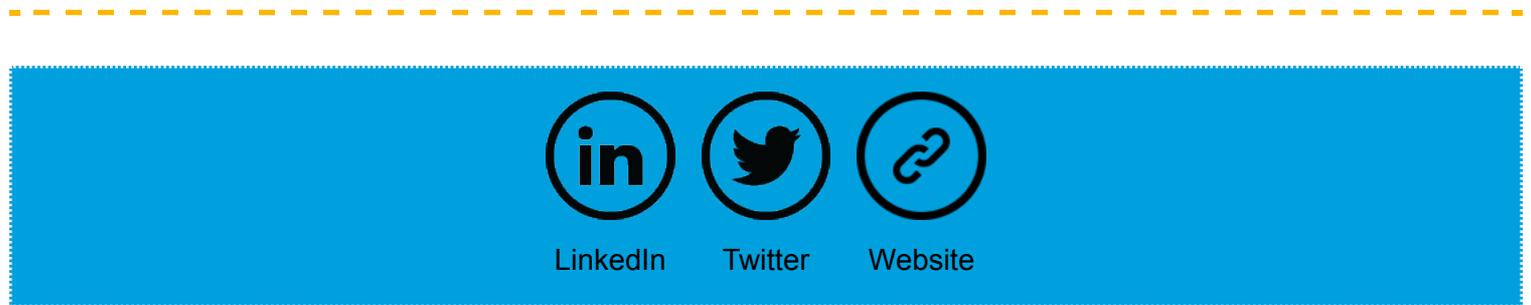
DO YOU HAVE A STRATEGY AND SOLUTION FOR THIS?

In an early 2017 [Forbes article](#) titled “Digital Health And The Sting of 2016,” the author notes that “as digital health advances, the two-step march forward can bring with it a step backwards—sometimes in the form of a stumble or fall.”

This is not to discourage digital health forward, but rather to emphasize that digital health – like other change and innovation – requires smart and careful thinking, development and deployment.

A few questions for you – What is your strategy for digital health? Have you started a digital health journey in your organization? How are you leading this kind of change?

We are partners for leaders changing healthcare, with digital health experts on our team. Contact [me](#) if you want our Strategy Partners to help in your organization and with your team.



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