Building Sustainable Telemedicine Programs: a How-To Guide

February 2016
Agenda

• Genoa Telepsychiatry Introduction and Case Study
• Telepsychiatry Model Design
• Positive Incentives for All Stakeholders
• Benefits of Telepsychiatry
• Requirements for Implementation
• Appendix
Who We Are

• **Genoa Telepsychiatry** is a nationwide telepsychiatry provider with a footprint in 15+ states

• Largest outpatient programs in the country, having treated over 30,000 patients during 5-year history

• Founded in 2011; located in New York, NY

• Programs administered in inpatient units, emergency departments, community mental health centers, and primary care settings

• Services delivered using HIPAA-compliant video conferencing software, which includes appointment scheduler, notes, and prescription tools
Who We Are (cont.)

• Part of Genoa, a QoL Company; acquired 1DocWay in November 2015

• Largest nationwide retail pharmacy firm, with a significant penetration in community mental health centers

• Founded in 2000, headquartered in Seattle, WA

• 300+ locations in 40 states

• Serves approximately 360,000 patients annually

• Opened an average of 34 de novo pharmacies annually over the past three years, including 40 openings in 2015
Telepsychiatry Case Study

Total Patient Visits on 1DocWay

Weekly Appointments Created
Model Design Lies At The Core Of Sustainability

- Our model enables maximum benefit for partnering facilities
MO Case Study Sustainability Metrics

<table>
<thead>
<tr>
<th>Genoa Telepsychiatry:</th>
<th>Spoke Sites:</th>
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<tbody>
<tr>
<td>Growing by 1 state/month</td>
<td>Avg $21/hr profit</td>
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<tr>
<td></td>
<td>80% reduction in ED hold times</td>
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<table>
<thead>
<tr>
<th>Genoa Telepsychiatry</th>
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<tbody>
<tr>
<td>Physicians:</td>
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<tr>
<td>Stable hourly income</td>
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<table>
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<tr>
<th>Genoa Telepsychiatry</th>
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<tbody>
<tr>
<td>Patients:</td>
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<tr>
<td>6 wk wait to 2 wks</td>
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<tr>
<td>130 fewer miles driven per appt</td>
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Positive Incentives For All Stakeholders

1. **Genoa Telepsychiatry:**
   - **Increase** coverage to underserved areas
   - **Build** brand and geographic footprint

2. **35,000+ Underserved care facilities:**
   - **Increase** access to specialist docs
   - **Improve** community health and wellness
   - **Receive** enhanced reimbursement through telemed bonuses

3. **80 Million+ Patients:**
   - **Access** higher quality care
   - **Control** chronic illnesses better by seeing physicians more easily
   - **Prevent** escalation of illnesses by seeing physicians sooner

4. **45,000+ Physicians:**
   - **Improve** lifestyle working at home
   - **Expand** scheduling flexibility
   - **Increase** patient pool and revenue
   - **Deliver** better care to underserved patients, more consistently
Creating a Marketplace for care:

Create supply: Sell to a hospital or doctor who can benefit by expanding reach and increasing referrals on 1DocWay.com: Limited training, simple interface, no complexity.

Source demand: Connect spoke underserved facilities and patients needing access to specialist care with Genoa Telepsychiatrist.

Set program in motion: Set in place a regular pattern for usage, identifying doctors and creating dedicated weekly telemed time commitments.

Encourage Repetition: Create yearlong partnerships AND Measure X metrics.
Partnering Facilities Increase Usage 47% Year-to-Year

Monthly hours booked per spoke site

Sampling of spoke clinic hours booked per month

<table>
<thead>
<tr>
<th>Facility</th>
<th>First Month</th>
<th>Present Volume</th>
<th>Growth (Monthly)</th>
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<tbody>
<tr>
<td>H Group</td>
<td>8.89</td>
<td>35.93</td>
<td>5.3%</td>
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<tr>
<td>HSC</td>
<td>3.70</td>
<td>4.81</td>
<td>1.0%</td>
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<tr>
<td>Hannibal</td>
<td>11.85</td>
<td>20.37</td>
<td>5.6%</td>
</tr>
<tr>
<td>H Group Carbondale</td>
<td>2.22</td>
<td>8.52</td>
<td>5.1%</td>
</tr>
<tr>
<td>MO Highlands</td>
<td>2.22</td>
<td>21.11</td>
<td>12.6%</td>
</tr>
<tr>
<td>UCC</td>
<td>1.11</td>
<td>4.81</td>
<td>8.0%</td>
</tr>
<tr>
<td>Lafayette</td>
<td>12.96</td>
<td>17.04</td>
<td>3.5%</td>
</tr>
<tr>
<td>PFH</td>
<td>6.30</td>
<td>7.04</td>
<td>2.8%</td>
</tr>
<tr>
<td>Comp Connections</td>
<td>9.26</td>
<td>15.19</td>
<td>13.2%</td>
</tr>
<tr>
<td>SEMOBH</td>
<td>28.00</td>
<td>28.00</td>
<td>0.0%</td>
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**Patient Incentives**

85% of all visits are follow ups

Patient accounts by # of appointments made:
- 1: 44%
- 2-5: 42%
- 6-10: 9%
- 11-15: 4%
- 16-20: 1%
- 21+: 0%

Patients average 5 visits during treatment

Total appointments by sequence of visit:
- 1st: 15%
- 2nd - 5th: 40%
- 6th - 10th: 20%
- 11th - 15th: 15%
- 16th - 20th: 7%
- 21st+: 3%

85% of all visits are follow ups
Doctor Incentives

Monthly appointment growth per physician

Physicians typically start small with our platform, and continue to add hours as they realize the benefits:

- Guaranteed pay
- Working from home
- Flexible hours
- Incremental revenue
Capturing Telepsychiatry Benefits

1. Improve Patient Access to Behavioral Health Services
2. Deliver Clinical Benefits
3. Create a Continuity of Mental Health Care for Patients
4. Create New Revenues and Profit Streams for your Organization
• By implementing telemedicine services patients save in travel expenditures

• Take advantage of a full complement of specialists in any given subspecialty:
  – Child and Adolescent
  – Geriatric
  – Addiction/Substance abuse
Various Clinical Benefits

**Whole System Demonstrator Program, Headline Findings – December 2011 (UK):**

- Lowers spending on *chronically ill* by 13%
- 45% reduction in *mortality rates*
- 20% reduction in *ED visits*
- 14% reduction in *bed days*
- 14% reduction in *elective procedures*

**Ontario Telehealth Network Report (May 2012):**

- 64 – 66% decrease in *hospital admissions*
- 72 – 74% reduction in *emergency department visits*
- 16 – 33% decrease in number of *PCP visits*
- 95 – 97% reduction in *walk-in clinic visits*
- High levels of patient and provider *satisfaction*

**VA Telehealth Study:**

- 25% reduction in *bed days*
- 19% reduction in *hospital admissions*
- 56% total *utilization reduction* for depression
- *Eliminated co-pays* for telemedicine sessions
- Targeted over 200,000 *telemed encounters* for 2012
- Proposed *nationwide telemed licensure* for VA doctors
Telepsychiatry Is Just As Safe And Effective As In-person Consultations

The Effectiveness of Telemental Health Applications (TMH): A Review
Hailey D, Roine R, Ohinmaa A
Canadian Journal of Psych; Nov 2008

“A review of 65 studies found that in 83% of studies, TMH was judged to have been successful.”

“There was evidence of success with TMH in the areas of child psychiatry, depression, dementia, schizophrenia, suicide prevention, posttraumatic stress, panic disorders, substance abuse, eating disorders, and smoking prevention.”

Feasibility, acceptability, and sustainability of telepsychiatry for children and adolescents
Myers K, Valentine J, Melzer S
Psychiatric Services, Nov 2007

“Telepsychiatry is a feasible and acceptable approach to providing psychiatric services to youths.”

Is telepsychiatry equivalent to face-to-face psychiatry?
O’Reilly R, Bishop J, et al
Psychiatric Services, Jun 2007

“Telepsychiatry produced clinical outcomes that were equivalent to those achieved when the service was provided face to face.”
Increase Access and Improve Continuity

- The same psychiatrist sees patients throughout the care continuum, promoting healthy doctor-patient relationships

- Genoa Telepsychiatry providers can fill the void in partnering facilities’ psychiatric programs
Create New Revenue Streams

Facilities are not required to provide benefits to telepsychiatrists and accordingly save ~20-25% on costs for a full-time psychiatrist.

**Example of Reimbursement in Illinois**

- Facilities bill for physician’s CPT codes and add “GT” as a modifier to indicate delivery via telemedicine.

**Origining site fee is per encounter**

<table>
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<th>Hourly Revenue</th>
<th>State Ranking</th>
<th>Care Requirements</th>
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<td><strong>$199.73 per hour</strong></td>
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**Detailed Overview**

- 90792  Psychiatric diagnostic evaluation with medical services  $72.33
- 90833  30 min psychotherapy add-on  $24.62
- 99204  New patient, outpatient (45 min)  $66.40
- 99212  Established patient, outpatient (10 min)  $24.25
- 99213  Established patient, outpatient (15 min)  $28.35
- 99214  Established patient, outpatient (25 min)  $42.50
- Q3014  Telehealth originating site facility fee (bonus)  $25.00
Requirements Needed to Set Up a Program

- Credentialing
- Licensure
- Reassigning Benefits
- Clinical
Appendix

The Genoa Telepsychiatry System
Telepsychiatry Technology is Now Inexpensive and Easy to Use

Just need a computer, webcam, and high-speed wired internet connection
Genoa Telepsychiatry Brings the Psychiatrist’s Office Online...

A marketplace connecting psychiatrists with underserved care facilities

- Secure video chat
- Appointment scheduling
- Patient notes
- Turnkey Implementation
- HIPAA Compliance
- Emphasis on ease of use
...and Adds Efficiency by Integrating Scheduling, Patient Notes, and Workflows
Why Some Clinics Are Hesitant, And Why You Shouldn’t Be

FALSE
Reimbursement is too low or non-existent, ROI is unproven

FALSE
Current technology is expensive and burdensome

FALSE
Telemedicine is not comparable to in-person consultations