

THE MEASURE OF SERVICE

By Scott Holbrook and Terry Pitts

I started my career with IBM in the early 1970's. IBM owned the computer market and had the reputation of having very good products but even better service. I had an account that loved the products of the Burroughs Corporation. The customer carefully explained why Burroughs was a better healthcare product. I thought, "I will never win this deal!" As he continued, it was clear if they selected Burroughs, it was a clear "risk" to their jobs—even with more functionality as a product. IBM was considered a much safer selection for the long-term company objectives and the computer staff keeping their jobs. The VP said to me, "While I prefer the Burroughs applications, nobody will "fire me" for selecting IBM". His decision was all about services provided by IBM.

This experience taught me a life lesson about the value of service. The lesson is: A great product with poor service is a poor product; while a poorer product with great service will become "great".

Simply, if service is a core focus then:

- 1. The company listens and eventually fixes the product**
- 2. If the company listens then the employees listen—the product improves because the company involves the customer and its employees**
- 3. Management has a "open door policy" to resolving customers issues—seeing value in each and every customer**
- 4. Customers do not feel threatened by the vendor; in fact, working together they feel a bond of unity and friendship**
- 5. All parties foster the attitude of team work and these bonds build GREAT COMPANIES**

The measurement of service is the critical aspect in buying or selling a company. If you can determine how happy the clients are, then you can determine the long-term value of the company. KLAS uses two questions in their independent survey that really tell the story. "Would you buy this product/service again? Would you recommend it to a friend?" If these questions are YES, you have a good company. If they are NO, then move on.

Relationships are critical! The healthcare system decisions last 10-12 years. The key in selling or buying a business is to have happy clients. This is not due just to a superior product, but how they are treated including sharing ownership of problems; future enhancements; treated with dignity and respect; building a team concept. This assessment of service separates out the real winners!

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Inside this issue

PAGE 2
WHICH EMERGING HCIT COMPANIES ARE GAINING TRACTION IN HEALTHCARE?

TELEHEALTH RISING?

PAGE 3
PRECISION MEDICINE MOMENTUM IS BUILDING: WHAT YOU SHOULD KNOW

PAGE 4
THE LAST WORD
Featured Entrepreneurs
Dr. Matthew Koenig, MD
& Dr. Burke Holbrook, DC

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WHICH EMERGING HCIT COMPANIES ARE GAINING TRACTION IN HEALTHCARE?

By Ben Brown

What do healthfinch and Augmedix have in common? A number of providers are excited to share how these companies are making an impact in healthcare. KLAS recently interviewed hundreds of providers, and asked them what emerging technology companies they were excited about, planning to partner with or creating healthy disruption. Providers identified 74 companies that have been catching their attention.

While healthfinch and Augmedix were the two companies the providers highlighted most, AgileMD, CrossChx, Phreesia, Simplee and Zebra Medical were several other emerging healthcare technology companies that received multiple provider votes. Practices use healthfinch to automate remedial workflow tasks, like medication refills and lab test reminders. Augmedix leverages Google glasses to reduce physician documentation workload by leveraging virtual scribes in real time and also displaying relevant patient data at the point of care. AgileMD provides physician support in the ED by simplifying order entry. CrossChx uses biometrics and AI to insure accurate patient matching with their records and reducing patient matching errors. Phreesia automates the patient check in process and more efficiently collects payments. Simplee also helps simplify the patient payment process by interfacing with practice management systems and patient portals. Providers are excited to discover how Zebra Medical's technology will save physicians time by automating image analysis of diagnostic radiology studies.



Several reoccurring themes presented themselves as areas of growing provider interest. Patient engagement/experience solutions were the most mentioned by providers. Population health companies continue to garner industry attention as the need to improve clinical and financial outcomes is ever so real. There are a growing number of companies that are positioned to enhance physician experience; healthfinch, Augmedix and AgileMD were three in this category. Artificial intelligence and machine learning technologies are gaining traction with providers as they enhance automation, have the potential to reduce costs and improve care.

Providers continue to look for innovative partners that will enable them to better engage patients, manage population health, improve physician workflow and automate inefficient processes. KLAS will continue to watch for HCIT companies driving new innovations and value to the market. For a copy of the report, email me directly at ben.brown@klasresearch.com.

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TELEHEALTH RISING?

By Howard Burde

Increased telehealth adoption by large employers, reimbursement by several large payers and the US Department of Veteran's Affairs (VA) proposal (and unanimous bipartisan legislation) to permit providers to practice across state lines are heating the telehealth software and services market. Still, reimbursement, licensure, and other hurdles remain depressing telehealth investment.

Employers and health plans are adopting telehealth to enable their beneficiaries to access more convenient care. The ACA's Essential Services behavioral health mandate has driven demand for services that the current provider system cannot fulfill without using telehealth tools.



Telemedicine has increased access but not decreased costs. Telehealth reimbursement remains far lower than for clinic visits. Yet, telehealth dramatically increases access; patients who would not otherwise access services use telehealth and many schedule clinic visits following a telehealth encounter. Telehealth

increases utilization and costs, according to the Health Affairs. <http://www.healthaffairs.org/doi/abs/10.1377/hlthaff.2016.1130?journalCode=hlthaff>

The VA proposal to permit physicians to provide telemedicine services across state line illuminates a primary barrier to telehealth adoption: state

licensure laws. Physicians are required to be licensed in states in which they practice. The patient's location is considered the location of the care. Providers who provide telehealth services need to be licensed in the states in which the patients are located, hindering telemedicine growth. State medical boards were reluctant to cede oversight of out of state physicians and physicians were concerned about the liability implications of practicing virtually across state lines. In 2016, the Federation of State Boards of Medicine established, and 22 states signed, the Interstate Medical Licensure Compact, a "voluntary expedited pathway to licensure for qualified physicians... to practice in multiple states." The Compact enables multi-state practice, and "strengthens public protection by enhancing the ability of states to share investigative and disciplinary information."

(www.imlcc.org) However, only 11 IMLC member states currently process licenses. But, after decades of wrangling, at least there is a vehicle to permit cross-state practice, at least in some states.

The rapid adoption of telehealth has attracted many innovators, despite the problems with licensure and reimbursement. As employers, payers and the VA expand telehealth use and as states implement the Compact, these solutions will compete for opportunities. Given the competition, low reimbursement and slow licensure, the wariness of investors is understandable.

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PRECISION MEDICINE MOMENTUM IS BUILDING: WHAT YOU SHOULD KNOW

By **Blain Newton**

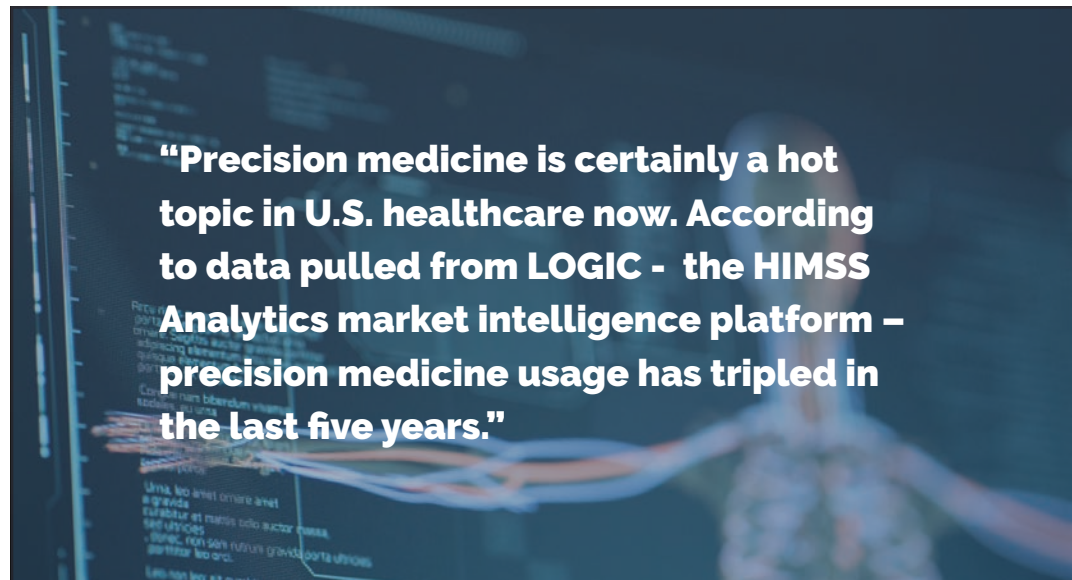
Precision medicine is certainly a hot topic in U.S. healthcare now. According to data pulled from LOGIC - the HIMSS Analytics market intelligence platform - precision medicine usage has tripled in the last five years. Despite this increase, only 26% of U.S. hospitals have procured a precision medicine solution and 22% have gone live with installation, per data from LOGIC. Further, adoption continues to be contained across the U.S. hospital market as organizations have not yet allocated the necessary funds, technology, or clinical expertise to initiate new pilot programs at the point of care. However, experts suggest momentum continues to increase around the level of interest in developing this emerging clinical approach.

Who is using precision medicine?

Although general medical hospitals make up the majority of precision medicine installations in the United States, academic and specialty hospitals are the fastest growing sector. Through our research, currently over half of these types of facilities already have precision medicine technologies in place. Further, our research shows that this pace of investment will continue in the near future with a large share of organizations leveraging their EMR vendor for at least part of the solution.

Precision medicine predictions

While health systems are beginning to invest in precision medicine, its current use is primarily limited to clinical research and some engagement in specific specialty practices. As infrastructure and technology matures, we see a growing number



of investment opportunities across the care delivery system driven by significant activity in the clinical analytics and decision support technologies. While adoption of clinical analytics programs is reasonably high at 48%, per the 2017 HIMSS Analytics Clinical & Business Intelligence Study, there is room to grow and the market is responding; research from Health 2.0 indicates that B2B decision support and analytics is one of the five fastest growing emerging segments for technologies they cover. While it is still early days in the precision medicine growth, we are excited to see the growth in investment and focus on these transformation initiatives. There is clear and ample opportunity for patients, clinicians, and entrepreneurs as this important field evolves.

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HIT·IQ | THE LAST WORD

Featuring profiles of entrepreneurs and leading innovators



Dr. Matthew Koenig



Dr. Burke Holbrook

Telemedicine and The Queens Medical Center Hawaii

Telemedicine is growing. Providers are interested, patients are interested, vendors are developing, and investors are watching and occasionally investing. We spoke with Dr. Matthew Koenig and Dr. Burke Holbrook, from The Queen's Health System (Queen's) in Honolulu, Hawaii to share their story with HIT·IQ.

Dr. Koenig and Dr. Holbrook, thank you for taking the time to share some of Queens telemedicine journey with HIT·IQ. What are the top two goals of the Queen's Telemedicine program?

Dr. Koenig: We have many goals. The first is to provide better access to care for all of our patients, but especially those on the neighboring islands that lack easy access to specialty care. Telemedicine allows us to care for those patients in ways that were just not possible before these technologies.

The second is to better leverage our existing staff resources and avoid redundancy to provide specialty care without having to stand up separate departments. Queens started as one hospital and is now The Queen's Health System with seven locations on Oahu, Hawaii Island, and Molokai.

What are the major benefits of telemedicine for the patients and healthcare organization?

Dr. Koenig: Telemedicine is no longer optional for many providers, to be strategic and meet market needs, they must adopt. The patients want it, more providers want it,

the payers want it, and vendors and investors want it. As care is increasingly delivered across state lines, other remote provider networks will step in to fill the void.

Another major market force is capitation. In a capitated model, it makes sense to provide care in the least expensive manner possible while also still providing excellent care. In short, with telemedicine, while there are acquisition and training costs, you don't have the extra overhead of physical space.

Dr. Holbrook: Another major benefit of telemedicine is with transitions of care. We are already seeing improved communication and care and we expect to see more as the telemedicine program expands.

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CALENDAR OF EVENTS

Health 2.0 during JP Morgan they will be hosting WinterTech

January 10th, 2018 | San Francisco
<https://wintertech2018.health2con.com/>

HIMSS '18 Venture Connect

Wednesday, March 7, 2018 | 8:30 am – 5:00 pm
Lido 3104 at the Venetian/Sands Expo
<http://www.himssconference.org/education/specialty-programs/venture-connect>

PACT Philadelphia Digital Health Summit

March 22, 2018 (Howard Burde Moderator).