

# Mercy Virtual

## Implementation of System-wide Telehealth



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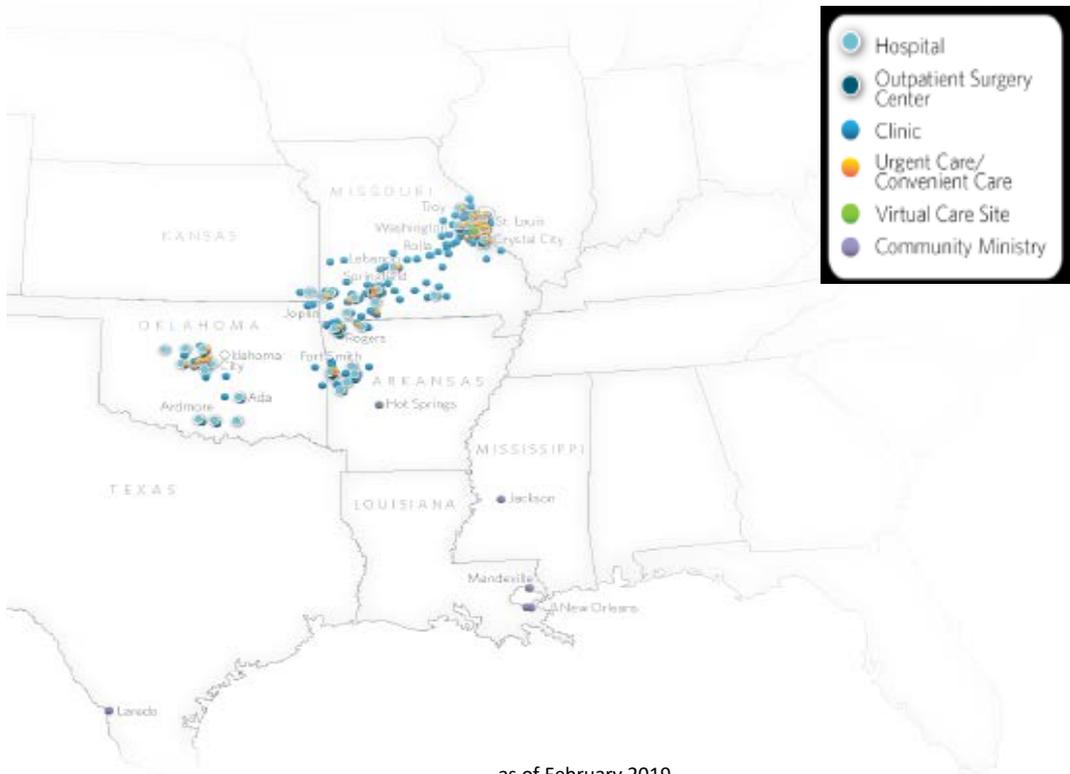
## Discussion Points

- Current US Healthcare
- Mercy's Information
- Mercy Virtual's Journey
- Benefits Virtual Care
- Where do you start?
- Value Drivers
- Challenges/Reality
- Take Away
- Questions

# Current U.S. Health Care

- **Spend the most money per patient per year**
  - National Health Expenditure grew 3.9% to \$3.5 trillion in 2017, or \$10,739 per person, and accounted for 17.9% (GDP).
  - Expected to grow to 19.4% (GDP) by 2027
  - Prices for health care goods and services are growing faster 2018-27 (2.5 percent compared to 1.1 in the previous 5 years)
  - As a result of comparatively higher projected enrollment growth, average annual spending growth in Medicare (7.4 percent) is expected to exceed that of Medicaid (5.5 percent) and private health insurance (4.8 percent). *(source Centers for Medicare and Medicaid Services 2019)*
  - Top 5% spend 50% of all healthcare expenditures
- **Rank 37 out of 191 countries by World Health Care Organization** *(source World Health Care Organization 2018)*
- **Shortage of Physicians**
  - Estimated shortage 46,900 to 121,900 physicians by 2032. *(source Association of American Medical Colleges)*
- **Millennials are the largest adult generation in the United States-73 Million** *(source US census bureau)*
- **Episodic in Nature and Reactionary**

# An Overview of Mercy Services & Locations



as of February 2019

### Hospitals & Ambulatory Sites

41 hospitals  
 903 physician practices

### Medical Staff & Co-workers

45,000+ co-workers including:  
 2,400+ integrated physicians  
 1,500+ integrated advanced practitioners

### Utilization FY18

3,331 staffed beds  
 25,081 births  
 178,104 surgeries  
 195,151 inpatient discharges  
 10,290,454 outpatient visits  
 738,977 ED visits

### Financial Information FY18

\$6.3 billion total operating revenue  
 \$7.5 billion total assets  
 \$279 million community benefit/charity care



# Why did Mercy take this Journey?

Starts with our Mission and Vision

## Our Mission:

As the Sisters of Mercy before us, we bring to life the healing ministry of Jesus through our compassionate care and exceptional service



## Our Vision

We are the people of the Mercy Health Ministry. Together, we are pioneering a new model of care. We will relentlessly pursue our goal to get health care right. Everywhere and every way that Mercy serves, we will deliver a transformative health experience.



Innovative!

Mercy  Virtual

Collaborative!

I love working  
here!

Exciting!

2015



# Mercy's Journey of Virtual Innovation



**Mercy creates Virtual Care**  
offering the largest single-hub virtual ICU in the nation to be available around-the-clock where and when patients need us most

 **Baxter Regional Medical Center**  
First collaborative partnership with vICU



**vSepsis** saves lives & reduces costs by using data aggregation & algorithms to detect the earliest stages of infection



**Virtual Care Center** the world's first-of-its-kind hospital without beds opens its doors



**vHospitalist** closes gaps in clinician coverage & inpatient care

First expansion of virtual solutions to a critical access hospital



Penn State and Summit partner with us further expanding our footprint



**vEngagement Oncology** pilot program initiated



**vICU expands to 4 states**  
reducing ALOS, improving mortality and decreasing complications



**vStroke** offers 24hr on-demand stroke neurologist for immediate and appropriate intervention



**vAlert** developed & fully integrated with EHR

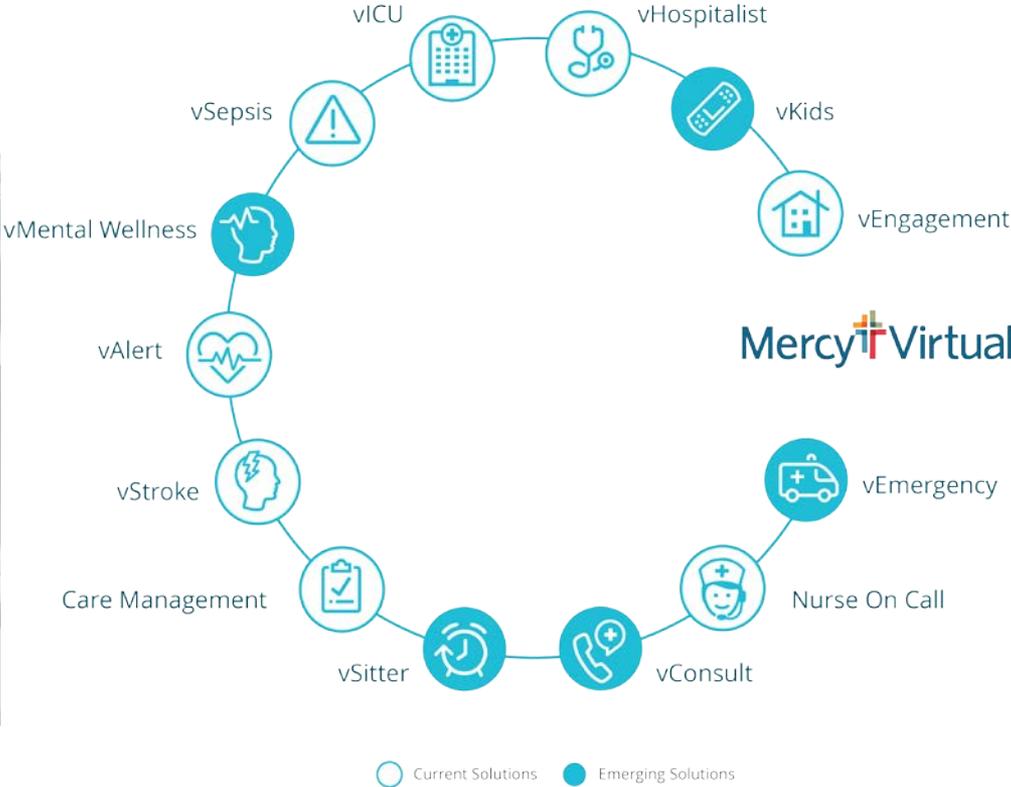
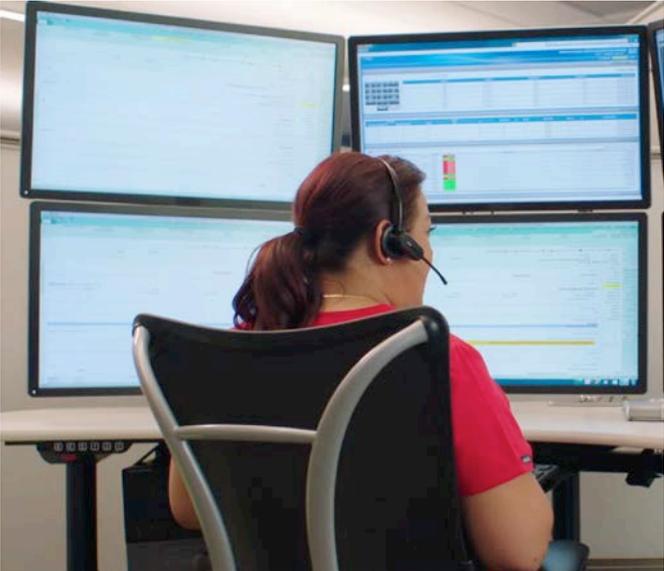


**vEngagement** keeps chronically ill patients healthier and out of the hospital

**vMentalWellness** launches to address an area with critical provider shortage that impacts almost every aspect of health

**Mercy Virtual**

# Continuum of Virtual Solutions



# Where do you Start?

- What problem are you solving?
  - Population Health (Risk)
  - Process Improvement
- Establish Clear (SMART) Goals
  - Data analytics are key to success
  - Value propositions
- Identify Clinical Champions
  - Needs to be Clinical Driven
  - Engagement is the key to success
- Start Simple
  - One Solution at a time
  - Get it right
- Leadership Support
  - Senior Leader champion
  - Clear defined expectations and alignment with KPI
- Technology Alignment
  - Be agnostic to the technology
  - Focus on the problem you need to solve clinically
- Financial Support
  - Understand this investment
  - Not all billable services
- Communication
  - Clinical Teams
  - More than you think

# Why do it?



## Improve Financial Position

- Proactive and preventive care in the appropriate and lowest cost setting
- Improve operational performance – reduce the cost of care
- Reduce the potential for penalties associated with readmissions
- Care path compliance
- Platform to expand market at a lower cost



## Improve Quality

- Appropriate & Consistent care 365/7/24
- Increased patient compliance with medical treatment
- Key element of care transitions - reduced readmission
- Enhanced access to Specialist at time of need
- Reduction in variation of care - evidence based medicine adherence



## Patient Satisfaction

- Early detection and treatment reduces acute care needs
- Easy access to care gives increasing patient intimacy
- Better ability to manage care path and transition resulting in shorter stay



## Provider Satisfaction

- Nurse mentorship provides real time training and acute support
- Reduces burden of staffing by providing collaborative coverage
- Increased access to specialists
- Enhance coverage and support reducing burnout and increasing confidence



## Community & Access

- Access to specialist and intensivist provides resources to rural communities
- Removes barriers of distance and connectivity
- Provides timely & appropriate care regardless of location
- Tethering to Mercy as a community

Waste of  
money!

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They are  
robbing from  
the bedside!!

Big brother  
watching!

Why  
Virtual?

2015

# REALITY

- Change Management
  - Bedside engagement
  - Constant change
- Cost
  - More expensive than think
  - Resources
- Co-worker Selection
  - Presentation
  - Technology Skills
- Implementation
  - Time
  - Resources
- Legal / Regulatory
  - Accreditation
  - Malpractice
- Licensing & Credentialing
  - Costs, Time
  - Trust
- Reimbursement
  - CMS restrictions
  - Private payer
- Technology Challenges
  - Connectivity
  - Maintenance
- State Regulations
  - Every state different

## Take Away

- It's not about **“Virtual”** it's about **“Care”**
- It's not an **“IF”** question but rather **“WHEN”**
- You have choices – **Make, Buy, or Partner**
- You can't outsource **“Leadership”** – success requires a supported Virtual Care Champion
- Good execution requires both **Clinical** and **Business** leadership
- Virtual Care can be a **threat** to those successful in the traditional model
- It's not a **“Push or Pull”** decision, it requires **“Push and Pull”**
- Investing in virtual **requires vision** – benefits can often be hard to see on a traditional P&L

*See, I am about to do a new thing!*  
Now it springs forth; do you not perceive it?  
I will make a way in the wilderness  
and rivers in the desert.

ISAIAH 43:19

# Thank You



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