



Children's National[™]

Health NetworkSM

Part of the Children's National Health System

THE BUSINESS OF PEDIATRICS: BETTER CARE = BETTER PAYMENT

19th CNHN Pediatric Practice Management Seminar
Thursday, December 6, 2016



Children's National[™]

Health NetworkSM

Part of the Children's National Health System



The Business of Pediatrics 2016

CNHN Business of Pediatrics 2016: Getting Ready for Telemedicine...



Children's National

Health Network™
Part of the Children's National Health System

The Business of Pediatrics 2016

Let's start with a business case study...



1900: Kodak introduces Brownie Camera

- Puts photography in hands of every citizen/consumer
 - \$1 camera (film \$0.15/roll)
- Introduced budget 8mm home movie camera & projectors in 1950's
- Instamatic (1957) – sold millions through 1960's
- Kodak's success in consumer photography market- by the late 1970s- 85% of camera sales and 90% of film sales in the United States.



Children's National[™]

Health Network[™]
Part of the Children's National Health System

Who knows what this is?

- Extra credit: Who invented it?



1st digital camera (1975)- by Kodak

- “Film-less” camera
 - Size of toaster: 8 lbs
 - Took 23 seconds to load image into special cassette and then another 23 seconds to load & display low quality B&W image on TV
- Kodak late to market with digital cameras, image sharing & non-competitive products



2012: Kodak is gone...

- Business case study in failure to adapt to changing technology, market, competition & customers
- Couldn't foresee how technology would enable consumers to capture, view, & share images (mobile phones- no camera, film)
- Reluctance to cannibalize its film/camera business model
- Unable to respond to fast moving market & competitors



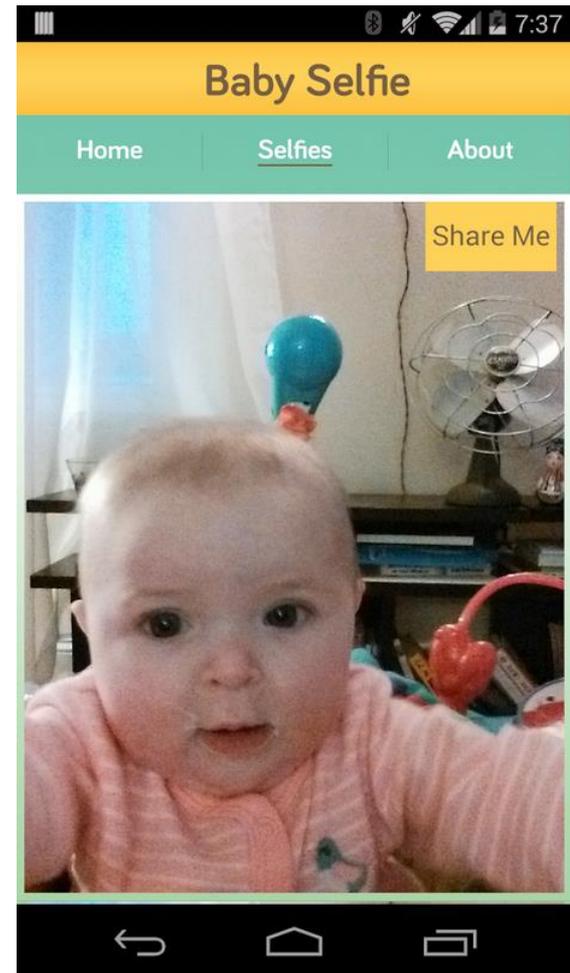
Children's National™

Health Network™
Part of the Children's National Health System

The word "Kodak" in its signature red, bold, sans-serif font, but it is heavily blurred and pixelated, appearing as if it's a low-resolution scan or a digital artifact. It is centered between two horizontal yellow bars.



Tomorrow's customers



Is this a Kodak moment for pediatrics?



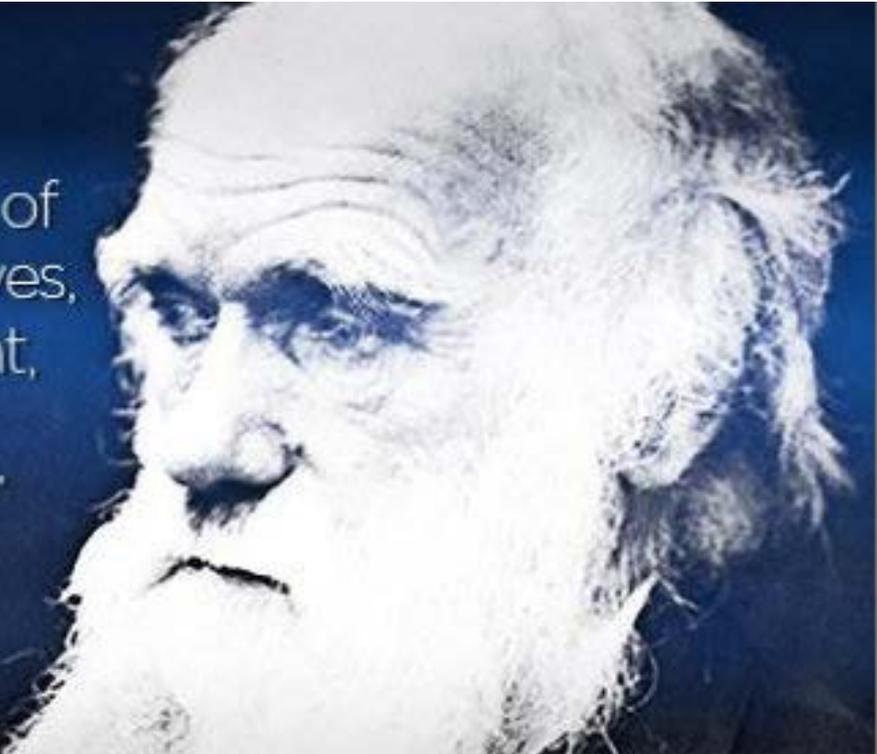
Have I got your attention?



Those who adapt, survive...

"It is not the strongest of the species that survives, nor the most intelligent, but the one most responsive to change."

Charles Darwin



Children's National

Health Network™
Part of the Children's National Health System

The Business of Pediatrics 2016

Medical Home Alert



Disruptive vs big bang innovation

- Classic **disruptive innovation** says that a **cheaper, but lower-quality, innovator** can eventually overtake an incumbent by gradually siphoning off customers the incumbent doesn't find it profitable to defend.
 - As the disruptor improves its offering, though, the incumbent's position becomes increasingly fragile.
- **Big bang disruption** differs in that the start-up offers an innovation that's **not only cheaper, but better** — higher quality, more convenient, or both — almost right off the bat.

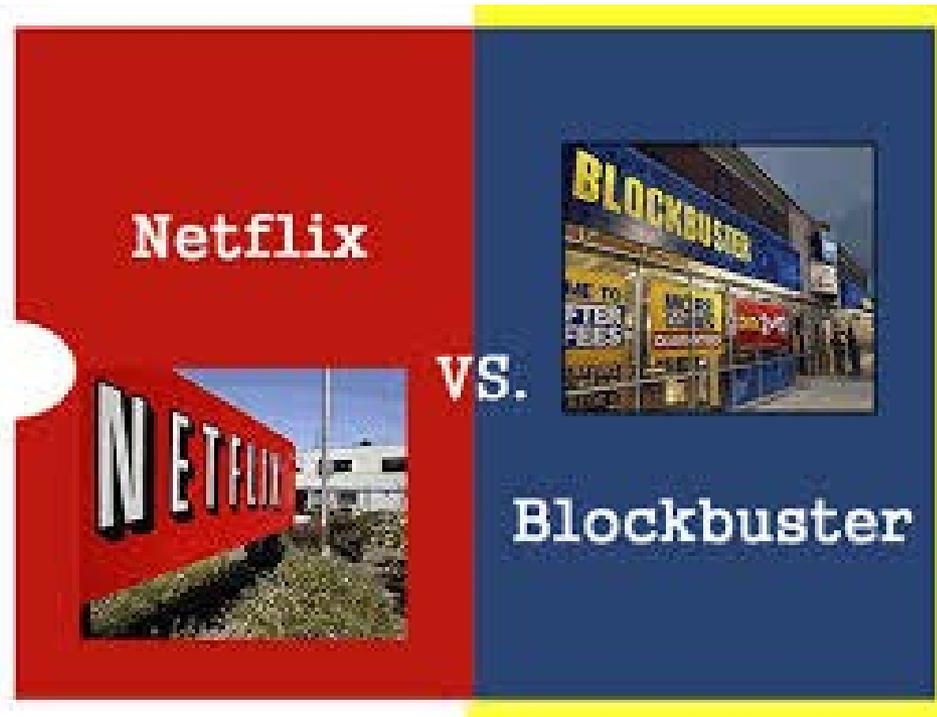


Children's National™

Health Network™

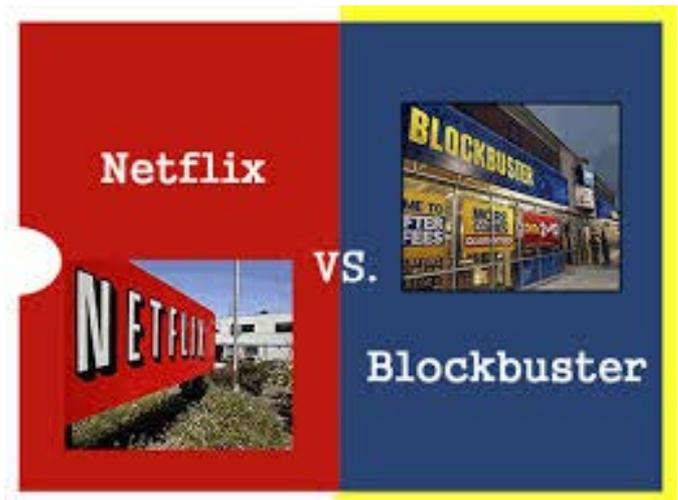
Part of the Children's National Health System

Netflix vs Blockbuster



Blockbuster vs Netflix

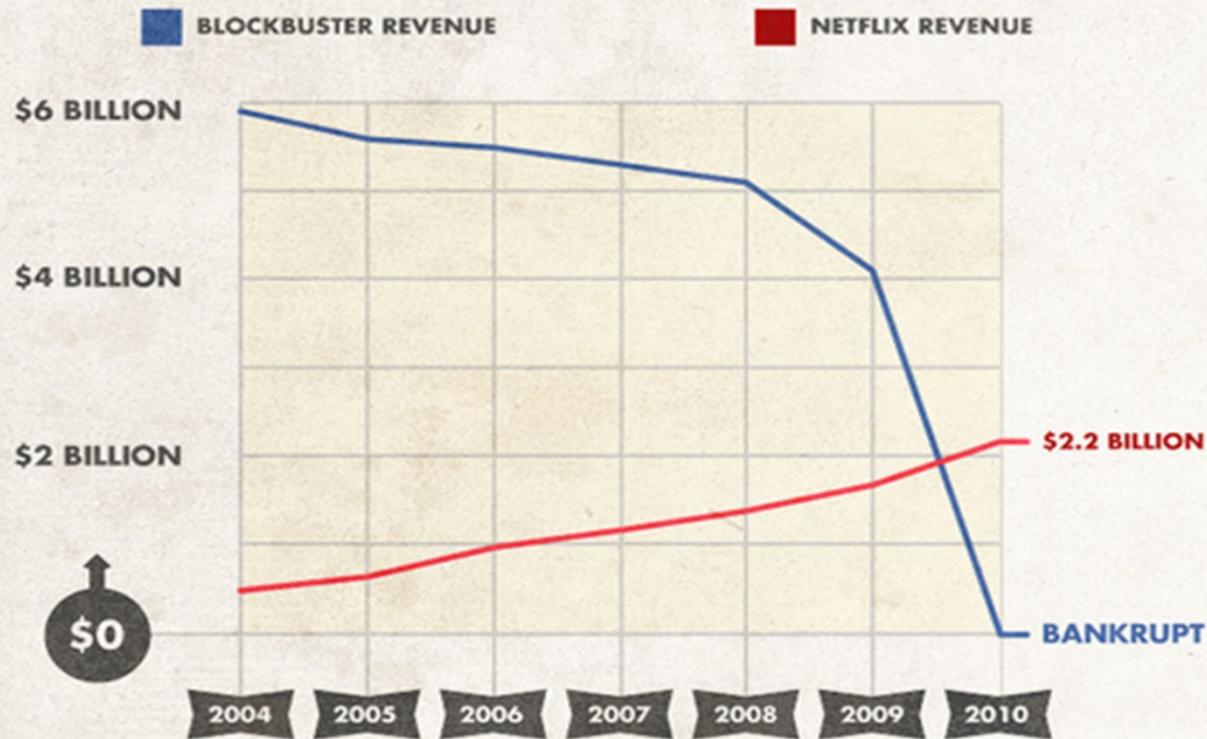
- Blockbuster (2002)
 - Over 10,000 stores, market value >\$5B
 - Model: pay per rental, in store selection, 2 visits/24 hours, late fees
- Netflix (2007)
 - Disruptive innovation: order online, mail order delivery (DVD via USPS), keep as long as you like, no late fees; but had to wait- not same day
 - Big bang disruption: monthly subscription, on-line streaming (better)
 - Now 30 million+ subscribers and developing its own content



Children's National™

Health Network™
Part of the Children's National Health System

NETFLIX VS. BLOCKBUSTER (2004-2010)



Children's National™

Health Network™
Part of the Children's National Health System

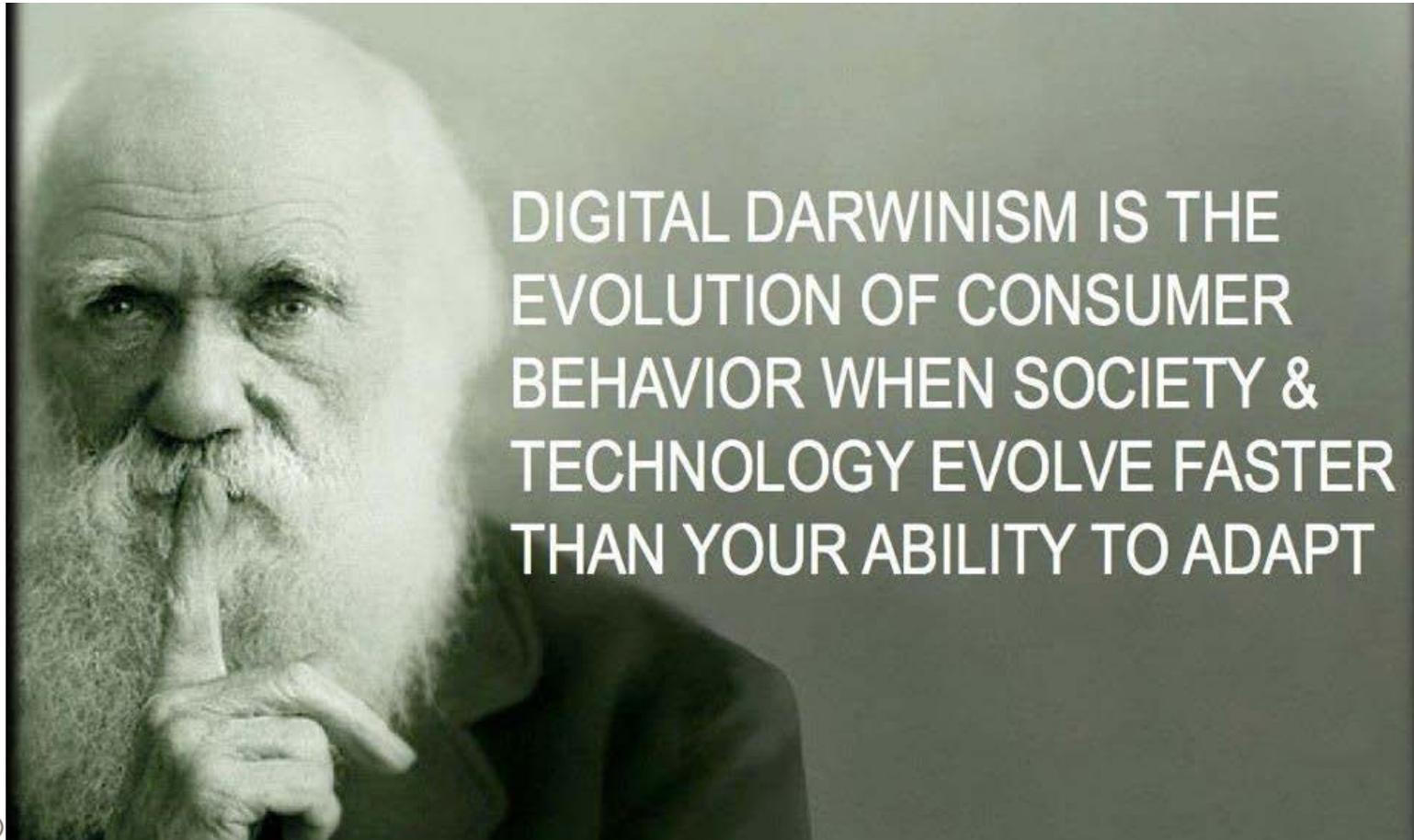
Blockbuster out of business



Children's National™

Health Network™
Part of the Children's National Health System

Digital Darwinism



Children's National™

Health Network™
Part of the Children's National Health System

Telemedicine: emerging or disruptive technology?



Introducing the newest “on call” doc for advice about a sick child...

- Amazon Echo, Echo Dot, Tap, Fire TV



Amazon Echo: Ask “Alexa” (health advice on children’s symptoms) KidsMD Children’s Boston



Online otoscopy- here now...



Telemedicine Video #1

- Telemed video clip

Coming soon...better technology

- <http://www.tytocare.com/>
- As technology improves and becomes more accessible and affordable- when (and how quickly) does it change the business model (health care delivery & payment)?

Have I got your attention?



Online visits: telemedicine



Children's National

Health Network™
Part of the Children's National Health System

Kaiser now offering “Video Visits”

ENJOY THE CONVENIENCE OF A VIDEO VISIT



To participate in a Video Visit you will need a computer with:

- High speed internet connection
- Adobe Flash Player. (Most computers already have Adobe Flash Player.)
- Webcam or built-in camera. (Skype and other video chat programs use the same camera setup.)

To join a Video Visit

1. Go to <http://mydoctor.kp.org/videovisit>
2. If this is your first time using Video Visits, click **Setup Wizard** to make sure your webcam or built-in camera works properly.



You may see this window. Click "Allow" or your webcam will not work.

3. Click **Get Started** when you are ready to begin. Please join your Video Visit no earlier than 15 minutes before the scheduled time of your appointment.

4. Enter your information, check the consent box, and click **Login**.

I have read the above description of telemedicine and agree to the telemedicine consultation.

Login >>

5. Click **Join Now** to be placed into your video appointment. Your doctor will join you shortly. If you need to cancel your video visit, please call the number on your appointment reminder.

© 2011, TPMG, Inc. All rights reserved.
Regional Health Education.

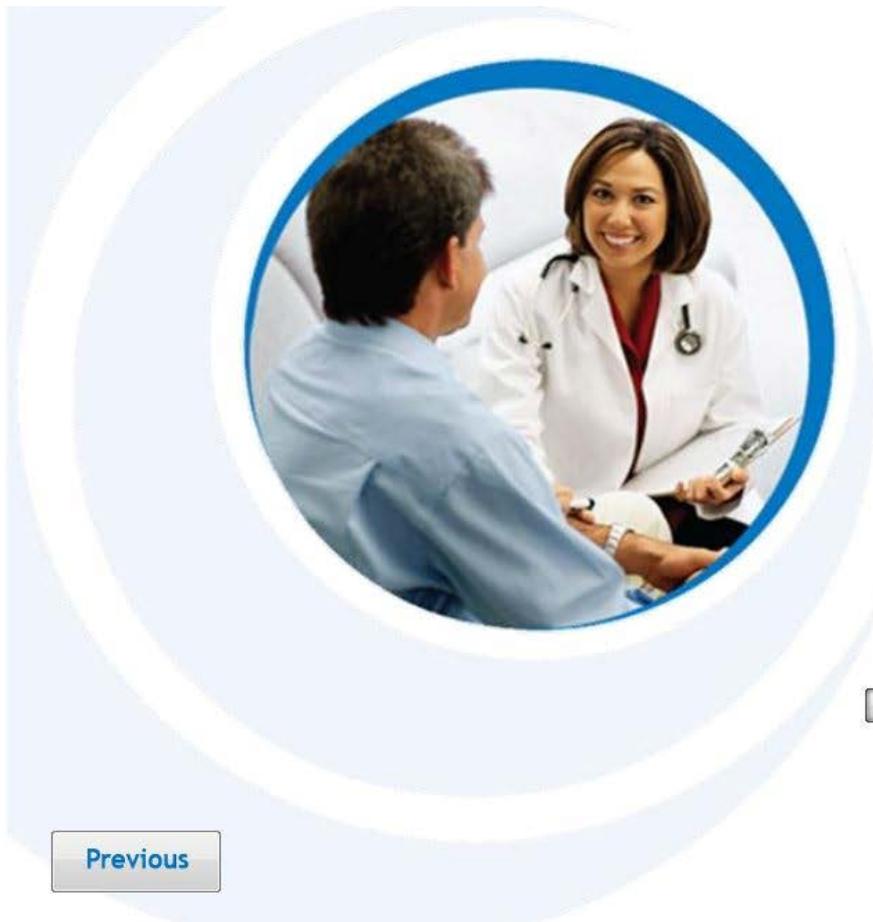
 KAISER PERMANENTE.

Coming soon to your practice?

- Get paid for appropriate E&M services delivered by secure teleconference



CareFirst PCMH now encouraging use of telemedicine



Telemedicine
Video Visit

[Click Here to Begin](#)

[Previous](#)



Children's National

Health Network™

Part of the Children's National Health System

CareFirst BlueCross BlueShield is the shared business name of CareFirst of Maryland, Inc. and Group Hospitalization and Medical Services, Inc. which are independent licensees of the Blue Cross and Blue Shield Association. ® Registered trademark of the Blue Cross and Blue Shield Association. ® Registered trademark of CareFirst of Maryland, Inc.



CareFirst will provide platform- and payment

- CareFirst PCMH providers can use CareFirst “Video Visit” (or their own) platform to schedule and perform telemedicine visits with CareFirst patients
- CareFirst will reimburse for telemedicine visit via E&M 99212-99215
 - Add –GT modifier
 - Telemedicine coding update 2017?



Telemedicine- the next frontier...



Children's National

Health Network™
Part of the Children's National Health System

The Business of Pediatrics 2016

How Reliable is Telemedicine?

- L Siew et al: Reliability of Telemedicine in the Assessment of Seriously Ill Children, *Pediatrics*, February 2016
 - This study found that the application of telemedicine, using commercially available telecommunications equipment, is reliable between bedside and telemedicine observers in the assessment of febrile children and children with respiratory distress.
 - Used iPad, Facetime, secure Wi-Fi connection.



Children's National[™]

Health Network[™]
Part of the Children's National Health System

A not so hypothetical case study...

- Hi Dr Weissman- thanks so much for seeing us for video care.
 - My 4 year old Sammy is warm and cranky. He says it hurts to swallow and he pulls on his ear. His asthma seems under control although he is coughing a bit more.
 - I took his temperature by temporal thermometer- it's 101.
 - I looked at his ears with my Cellscope- they don't look red but I'm not sure I can tell. Can I send the pictures to you?
 - I listened to his lungs using that electronic stethoscope- I don't hear any wheezing but I recorded his breath sounds if you want to listen. I can also forward the audio files. His home pulse ox is 98.
 - I swabbed his throat and did a home rapid strep test on him- which definitely looks positive. See the positive line here?
 - One of the kids at daycare has strep. The daycare texted all the parents in his class.
 - Can you please prescribe him an antibiotic for his strep?
 - I know your practice coaches us that antibiotics are not needed for most kids illnesses. I just read your weekly practice blog about how children with strep illness can return to daycare or school earlier once treatment is begun.
- That's why I contacted you for an online visit rather than going to minute clinic.



Sure- we have your payment info in our system. Click OK & we'll ship your Rx right over!



Credit card or Paypal?

Children's National™

Health Network™
Part of the Children's National Health System

The Business of Pediatrics 2016

Plan for climate change...



© The New Yorker collection. All rights reserved.
From *The New Yorker Book of Technology Cartoons*.

"All I'm saying is now is the time to develop the technology to deflect an asteroid."

Plan for telemedicine in primary care- disrupt the disrupters?

- Convenience care
 - Daytime advice- convert telephone advice to telemedicine E&M
 - After hours advice- outsource to telemedicine call center?
- Chronic care/disease management (consider early, lunch, evenings)
 - ADHD updates, refills
 - ASD check-ins
 - Behavioral health- medication updates
 - Asthma management
 - Obesity- weight management, goals
 - Children with medical complexity- care coordination, management vs support
- Three-way or group opportunities- in office visits
 - Video connect with working parent for well or sick visits
 - Engage educational partners at school for ADHD, ASD
 - Connect with specialist or care coordinator- for expertise, reassurance or accelerated specialty care/referral
- Schedule pediatrician/provider telemedicine visit hours?
 - Worth a day off periodically?



Children's National™

Health Network™
Part of the Children's National Health System

Technology is moving faster than we are!

- Future “Digital Darwinism” case study?
- We need to begin to pilot telemedicine use in primary care pediatric practice
- We need to engage our families before they migrate to alternate providers of telemedicine service they want
- We need to learn how to use the technology, best clinical “use cases” and integrate into practice operations (scheduling, workflow, EHR, billing, regular-extended-after hours)
- We need to plan ahead to leverage technology- not just between family and PCP- but across a “clinically integrated network”

Telemedicine in pediatric practice: Tapping into pioneers & early adopters



Children's National™

Health Network™
Part of the Children's National Health System

The Business of Pediatrics 2016