Telehealth Business Plan
Development and Readiness Assessment

January, 22, 2019, 12-1pm

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Senior Consultant, Health Management Associates

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Telehealth Learning Lab Webinar Series

Telehealth program design and implementation aligns with behavioral health integration activities, addresses specialty care clinician shortages and concerns identified through the primary care collaborative and transformation work, and provides options for cost savings throughout the delivery system.

All practices and partners are encouraged to join!

Recorded webinars will be posted on https://www.choosehealthde.com/
HMA does not endorse any specific vendors for telehealth (or digital health) platforms or equipment, though we do endorse the idea that telehealth (digital health) is important and impactful in healthcare transformation. For this reason, we do work with a number of companies in the digital health space.
<table>
<thead>
<tr>
<th>Date</th>
<th>Title</th>
<th>Link</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wednesday, December 19</td>
<td>Introduction to Telehealth and Opportunities in the Delaware Market</td>
<td><a href="https://healthmanagement.zoom.us/j/421874303">https://healthmanagement.zoom.us/j/421874303</a></td>
</tr>
<tr>
<td>Thursday, January 10</td>
<td>Digitally Integrated Primary Care and Behavioral Health</td>
<td><a href="https://healthmanagement.zoom.us/j/715946640">https://healthmanagement.zoom.us/j/715946640</a></td>
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<tr>
<td>Wednesday, January 16</td>
<td>Additional Technology Enhanced Solutions in Health Care Delivery</td>
<td><a href="https://healthmanagement.zoom.us/j/343202752">https://healthmanagement.zoom.us/j/343202752</a></td>
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<tr>
<td>Friday, January 18</td>
<td>Telehealth Reimbursement and Payment Models</td>
<td><a href="https://healthmanagement.zoom.us/j/368434599">https://healthmanagement.zoom.us/j/368434599</a></td>
</tr>
<tr>
<td>Tuesday, January 22</td>
<td>Telehealth Business Plan Development and Readiness Assessment</td>
<td><a href="https://healthmanagement.zoom.us/j/368526663">https://healthmanagement.zoom.us/j/368526663</a></td>
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<tr>
<td>Thursday, January 24</td>
<td>Vendor and Equipment Selection</td>
<td><a href="https://healthmanagement.zoom.us/j/562927139">https://healthmanagement.zoom.us/j/562927139</a></td>
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<tr>
<td>Tuesday, January 29</td>
<td>Use Cases from the Field</td>
<td><a href="https://healthmanagement.zoom.us/j/733628596">https://healthmanagement.zoom.us/j/733628596</a></td>
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DELAWARE TELEHEALTH LEARNING LAB: Webinar Series

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TODAY’S AGENDA

- Readiness Assessment
  - Why is it important?
  - Overview of Key Components
- Business Plan Development
  - What is it?
  - Options & Tools
- Q & A
- Next Steps
READINESS ASSESSMENT TO INFORM PROGRAM DEVELOPMENT

MARY KATE BROUSSEAU, MPH, PCMH CCE

SENIOR CONSULTANT, DC OFFICE
Why is a Readiness Assessment important?  
Do we really need to do one?

**Purpose:** To determine organizational readiness to implement a telehealth program and define the path to readiness.

**Process:**
- **Step 1:** Identify and engage team needed to perform the assessment.
- **Step 2:** Review components associated with readiness assessment and complete with team input.
- **Step 3:** Prioritize gaps for telehealth service program development and implementation.
- **Step 4:** Work with the team and others to address gaps and use information to inform telehealth program design and eventual implementation.
### READINESS ASSESSMENT: Identify and Engage the Team

<table>
<thead>
<tr>
<th>RA Team Members</th>
<th>Background and Skill Set</th>
</tr>
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<tbody>
<tr>
<td><strong>Telehealth program manager</strong></td>
<td>Individual who completes the RA – has ultimate responsibility for implementation</td>
</tr>
<tr>
<td><strong>Executive champion</strong></td>
<td>Executive who sets vision/strategy for the organization</td>
</tr>
<tr>
<td><strong>Clinician champion</strong></td>
<td>Physician or clinical provider familiar with telehealth and/or telehealth-like solutions to address access issues.</td>
</tr>
<tr>
<td><strong>Technical support</strong></td>
<td>Familiar with organization’s information technology capability.</td>
</tr>
<tr>
<td><strong>Referral coordinator</strong></td>
<td>Knowledge of practice referral trends and access issues.</td>
</tr>
<tr>
<td><strong>Billing and coding representative</strong></td>
<td>Understanding of the practice payer mix and state reimbursement regulations.</td>
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</table>
READINESS ASSESSMENT: Key Components

1. Organizational Readiness
2. Experience with Telehealth
3. Organizational Technology Capacity
4. Clinical Consideration
5. Relationship with Specialty Care Providers
6. Workforce Development
7. Financing and Reimbursement
8. Regulatory or Policy Understanding
9. Equipment Selection
10. Patient Engagement and Marketing
11. Evaluation and Outcome Measurement
POLL

Health Management Associates
**READINESS ASSESSMENT: Key Components**

### Organizational Readiness
- Is telehealth included in your organization’s strategic plan?
- Do you have dedicated resources (staff, funding) for the effort?
- Have you established and engaged a telehealth workgroup?

### Experience with Telehealth
- Understanding prior institutional and organizational experience in telehealth is key to identifying and leveraging the solutions that have been successful as well as the barriers that may remain.

### Organizational Technology Capacity
- Have you determined equipment needs for both originating and distance sites?
- Do you have access to staff who can work with IT vendors?
**READINESS ASSESSMENT: Key Components**

### 4 Clinical Consideration
- Do you have the clinical staff you need or will you need to contract out?
- Is the space set up so that the provider can perform a clinical assessment and make an adequate recommendation similar to an in-person exam?
- Are your clinicians licensed to provide care across state lines?

### 5 Relationship with Specialty Care Providers
- Defining the relationship between the referring providers and the specialty consultants is an important step to address early in the program development.

### 6 Workforce Development
- Do you have time set aside for training and education?
- Have you made arrangements to make any staff hires prior to implementation?
### Financing and Reimbursement

- Is your team aware of payer reimbursement policies and requirements?
  - *Reference the January 18th Webinar – Reimbursement and Payment for Telehealth*
- Have you performed a payer mix analysis? What payers would be best for a telehealth pilot?

### Regulatory or Policy Understanding

- Telehealth regulations, policies and requirements are specific to certain providers, locations and scope of services; each element will need a thorough evaluation for compliance early in the stages of program development.
- Keep in mind: State regulations about telehealth may differ from requirements issued by state medical/pharmacy/nursing boards.

### Equipment Selection

*Tune in to the next webinar on January 24th.*
**READINESS ASSESSMENT: Key Components**

### Patient Engagement and Marketing
- Have you determined which patients will be considered for telehealth and how?
- How will you market telehealth services? Is there a team member who will lead the effort?
- What has worked best in the past for patient engagement? Are your clinicians part of the communications plan?

### Evaluation and Outcome Measurement
- How will you know if your telehealth program is a success?
- What are you trying to accomplish and how will you measure that? What is your baseline?
- Choose measures from various domains – access, cost, patient and provider experience.
  - Reference the National Quality Forum – Telehealth Measure Framework
READINESS ASSESSMENT: Using the Results

- Within each component, make note of gaps where your organization has no capability or only partial capability.

- Work with the team and others to prioritize and address gaps.
  - Some of the follow-up steps will be very straightforward to implement
  - Others issues may be more complex – for those steps where you need additional assistance, there are resources available to help you.
    - Delaware Telehealth Coalition
    - Mid-Atlantic Telehealth Resource Center

- Use the learnings from the Readiness Assessment process to inform telehealth program design and to develop a telehealth business plan.
DEVELOPING A TELEHEALTH BUSINESS PLAN

- Business Plan Overview
  - Purpose
  - Components

- Business Plan in Healthcare
  - Goals
  - Key Content

- Telehealth Business Plan
  - Process
  - Product
What is a Business Plan?

- **Noun** – a document setting out a business's future objectives and strategies for achieving them
- Your business plan is the foundation of your business*
- Options include Lean, Traditional, Customized etc.

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**Wooden Grain Toy Company**

<table>
<thead>
<tr>
<th>Identify</th>
<th>Problem</th>
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<tbody>
<tr>
<td>Wooden Grain Toys manufactures high-quality hardwood toys for children aged 3-10.</td>
<td>Parents and grandparents are looking for high-quality, durable toys that will entertain kids and foster creativity.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Our solution</th>
<th>Target market</th>
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<tbody>
<tr>
<td>Our handcrafted toys are made from solid hardwoods, and are designed with sufficient moving parts to engage young children without limiting imagination.</td>
<td>The target audience is adults, specifically parents and grandparents who wish to give toys to their children or grandchildren.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>The competition</th>
<th>Revenue streams</th>
</tr>
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<tbody>
<tr>
<td>Wooden toys are part of a niche market with companies of all sizes. Large companies include Plastique Toys and Metal Happy Toys, which sell internationally. Smaller companies sell locally in shops, craft fairs, or online.</td>
<td>Wooden Grain Toys will sell directly to customers at craft fairs and online.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Marketing activities</th>
<th>Expenses</th>
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</thead>
</table>
| Wooden Grain Toys will communicate with customers with an email newsletter, targeted Google and Facebook ads, social media, and in person at craft fairs. | - Materials for toys including wood, steel, and rubber  
- Craft fair fees and travel costs  
- Inventory space for products |

<table>
<thead>
<tr>
<th>Team and key roles</th>
<th>Milestones</th>
</tr>
</thead>
<tbody>
<tr>
<td>Currently, the only team member is the owner, Andrew Robertson. As profits increase, Wooden Grain Toys will look to add an employee to assist with social media and online marketing.</td>
<td>As business grows, Wooden Grain Toys will advertise in target markets—especially in advance of the holiday season.</td>
</tr>
</tbody>
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*www.sba.gov*
DEVELOPING A BUSINESS PLAN: TRADITIONAL – COMPONENTS

- Comprehensive
- Detail oriented
- Intended for
  - Financing Request
  - Traditional funding sources

- Executive summary
- Company description
- Market analysis
- Marketing & sales
- Service or product line
- Organization & management
- Funding request
- Financial projections
- Appendix

*www.sba.gov*
How is Business Planning Applied in HealthCare?

- **Funding** - grants, budget, contract, etc.
- **Operation Decision**
  - Resource Allocation
  - Prioritizing Initiatives etc.
- **Assess Sustainability**
  - Add new program
  - Expand existing program
- **Quality Improvement**
- **Marketing Tool –**
  - internal & external
- **Demonstrate Return on Investment**
# Developing a Business Plan: Healthcare

## Simple Lean Startup Format

| Key partnerships | Customer segments - be specifics on who the target is |
| Key activities   | Channels for engaging customers and stakeholders |
| Key resources including staff, capital, intellectual property etc. | Cost structure for reducing cost or maximizing value |
| Value proposition e.g. reducing chronic mgt. disease cost | Revenue streams for implementation and sustenance |
| Customer relationships – customer experience from start to finish | |

*Alex Osterwalder _ Business Model Canvas by*
DEVELOPING A TELEHEALTH BUSINESS PLAN

HealthCare Operation

Business Plan

Telehealth

Telehealth Business Plan
DEVELOPING TELEHEALTH BUSINESS PLAN: PROCESS

- What did you learn from the Readiness Assessment?
- Who are the Key Stakeholders?
  Review all benefits & beneficiaries
- How can you maximize the Opportunities & Brace to overcome the Challenges?
- How will the model be sustained?
  Check alignment with current funding streams/business lines
- What is the Return on Investment?
- Who will pay for Telehealth Implementation?
  How does the Telehealth Value Proposition align with your organization’s strategic plan?

Telehealthresourcecenter.org
DEVELOPING TELEHEALTH BUSINESS PLAN: BUSINESS MODEL

Business models for telehealth in the US: analyses and insights.¹

*The use of a business model framework helps identify
- The value proposition of telehealth;
- The right revenue model;
- Organizational structure; and
- The stakeholders in the telehealth ecosystem.

Fig. 5. VISOR Business Model Notes:
- Circle = Interactions between the components
- Red boxes = Current challenges & barriers of each of the components in the model
- Green boxes = factors driving need for telehealth

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¹ Francis Pereira _Dove Medical Pres _February 2017
## Business Case Checklist

*Business Case Report (sometimes called a business plan)*

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
<th>Unsure</th>
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<tbody>
<tr>
<td>1. You have determined the approximate start up and operating costs for your telehealth program.</td>
<td></td>
<td></td>
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<tr>
<td>2. You have determined how the benefits of telehealth relate to the mission of your organization and the needs of the community.</td>
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<tr>
<td>3. You have identified the payer mix.</td>
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<tr>
<td>4. You have obtained financial commitment to implement and sustain your telehealth services.</td>
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<tr>
<td>5. You know the approximate expected cost reductions (e.g., providers who no longer travel to remote clinics).</td>
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DEVELOPING A TELEHEALTH BUSINESS PLAN: SAMPLE TOOL

HMA Tool for Client Support and Guidance*

- Executive Summary (optional)
- Company/organization structure
- Service to be provided
- Demand/Market Analysis and Customer/Client base
- Governance/Leadership
- Staffing Resources
- Financial model/sustainability
- Marketing or Communications Plan
- Implementation plan and timeline
- Risks/contingencies

Selecting the right tool and engaging experts* along with committed leadership and clinical champions are critical elements for a comprehensive, cost-efficient, business plan – >>> set the stage for successful Telehealth Implementation.

*Health Management Associates Business Plan Tool for Telehealth Implementation
Current State

- Low uptake overall
- Many opportunities and interest to engage further
- Limited adoption in some areas:
  - Behavioral Health follow-up
  - Primary Care episodic visits with non-assigned providers
  - After hours Urgent Care

Desired State – Increased penetration and expanded use in:

- Primary Care beyond urgent care visits including integration of Telehealth Modalities in Medical Homes
- Chronic Disease Management including Care Coordination
- Behavioral Health Integration including Opioid and other Substance Use Disorders
- Population Health Management
NEXT STEPS

 Contact us to get on our list for future webinar invites.
 Reach out to the speakers to request additional assistance.
 Look for a follow-up email:
   Provide input for this and future sessions using the evaluation form.
   Check the website for the webinar recording – coming soon.
 Save the dates future webinars.
   Vendor Evaluation and Equipment Selection
     Thursday, January 24, Noon EST
   Use Cases From the Field
     Tuesday, January 29, Noon EST

Thank you!