Bringing Physicians and Patients Together Via Smartphone? Dr.Church Has An App For That!

I am always excited when physicians design products for other physicians because they "get it." Here's the tale of a Midwest physician, Dr. Fred Church, who has developed a **free** app to communicate one-on-one with his patients via email or text.

Mary Pat: Dr. Church, tell me how you came to design e-Consult My Doctor, an app that lets physicians and patients communicate with the ease of email and text in a secure environment.

Dr. Church: I suppose the axiom of "necessity is the mother of all innovation/invention" applies here. I saw a growing need and had a growing **entrepreneurial passion** to solve the problem for more physician-patient interaction between scheduled visits. I believe we are at the precipice of still greater demand for mobile connectivity and services in America.

The premise of private communications to enhance doctor-patient relationships is not a novelty, but how to do it in a HIPAA-compliant manner that is also is simple and convenient is a significant challenge. We are delivering an elegant smartphone app that uniquely understands a busy doctor's and patient's lives and works to serve them. We have created a utility that enables any doctor to be a concierge-service doctor and every patient to be the beneficiary of that great personalized care – care that is direct from the doctors that know them and whom they trust.

Mary Pat: You describe e-Consult My Doctor as a tool to augment the physician-patient relationship, not replace the traditional office visit. Can you give some examples of this?

Dr. Church: In no way is our communication management tool intended to replace the face-to-face interaction and

assessment between a physician and his established patient. We have terms of service that users will explicitly understand and agree to prior to participation. Doctors will not have to worry about this being crystal clear to patients. Most reasonable people understand that emergency situations need to be dealt with in-person and this tool is not intended to deliver emergency communications.

Example Scenarios:

1. "Doctor, can you give me an evaluation of this mole as I think it has changed since you last saw me for my physical? You told me to watch it and document it myself on my phone… should I be seeing you now or wait until my next physical?"
2. "Surgeon, I am three days post-op and it's Sunday afternoon and I'm scheduled to see you tomorrow for follow-up. Can you take a look at these two pictures of my wound to tell me if I need to go to the urgent care or ER tonight before tomorrow's follow-up? I'm not alarmed but a little concerned at how it looks and I want to have your opinion before my scheduled follow-up."
3. "Doctor, one month ago I described to you during Betsy's well-child visit the rare sounds and behavior changes I was hearing and seeing from my 3 month-old daughter and felt like I was having difficulty adequately explaining it to you. Guess what, I was able to capture it on this video with audio. Can you listen to it and tell me your opinion if I should be concerned about it? Should I bring her back in after you view this so you can examine her again and/or do more lab workup?"
4. "Doctor, we talked about considering certain omega 3 supplements and I want your opinion on this particular supplement (see picture of label) from XYZ that the pharmacist recommended. Do you think it's a good one also? I appreciate your opinion before my next follow up with you."

Mary Pat: Foremost in everyone's mind is the privacy and confidentiality of texting and emailing – how does e-Consult My Doctor achieve HIPAA compliance?

Dr. Church: Our smartphone app technology uses best practice standards for data at rest and in transit using **AES 256-bit encryption**. Doctors and patients will have a secure login to their app so that if their phone is stolen or misplaced, the data is still encrypted and cannot be viewed without a user's password. If a user's account is somehow compromised, administratively we can suspend his account, his e-consulting relationships, and access to the information between those relationships.

Mary Pat: Do you see this product replacing the traditional function of a nurse triage in the medical practice?

Dr. Church: Absolutely not. In fact, it is intended to offload the burden that triage is often overwhelmed with. Traditional healthcare will always need people to properly triage communications at a doctor's office. Unfortunately, high volumes and increased costs mean that calls are not always responded to in a timely way. Doctors need communication tools that are portable and flexible and this describes e-Consult My Doctor.

Mary Pat: Your software has some interesting features, including a mini-EMR or PHR (Personal Health Record.) Can you describe the benefits of a mini-EMR available from a smartphone?

Dr. Church: Because our solution is much less complex than an EHR (Electronic Health Record), a single adult patient user may keep and manage all of his dependents' information on one app securely. Our well-designed smartphone app stores all related health event reminders, vaccine history, and **PHR** information. The PHR on our smartphone app is viewable/editable without the requirement of an internet

connection, which is a clear advantage over EHR portals. When patients participate in managing their information and updating their PHR data between visits, it makes it easier for intake nurses/staff during scheduled visits to make sure the EHR's data is also reflecting recent changes that may be more current than EHR updates from various sources: other urgent cares/ERs, other specialty doctors, other health providers/doctors/sub-specialists (DDS, DC, DPM, etc.), hospitals etc. One of the main advantages of patients participating in their own PHR information is it will hopefully improve PHR accuracy, contribute to better patient compliance, and help serve both patients and doctors in traditional healthcare delivery.

Mary Pat: How does the documentation of the communication between the physician and the patient get back into the practice EMR?

Dr. Church: The app will allow for exporting content via PDF and both doctors and patients will have their own copy of e-consultation data on their apps. Doctors may elect to attach the PDF of the e-consultation interaction to their respective EHR if they believe it is important enough and pertinent to a patient's long-term record. For example, several EHRs do not have the ability to **import pictures, audio, and video content** which this app will easily store for minimal convenience fees. Additionally, a doctor can simply summarize the exchange in her next scheduled office visit's documentation if she feels the content is important enough. This will vary on an individual case-by-case basis and will be up to the doctor's judgment.

Mary Pat: Between the secure communication and the mini-EMR, e-Consult My Doctor sounds very much like a patient portal. Can your software replace a patient portal for a medical practice?

Dr. Church: The mission of our software is to deliver

a different and simpler solution for convenient communication and to augment the functionality of an EHR's patient portal. An EHR patient portal is valuable for a singular patient to see what his doctor's EHR documents as his current information including labs, vitals, etc. The **e-Consult My Doctor** app will allow direct one-to-one communication any time and anywhere the doctor and patient are willing to participate. One of the foundational premises of our product is that a doctor's extra time and effort should be rewarded directly by the beneficiary… like having pay-as-you-go access to their mobile phone or email for enhanced, personalized care between scheduled visits.

Mary Pat: You have essentially designed a product that allows physicians to be reimbursed for care that they have been previously providing for free. Some patients will appreciate the convenience and be willing to pay for the personal attention and others will think it is akin to the airlines charging for luggage! How do you answer those who think healthcare is already too expensive without any additional fees?

Dr. Church: I'm amazed how many people are willing to pay for the $1,000 – $2000 per patient per year for 24/7/365 access that they may only utilize a few times a year. I personally know concierge doctors who are eagerly looking forward to our HIPAA-compliant solution that will help them achieve better work-family life balance with our communication management tool. We believe our smartphone app will bring a revolutionary solution that allows every doctor and every patient to participate in a concierge e-consulting relationship at a potentially lower price point. Our solution eliminates the middleman with a convenient and simple solution at a very affordable price and payment is directly and immediately received by the doctor.

Mary Pat: When will this product be available on the market and what will it cost physicians to purchase?

Dr. Church: The anticipated market delivery date is **November 30, 2013**. The app will be ***free*** and the basic subscription level will also be ***free***. Users will be given a limited amount of secure storage space and may upgrade to larger amounts based on their individual needs. We will also offer a premium subscription level that will afford a larger secure space allotment and additional valuable service offerings. Our app will offer a pay-as-you-go, transactional model for the basic subscription level and a fixed-price price point for the value-minded user who wants more.

Mary Pat: How can readers get in line to try your app?

Dr. Church: They can go to **http://e-ConsultMyDoctor.com** and sign up for pre-launch information and be the first to try it out. We invite physicians who want to be beta-testers!

How Are Physicians Returning to Private Practice?

The healthcare industry has gone through a lot of change very quickly in the past five years, with still more to come. Independent practices and smaller physician groups have a lot of reason to "seek higher ground" in mergers, partnerships, and buyouts by larger groups and hospitals that have the resources to better deal with lower reimbursement and increasing regulation. Still, just as we are seeing the crest of the wave of physicians selling their practices to hospitals, we are also beginning to see a lot of the reverse trend – physicians leaving hospital employment and starting their own practices.

We have a number of new solo physician practices among our clients and each of these practices can make the numbers work for the three reasons outlined below. Their new practices may look much different from the practices they once had, but they now can bypass the crushing financial burden of start-up costs and find ways to cut expensive overhead. As hospitals ratchet down physician salaries and present new hoops from them to jump through, more and more physicians will look to these new tools for independence and financial viability.

Free EMR

In 2008 I was living in Seattle and I attended a conference at Microsoft in Redmond, Washington. It was there that I met Dr. Bill Crounse, the Senior Director of Worldwide Health for Microsoft. He was kind enough to sit down for a few minutes and talk to me about the future of physician practices. He told me something at the time that I didn't really understand. He said, "Something is about to happen that will be game changer for physicians." At the time I didn't understand what he meant, but today I believe he was hinting of the pending launch of **Practice Fusion**, the first free electronic medical record (EMR.)

The free EMR has indeed been a game changer for physicians. The ability to e-prescribe and report PQRS to avoid Medicare financial penalties and to collect the EHR Stimulus money (aka Meaningful Use) without the typical $25 -$30K outlay per physician has been a boon for many practices. How can an EMR be free? With advertising and the agreement that they blind and sell your data to third parties. (Have EMR companies been doing this all along and not telling you? A topic for another post.)

Physicians still need a billing system to run their businesses, but today software vendors are bundling billing packages with practice management and/or EMR software. For

anywhere from 2.9% – 5% of net revenue, physicians can use the software and receive insurance billing services as a package. The two largest vendors providing this service are **Athena** and **eClinical Works.**

Social Media

The second reason physicians can start a private practice is the replacement of traditional (quite expensive) traditional marketing with social media. For a fraction of the cost of a direct mail campaign, a physician can use social media to establish a digital presence via a website, blog, YouTube and Facebook. These mediums are not free, but they are long tail, meaning that they will continue to drive patients to the practice long after a direct mail postcard has been thrown in the trash.

New Practice Models

Physicians and other care providers have a choice of self-employed practice models today. Here are a few choices they have:

- **Concierge** – concierge can mean different things to different people, but I am using it to describe a practice that accepts insurance and also requires an additional fee from all patients on top of insurance payments.
- **Medicare Subscription** – similar to concierge, but applies the additional fee for Medicare patients only to pay for additional services not covered by Medicare, particularly an annual physical examination.
- **Direct Pay** – this is a primary care model where patients pay a monthly fee each month that covers unlimited primary care (sick and well visits) and some in-house laboratory services. This model also

includes direct-contracting with employers.

- **Telemedicine** – gaining popularity for more than just rural specialty care, telemedicine is seeing patients via a secure video connection.
- **House Calls** – this model is coming back as a pure practice model because physicians and other care providers do not have to invest in a brick and mortar office. Coupled with the ability to accept payments via their smartphones and the influx of baby boomers, this model is gaining popularity quickly.
- **Nursing Home** – Another "rounding" type of practice like the House Call practice, physicians spend 100% of their time in nursing homes seeing patients.
- **On Call Specialty Practice** – specialty physicians, typically surgeons, see patients pre and post-surgery in the office of the referring physician and have no brick and mortar office.
- **Cash Practice** – this is a 100% cash model with no insurance payments accepted. Typically, physicians will provide patients with what they need to be reimbursed from their insurance plan. Because insurance is not filed, the practice can afford to discount their prices.
- **Co-op Practice** – this is a time-share-type practice where one practice or a non-physician owner leases space to physicians, providing everything for one fee except billing, EMR and a medical assistant.
- **Micropractice** – an even skinnier form of the co-op practice, the physician works without any assistants and does everything him/herself with just a computer, utilizing one exam room. Micropractice physicians see on average 8 to 10 patients a day.

For more information on different practice models, see our posts **Yes, You Can and Should Start a Solo Medical Practice in 2013!**, **How Physicians Can Offer Direct Primary Care to Employers: An Interview with Dr. Samir Qamar of MedLion**, **The Direct Pay Physician Practice Model: An Interview With Scott Borden** and **Physicians are Leaving Hospital Employment and Starting New Practices on Their Own Terms.**

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The Benefits and Drawbacks of Managing a Private Practice vs. Managing a Hospital-Owned Practice

Image via Wikipedia

Ownership

Private practices are organized in a corporate model where the physicians are shareholders, or where one or more physicians own the practice and employ other physicians or providers. Private practices are almost exclusively for-profit. Physician practices are organized into corporations for the tax benefits as well as protecting the owners from liability judgments.

Hospitals can be for-profit, not-for-profit or government-owned. For-profit hospitals make up less than 20% of the total hospitals in the United States.

Financial Models

Private practice owners take a salary draw, split any receipts after all expenses are paid, and generally distribute receipts monthly or quarterly. This leaves very little at year end to be taxed through the corporation.

Hospitals that employ physicians typically guarantee a salary and offer an incentive plan where the physicians earn more for seeing more patients and/or being more productive based on work Relative Value Units (wRVUs). Hospitals may or may not use a practice expense and revenue model to measure the margin.

Benefits of Managing a Private Practice

1. You get to do everything, so if you like or want to learn about HR, marketing, finance, IT, contract negotiation, revenue cycle management, facility management, and lots of other stuff, you'll get to do it in a private practice.
2. You are the top position in the practice, so you get to put your imprint on the practice. You can often be more creative.

3. Physicians can be very laid-back and practices can maintain a more relaxed, family-like atmosphere.
4. Decision-making can be straightforward and swift, so you can help your practice to be nimble in response to news events, trends and new ideas. If your practice decides to become a concierge practice or stop or start taking a particular payer, so be it!
5. You may find it easier to get a foot in the door and start your management career in a private practice as physicians don't always hire managers using traditional means. A recommendation from another manager, a consultant or a physician may be enough to get you started.

Drawbacks of Managing a Private Practice

1. You report to the physicians who may not have business expertise and may fight you on your well-founded recommendations.
2. There is no internal career path – you're at the top in the practice.
3. Physicians will make less money every time a new non-revenue generating position is added or any time equipment needs to be replaced – expect them to be generally slow to respond to capital expenditure needs, especially if they cannot see that any new revenue will come from the expense.
4. When physicians "eat what they kill", taking home the dollars they personally earn less their expenses, they can be pitted against each other and have conflicting priorities.
5. Your practice could be purchased by a hospital and you could find yourself out of a job, or your job radically changed.

Benefits of Managing a Hospital-Owned Practice

1. You report to a management professional who should understand the business and be supportive of your well-founded recommendations.
2. You will receive support from other hospital departments: the Human Resources department will screen, orient and provide benefit support to your staff; the Information Systems department will provide and maintain your practice management system, EMR system and other hardware and software; and the Accounting department will pay the bills and write the payroll.
3. You may be able to climb the career ladder and manage multiple practices, or become the Vice President of Physician Practices, or the COO, CFO or CEO of the hospital.
4. You will get to interact with managers of other departments and broaden your hospital knowledge and understanding of the care continuum.
5. You can learn a lot from the process of preparing for and living through a JCAHO (a.k.a. “The Joint Commission”) visit.

Drawbacks of Managing a Hospital-Owned Practice

1. Hospitals use different terminology for charges, adjustments and receipts and work on the accrual system instead of the cash system, which most private practices use. It takes time to understand and distinguishes the terminology and process differences.
2. The entire system will be in a tizzy on a regular basis getting ready for a JCAHO (a.k.a. “The Joint Commission”) visit.
3. You can expect to have much less autonomy in a hospital

system and there may be more red tape involved in getting even simple requests filled.
4. Hospital administration may find it difficult to relate to the perspective of the hourly staff and it could be frustrating to balance the needs of the staff and the needs of the organization.
5. Because the hospital is the big-dollar earner, the needs of the clinics may be second, third or fourth down the line in importance.

What do you see as the benefits or drawbacks of your private practice or hospital practice job?

The Healthcare Bill, Rage, Concierge Practices, Cuts, Claims and Don Berwick (Yes!)

HEALTHCARE BILL IMPACT ON INDIVIDUALS AND RAGE

A number of people asked me about the impact of health reform on them as individuals. Here is a **great story from the Atlanta Journal-Constitution** that takes specific examples of individuals and families and speculates on how the new bill(s) will impact them.

For 2010, the changes are minimal:

- Dependent children may be covered by their parents' health insurance policies until age 26.
- A high-risk insurance pool will open for people with pre-existing conditions who have been uninsured for six months.

- In 2011 Medicare will pay for an annual checkup, and deductibles and co-payments for many preventive services and screenings will be eliminated. The Medicare prescription drug doughnut hole will gradually narrow every year until it is eliminated in 2020. People in the "doughnut hole" could receive a $250 rebate this year.

I have to say that I've been dumbfounded by the fury raised over the passage of the new healthcare legislation. I realize that the bills separate people into winners (uninsured, providers with uncompensated charity care, patients with pre-existing conditions, Medicare patients, providers who see Medicaid patients, families with adult children, etc.) and losers (companies who have to pony up more money for their retired employees, insurance companies, illegal immigrants, high wage earners, etc.), but **this story placed the fury into a different perspective for me**. It's a good read.

CONCIERGE PRACTICES

What does healthcare reform mean for the physician practice? Many are predicting the rise of concierge practices (also called boutique medicine, retainer practices, VIP medicine and cash practices) as physicians find they cannot survive if their patient population is predominantly Medicare, Medicaid and uninsured patients. Concierge practices fall into two categories:

- The first operates on an insurance+ model, which means that the practice accepts and files the insurance for the patient, but also requires an additional out-of-pocket fee of anywhere from $1500 to $1800 per year to be a patient of the practice. The fee is to cover services that Medicare and commercial insurance do not, such as physicals, phone consultations, wellness counseling and patient education.
- The second operates on a strictly cash basis and the

> practice does not accept or file any insurance for the patient. The patient pays a flat fee per year for care (usually in the $5,000 to $15,000 range) and all primary care is provided for that amount. The patient still needs to carry insurance for prescriptions, hospital services and sub-specialist services. *Imagine being a manager in this type of practice – no pre-authorizations, no insurance department, no eligibility checking, no refunds…*

Concierge medicine has not been around that long, but it is growing in popularity by leaps and bounds. The first acknowledged concierge practice was formed in 1996 in the Pacific Northwest. In 2002, CMS (Centers for Medicare and Medicaid) published a memo stating that physicians may enter into retainer agreements with their patients as long as these agreements do not violate any Medicare requirements. In 2003, the Department of Health and Human Services ruled that concierge medical practices are not illegal. Today, there are approximately 5,000 physicians using the concierge model in the United States today.

MEDICARE CUTS, MEDICARE CLAIMS AND DON BERWICK

Shortly after all the shouting and voting on healthcare reform was over, Congress recessed for two weeks leaving the controversy over the 21.5% cuts required by the SGR formula still unsettled. CMS has advised the MACs to again **hold claims for services provided from April 1 to April 10** to give Congress a chance to get back to work and back to voting for an additional delay (or not) for the cuts. If the cuts are allowed to stand, many physicians will start making their own cuts by minimizing the number of Medicare and Medicaid patients they will see.

Amidst this craziness, a voice of sanity is heard and it is Donald Berwick, MD, current President of the Institute for Healthcare Improvement (IHI) and **probable Obama pick for the**

head of CMS. If you don't know Don Berwick or the IHI, click **here** to read an interview with him about the IHI's "100,000 Lives Campaign" or watch the video below of him speaking about the dimensions of quality. Good stuff!

Spotted! Amazing Customer Service at the Apple Store

I stepped inside an Apple Store last weekend for the very first time, and had an amazing customer service experience. For one thing, the doors were wide open. There may have been detectors at the front door to make sure I didn't try to steal anything, but I didn't see them if they were there.

Walking inside I was immediately greeted by an Apple employee. Not an employee standing at a podium or sitting at a desk, but one wearing an orange shirt and a headset who greeted me and asked how she could help me. I explained that I was thinking about a new laptop but didn't know a lot about Macs. She told me she was the concierge and her job is to match customer needs with Apple store staffers and service. On the very busy saturday that I was there I saw three concierges (conciergi?) Our concierge told us that she would send the next available specialist to us and she asked for our first names. She invited us (Doubting Thomas husband accompanied me) to look at the computers while we were waiting.

At other stores I've visited for the purpose of buying electronics, there is one, or sometimes two of each model. You may have to wait a bit to see the model you are

interested in if the store is busy and it is not unusual to go through an extensive decision making process only to find the model you want is not in stock. At the Apple store I rounded a large rectangular table twice before it dawned on me that I was looking at six of the same model of computer, and that the next large table had six of another model.

One thing that struck me quite forcefully about the Apple store was that it was so different from I had EXPECTED and had formerly ACCEPTED. We expect and accept wasted time, poor service, poor attitude (the last time I was at a big store I asked the salesperson if he was having a tough day he looked so miserable) and out-of-stock items.

After about 15 minutes, David (in a light blue shirt) found us. The things he discussed with us were:

- moving from PC to Mac
- the basics of moving around the desktop and what each of the icons were
- getting the remains of my PC (which passed away after 5 days in the computer hospital) installed onto a Mac
- discussion of what came with the Mac and what would be optional (Office for Mac, Service Plan, Training Package)
- financing options for the purchase
- a question Doubting Thomas had about iTunes

I made my decision after about 20 minutes of discussion and David left us to get my new computer. He returned with my computer and a handheld credit card swiper and asked if I would like a paper receipt or an emailed receipt. All this took place at the demo table about three feet from the concierge and about six feet from the front door of the store.
Recap of exceptional customer experience:

1. Doors of store were wide open (which I took to mean “welcome.”)
2. Greeted immediately by the concierge who was friendly

and helpful. She took our names, told us what would happen next, and gave us a great sense of being properly in line for service.
3. There were lots of the same computer model to try out and play with – no waiting for a turn to touch the product. All the computers were plugged in and worked.
4. A salesperson who seemed to know all the answers waited on us, and brought things to me without me having to make my way to the back of the store to check-out.

What lessons will I take from this for the practice I manage? First of all, I'm thinking about adding a concierge (should I think of a different name? maybe I'll have a contest!) to greet patients. This could potentially solve several problems that I have. One is the logjam and lack of privacy at the front desk. The concierge could greet patients very personally, and could get them established with paperwork, insurance cards, etc., as well as answering questions and making sure patients have what they need while they're waiting.

Taking ideas from other companies and fields is one of my very favorite things in the whole world. I have more ideas about changing things in the practice since my visit at Apple, but I'll save that for another post.