





# I was thrilled to see an old friend show up at a Pinnacle 2014 lecture: "Anything that's worth doing is worth doing for money."

# But let's be serious and talk about "System Savings"

(...and their corollary, Accountable Care...)

And how they impact your organizations.



Expenditure Savings Analysis (1)  Based on Medicare Rates	Community H	lealth Prog	ram
Analys Number of Pat	is Dates: January 1, 201: ients (2): 74	3 - Decembe	r 31, 2013
\	CHP 9-1-1 Transports to ED		
Category	Base	Avoided	Savings
Ambulance Charge	\$1,668	813	\$1,356,084
Ambulance Payment (3)	\$427	813	\$347,151
ED Charges	\$904	813	\$734,952
ED Payment (4)	\$774	813	\$629,262
ED Bed Hours (5)	6	813	4,878
Total Charge Avoidance			\$2,091,036
Total Payment Avoidance			\$976,413
Per Patient Enrolled			CHP
Charae Avoidance			\$28,257
Payment Avoidance			\$13,195

# But what about the loss of revenues? Expenditure Savings Analysis (1) \$1,356,084 \$347,151 NCEMSC

# Savings don't keep lights (sirens) on.

#### \$3B in Uncompensated Care

"Ambulance services provide an estimated \$2.869 billion in charity and undercompensated care in the U.S. annually.

Yes, you read that right: The nation's ambulance services provide almost \$3 billion in care every year to patients but don't get paid for it; that is more than half of what Medicare pays for our services Troy Hagen, "The Value of EMS" (EMS World, 1 Sept 2012)



Consider California's proportion of annual loss:

About 10% of U.S. EMS transports per year About 10% of \$3 billion financial loss per year About \$300 million in "uncompensated care"









In early 2014, a

summit on

# BTW... "Savings" to WHOM Exactly?

Health Technology and EMS: ASPR Launches Campaign to Improve Pre-Hospital Care



prehospital health info exchange was held just before "EMS Today."











# BTW... "Savings" to WHOM Exactly?

ASPR, HHS, and ONCHIT attended. The one group that didn't was CMS.



Chief Bill Sugiyama asked (paraphrasing): "You're asking us not to transport. Doesn't that mean we *lose* money?"



NCEMSC 10

What is the REAL IMPACT -economic, operational, clinical, financial of Community Paramedicine?









# **Untapped Value of Prehospital Data**

Quality improvement, regional planning data are currently lost (using paper PCRs)

Public Health & Hospital Administration

- · Population health tracking
- · Regional resource utilization
- · Delivery of care inefficiencies

Physicians, Payers & Accountable Care Orgs

- Readmission prevention post-discharge follow-up
- Close the data gap between emergency and outpatient care



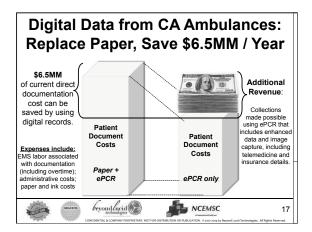






Clinical Impact Difficult to Measure*	
$\wedge$	
Challenging to show causative relationships between individual patients + population metrics	
Current CP/MIH projects are being managed with the help of "jimmied-together" software systems	
Sustainability must be <u>measured</u> , but R-T field data capture and analysis are currently lacking	
"Medical director of one of the country's largest cross-service EMS agencies, and a leading advocate for Community Paramedicine / Mobile Integrated Health. (by phone, 9/2/2014).  13  13  143	
What We CAN Measure (Very Well)?	
Hanny Crows Torn	
PROFIT Happy Crews Less Patient Safety Overtime	
ORGANIZATIONAL HEALTH	
Reduced Less Room in  LEGAL SW445te Rudget	
LEGAL SAFEPY Budget  Fryond Lucid NCEMSC 14	
CONTIGENTIAL A COMMANY PROPRIETARY, NOT DESCRIBBATION OR PUBLICATION. Is seen any by Spread used Technologies. All Eights Reserved.	]
Innovation ≠ Sustainability	
CP/MIH reimbursement is not an option now, so you <i>must</i> find a <u>meaningful justification</u> :	
What are fewer readmissions worth to my hospital?  What is post-discharge care worth to my community?	
Must economically <u>and</u> socially justify a third-party subsidy. (Next: from whom?)	
Note that the appropriateness of the above choices will vary by organization.  15  Considerate a Consideration and Conference	

#### Scale + Savings = Sustainability The key to scale is not building "toys" or implementing technology without a plan. Heads-Slash up to No more Tele-Wall receiving faxes! medicine Times facility The key to scale is acquiring meaningful technology against measureable ROI. beyond Lucid NCEMSC 16



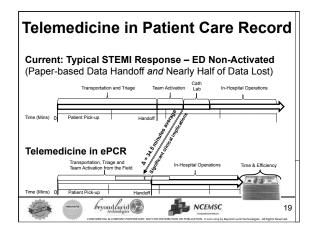
# Operational/Economic Justification

Cutting just 3.5 minutes from the time to digitize (i.e., re-type or scan and review) paper PCRs used in the field today could save California \$6.5MM+ per year.

## These are not clinical costs.

They are administrative <u>waste</u>. Wall times up to 3 hours. Faxes. Scanning. *Can't...read...scribbles...* 



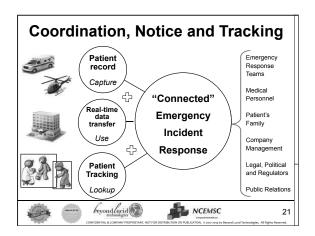


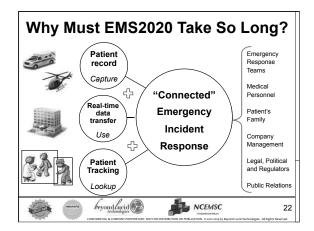
### **Economic Justification**

Save **\$22.54MM** by using prehospital technology to activate ED teams in STEMI/PCI cases.

STEMI patients represent just 1% of EMS transports in California.







#### **SOURCES:**

Mahler SA et al. "Emergency Department Activation of Interventional Cardiology to Reduce Door-to-Balloon Time." Western Journal of Emergency Medicine. 2010 Sept; 11(4): 363–366 [Emphasis added]

Average Cost: Editorial by Alex Macario, MD, MBA. Stanford University School of Medicine. "What does one minute of operating room time cost?" Journal of Clinical Anesthesia. 2010. 22:233-256. http://ether.stanford.edu/asc1/documents/management2.pdf

SFGH Cost: "San Francisco General Hospital OR Efficiency Project Boosts Revenue." National Association of Public Hospitals and Health Systems. http://www.naph.org/ Hompage-Sections/Explore/Innovalions/Staffing-Strategies/San-Francisco-General-Hospital-OR-Efficiency.aspx

American College of Cardiology / CardioSource.
"If You Have Chest Pain or Any Other Sign of a Heart
Attack. Call and Ambulance!" [sic]
http://www.cardiosource.org/en/News-Media/Media-Center/
News-Releases/2011/04/STEMI-Ambulance.aspx

Number of STEMIs in U.S.: Contra Costa County STEMI System Performance Report (2010): http://cchealth.org/ems/pdf/stemi\_0910\_mtg.pdf

46,670 PTs requiring PCI intervention in CA, out of 2,300,000 EMS transport patients. Only 56% of PCI STEMI patients arrive by ambulance. http://www.oshpd.ca.gov/HID/Products/Pat/Discharge/Data/Researc/Reports/Hospipqualind/vol-util\_indicators/pt/2011Vol.pdf

Kleindorfer, Dawn et al. (2006). "Community Socioeconomic Status and Prehospital Times in Acute Stroke and Transient Ischemic Attack." *Stroke*. 37:1508-1513.

Talbot, Rhiannon and Anthony Bleetman. "Retention of Information by Emergency Dept Staff at Ambulance Handover: Do Standardized Approaches Work?" Emergency Medicine Journal. (2007) 24:539-542.

Calculations:
Avg. time savings x avg. hourly O.R rate
Avg. hourly O.R. Rate x 0.575 (34.5 mins / 60)
Time and cost per PCR assumes same cost for CA as in AZ

# At your service...

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# **EMS Technology Impact Overview**

- Expected systemic impact to CA: \$29.04MM annually
- · Impacts two distinct care provider groups:
  - EMS: \$6.5MM Reduced Documentation Expenses
  - HOSPITALS: Expected Range of Reduced Time, Costs

Low-cost hospital:

Mid-cost hospital:

\$22.54MM - Conservative assumption for CA hospitals

High-cost hospital: \$30.05MM

Impact range: \$22.59 – \$36.55MM per year
 Activate EDs on STEMI/PCI calls, make patient intake more efficient, and lower EMS operational expenses.

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