A ROUNDTABLE DISCUSSION

HEALTH CARE INNOVATION

IMPROVING OUTCOMES – NOW AND IN THE FUTURE

As health care innovation and technology have flourished, hospitals, providers and startups have found ways to improve their offerings and revolutionize the industry. It's been said that the current COVID-19 pandemic, despite its many challenges, may ultimately be a catalyst for further advancements. Three health industry leaders shared their insights on innovation and more with Crain's Content Studio.

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Please tell us about your organization and its role in health care innovation.

Nicole J Walker: Baird Capital makes venture capital, growth equity and private equity investments in strategically targeted sectors in the U.S., U.K. and China, especially in medical devices and health care technology. Our goal is to build high-growth companies at the intersection of biology, technology and patient outcomes, which we believe is critical to not only delivering better quality care but also more efficient and economical care.

Kelly Jo Golson: Advocate Aurora Health is one of the 10 largest not-for-profit, integrated health systems in the country. We serve nearly three million patients annually across more than 500 sites of care and employ more than 3,700 physicians and 74,000 team members, driving $13 billion in annual revenue. Advocate Aurora Health was created to transform care delivery and reimagine the possibilities of health by leveraging the value of size and scale to benefit consumers, creating new businesses that provide health-related products, services and digital tools.

Lyndean Lenhoff Brick: Advis is a 40-person consulting team made up of lawyers, health professionals, clinicians, and financial and communication experts. We're nationally recognized for innovation in the regulatory and reimbursement spheres of health operations. We help interpret rules and regulations that favor our clients and the patients they serve. We work every day with Centers for Medicare and Medicaid (CMS) on regulatory interpretation to help our clients run efficient, compliant and profitable facilities or practices. We pioneered the concept of the hospital-within-a-hospital model. Post pandemic, we'll likely help providers develop independent diagnostic testing facilities and seek permanent regulatory waivers for telehealth and 340B drug pricing programs.

Prior to the COVID-19 outbreak, what was the most exciting health trend or development you were seeing?

Walker: Using genomic data to drive more personalized care has been really exciting. This is particularly so in the field of oncology, where data analytics has been helping clinicians better match patients to existing therapies and care plans, and to help pharma better understand potential drug targets. We expect this trend to continue post COVID-19, but what's been interesting is the increased focus on how to run patient clinical trials more remotely. Creating tech-enabled services to support more remote clinical trial management could not only save costs but also increase patient and clinician access to a broader set of trials. It's especially effective in increasing the number of trials sites beyond the footprint of large academic medical centers and into institutions that address more community-based settings, including communities of color.

Brick: Prior to the pandemic, there was a strong movement by some large organizations to directly contract for or even own their own health care; some organizations were buying large physician practices and developing their own hospitals expressly for this purpose. Another development was that of insurance companies covering conditions known as social determinants of health—those that occur in the places where people live, learn, work and play. The pandemic has brought increased awareness of these types of risk factors, making clear to everyone that our current levels of inequality are a danger to our health and national security. While relatively few providers opted to provide these types of supplemental benefits in 2019, the number could increase in 2020.

Golson: Prior to COVID-19, we were on a journey to significantly accelerate our consumer-first efforts, particularly in the digital experience space. We committed to becoming the organization that solved that problem by delivering a simplified, personalized experience that can be accessed anytime, anywhere through a single point of access. Our LiveWell app allows consumers to access personalized wellness information including guided meditation, health news and healthy recipes—and search for convenient ambulatory care sites and physicians. It's also a health hub where consumers can chat with their physicians, schedule appointments, request prescriptions, view diagnostic tests and facilitate virtual visits.

What challenges is the pandemic creating for hospital systems and providers looking to innovate?

Brick: At the moment, many of our hospitals are cash-strapped from the varied effects of COVID-19. Yet the pandemic's aftermath offers a great opportunity for new partners and new models of shared risk and reward to emerge. Out of necessity, I foresee it becoming a lot easier and a faster process to implement new partnerships. Former territorial boundaries and institutional politics will become

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less important. Certainly, telehealth acceptance was swift because of the obvious need. Saving money and proving quality care through whatever means attainable will become the mantra of the next decade. Providers can build on this foundation.

Golson: Financial challenges are real, as is the challenge of regaining consumer confidence. Our purpose calls us to help people live well, which is hard to do when consumers who are fearful of COVID-19 exposure are reluctant to seek the care they need. We recognize that the various messages can be confusing and scary. On one hand, we're telling people the great importance of staying home and quarantining, but we're also trying to educate them that it's safe to come to the hospital or doctor's office when they need care. It's an ongoing challenge.

Are there areas of innovation that may benefit from actions put in place to address COVID-19?

Brick: Yes, and the hospital-at-home model is one example. Sick COVID patients are monitored from home through remote devices. Coupled with periodic on-site medical intervention and other necessary treatments, a new care model emerges.

Golson: The silver lining of COVID-19 is that stay-at-home orders and quarantines have accelerated the adoption of telemedicine. Because we'd already built the framework prior to the pandemic, we were extremely well-positioned to deliver virtual care to consumers when unprecedented global events demanded it. Moreover, the pandemic also challenged physicians to more fully embrace a new care delivery model. To put it in context, we've already surpassed 400,000 virtual visits by the end of May. Before the pandemic, our goal was to provide 25,000 visits through the entire year. Similarly, we now have more than 4,000 physicians providing virtual visits, whereas before COVID-19, our goal was to help 750 doctors facilitate virtual care.

"TELEHEALTH AND VIRTUAL MONITORING WILL BE PERMANENT FEATURES OF THE HEALTH CARE SYSTEM, AFFECTING EVERY ASPECT OF OPERATIONS . . . "

LYNDEAN LENHOFF BRICK, ADVIS

Walker: COVID-19 absolutely changed the discussion within health systems as to their readiness and need to implement telehealth and telemedicine options more broadly across their networks. For the past 20 years, companies and investors wondered what would create a tipping point for adoption. Would it be better economics? A peak shortage in medical staffing? Broader regulations to encourage easier credentialing and billing? Instead, it took a pandemic to change a mindset. Almost overnight, video and telephonic visits became the norm.

How do you see delivery models changing as a result of the pandemic?

Walker: COVID-19 showed us that not only can doctor visits be effectively managed remotely, but so can diagnostic testing. The reality is that care delivery in spaces that are already integrated into the daily lives of consumers makes complete sense. This means integrating more maintenance testing into neighborhood pharmacies or routine exams into the big-box stores that exist in every community. If the ultimate goal is to increase timely access to routine care, then more neighborhood delivery models will be key and COVID-19 showed us the possibilities for implementation.

Brick: Telehealth and virtual monitoring will be permanent features of the health care system, affecting every aspect of operations—from space utilization and primary care office staffing to the patient/doctor relationship itself. There will be an opportunity for health care systems and provider networks to offer patients, regardless of the payor source, something close to a form of concierge medicine. The doctor will always be "in," available to talk to patients and even address many concerns virtually. Access will improve for many but will undoubtedly leave others behind, especially those without virtual connectivity as a result of income, age or cultural disposition.

Golson: We're also expanding our use of other remote and flexible work options. We recognize team members' ability to be more productive and efficient in a remote environment, and we believe a flexible work environment is the way of the future. Another way in which health care delivery is evolving is around the newfound awareness of safety. For years, we assumed that consumers didn't want to hear about the painstaking steps we take to ensure every patient interaction across our system is safe and aligns with the highest possible quality guidelines. Now, people want to know about every safety and sanitizing precaution we're taking. It's something that won't go away for a while and is part of our new reality.

What's the potential for virtual health to improve health outcomes—now and in the future?

Golson: A major opportunity for virtual health is around high-acuity, complex cases that used to only come to the physician's office when they were at risk. Now, thanks to telemedicine, they can stay in convenient contact on a regular basis. When consumers have an established relationship with their doctors and don't allow symptoms to progress to an acute point before scheduling an appointment, health outcomes markedly improve. Beyond these telemedicine visits, we can also use virtual health tools to monitor vital signs such as blood pressure, heart rate and oxygen levels of patients in their homes. We contracted with the state of Illinois to provide this virtual monitoring service to COVID-19 patients who are symptomatic or have been discharged from the hospital and continue to recover at home.

Walker: The cornerstone to better health outcomes is often access and compliance, especially as it relates to chronic disease management for conditions such as heart disease, diabetes and mental health. If virtual health and alternate-site care delivery can increase the number of people who have access to routine care in an easy-to-use format—one that fits into a person's daily routine—then consumers are likely to be more compliant to their care plan. The key step to making that premise work, however, is to ensure that solutions are affordable to the broadest populations.

Brick: While there's huge potential to improve health outcomes for people with chronic diseases and mental health conditions, the path to widespread implementation of telehealth and new health IT will not be easily traversed. Privacy concerns persist regarding the use of existing and potential communications platforms, and poor implementation of telehealth services could generate huge data flows that are neither useful nor easily maintained. Barriers persist to the widespread utilization of telehealth due to past practices and federal regulations. Be that as it may, the push for widespread telehealth coverage has galvanized the health care and tech industries to rethink their IT possibilities.

What's your short- and long-term outlook on health care innovation?

Golson: In the short term, adoption of virtual health will continue to increase rapidly. We'll also begin to look at the possibility of virtual care that extends into behavioral health and well-being, including virtual support groups such as online Alcoholics Anonymous or diabetes management sessions. We'll also expand virtual health to more subspecialties. As we expand, we'll increasingly provide technological and clinical tools such as blood pressure cuffs to consumers in their homes to ensure high-quality virtual visits. Ultimately, more and more care will move from hospitals and outpatient centers into the home environment, just as years ago, care moved from hospitals to outpatient locations.

Brick: The challenge is how to make health care better and cheaper at the same time. We can change the ways consumers buy and use health care, we can tap deeper into technology and create new models of care, and we can build on our successes to generate new business models in their entirety. The health system erects barriers to each of these types of innovation. Because the pandemic has laid the groundwork for a total overhaul of the system, one would think that innovation would become its driving force. But we're also going to be broke, and funding always dictates expectation. Change will occur at a rapid pace for the next decade out of necessity.

Is there a particular technology or other innovation on the horizon that you're especially excited about?

Brick: I'm excited about all of the amazing at-home diagnostics, like cameras you swallow instead of a colonoscopy or an endoscopy, and the ultrasound that fits in your pocket. But to me, innovation in health policy and regulation is equally if not more important. Such innovation in the short term would allow for more cooperation

among all types of providers without regard to antikickback concerns. We should fund model programs of care, make permanent many of the COVID regulatory waivers, create meaningful financial incentives to provide new models of value-based care, and cap the rising cost of drugs. To succeed, long-term innovation must tackle the underlying structural issues.

Walker: We've only begun to scratch the surface on how to mine the millions of pieces of data that our health system collects each year. Advances in computational analysis and machine learning are particularly exciting, as we start to overlay electronic medical record data with claims data—and in some cases continuous monitoring data—to better understand the long-term impact of different treatments for different patient subtypes. Connecting the dots across health systems and physicians not only ensures that the whole patient is cared for most efficiently, but it also helps better identify where treatment innovation is most needed.

Golson: The opportunities created by artificial intelligence technology will be endless. We're particularly excited about early diagnosis and prevention opportunities across medical specialties including orthopedics, cardiology and pediatrics.

What can hospitals and health systems do now to prepare for the continuing pandemic?

Golson: The most important thing health systems can do is reinforce a commitment to safety—and not just for patients, but also for team members.

Many people, especially those in high-risk groups, may be hesitant to come to a hospital or doctor's office right now, but research shows that putting off necessary care can be extremely detrimental to health. Health systems must work to regain consumer confidence and encourage patients to seek needed care while also supporting our frontline team members. We're doing everything we can to educate patients about our Safe Care Promise, which is built around masking, screening, social distancing and enhanced cleaning protocols, to build trust and confidence among patients and team members alike.

Brick: First and foremost, our hospitals need to take care of their staffs. We need these professionals today and tomorrow, and not just for pandemic response but for every other health care need as well. We also need to start thinking about better discharge planning for patients during a pandemic. Many hospitals had nowhere to discharge patients to because their local post-acute facilities refused to accept COVID patients, which caused the entire system to backlog, creating additional expenses. Our hospitals must demand that the federal government reinstate supply chain oversight and management. During the pandemic, it became customary for many providers to pay 10 times more than their usual prices just because they needed supplies. Price gauging rules weren't enforced because nobody had time to do it. We're better than this, at least I hope we are.

How will the health landscape—including innovation—be forever changed by the events of 2019/20?

Golson: The newfound awareness of safety will forever change the health care landscape. For years, we thought consumers didn't want to hear about the painstaking steps we take to ensure that every patient interaction across our system is safe and aligns with the highest possible quality guidelines. Similarly, we thought they didn't want to see the environmental services team members who come in during the wee hours to sanitize. Now, of course, we no longer make those assumptions. People want to know about every safety and sanitizing precaution we're taking. It's something that won't go away and is part of our new reality.

Walker: My biggest fear coming out of the COVID-19 crisis is that stress and health problems created for so many of our health care professionals during the last three months will lead to a higher level of individuals leaving the industry. Our health systems without question require and could benefit from continued innovation, but the care providers will always be the heart of these institutions and none of us can afford to have many burnouts due to COVID-19.

Brick: The pandemic has made clear to everyone that our current levels of inequality are a danger to our health and national security. The health of those on the bottom is especially at risk, and any risk is risk to everyone. There needs to be continued discussion on how providers and regulators—as well as federal, state and local governments—can make structural changes to the social safety net to improve the health care safety net. Big business must play a significant role here, too.

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NICOLE J WALKER, BAIRD CAPITAL

ABOUT THE PANELISTS

LYNDEAN LENHOFF BRICK is founder, president and CEO of Advis, a Mokena-based health care consulting firm. She is a lawyer with three decades of experience in health care law, management, operations and regulatory consulting. Her specialty is innovative revenue enhancement and savings protocols at the intersection of regulation, compliance and provider operations. During the current pandemic, she represented health care systems and academic medical centers in strategic crisis response, assuring patient and staff safety and optimal financial recovery. She chairs the Illinois Hospital Licensing Board and is a frequent lecturer and author on health care topics.

KELLY JO GOLSON is chief marketing officer of Advocate Aurora Health, one of the 10 largest not-for-profit health systems in the United States. With more than 25 years of industry experience, she is responsible for Advocate's consumerism, brand, marketing, digital strategy, public affairs and internal communications. Named one of the "Most Powerful and Influential Women" by the Illinois Diversity Council, she serves in a variety of leadership roles with the American Heart Association. She also is an active member of the American College of Healthcare Executives and the Society for Health Care Strategy and Market Development.

NICOLE J WALKER is a general partner at Baird Capital, the direct private investment arm of Baird that makes venture capital, growth equity and private equity investments in strategically targeted sectors worldwide. She is one of four partners leading Baird's venture capital team, which helps entrepreneurs build innovative, high-growth companies. She has more than 20 years of health care experience, including roles with Abbott Labs as a corporate venture investor. She serves on the boards of the National Venture Capital Association, the Chicago chapter of Women in Bio, and the Mid-America Healthcare Investors Network.