





**Providence**


## Digital Transformation of Healthcare

Prepared for  
**GOVERNANCE INSTITUTE | SYSTEM FORUM**



















**Aaron Martin**  
Executive Vice President and Chief Digital & Innovation Officer

**PROVIDENCE DIGITAL INNOVATION GROUP**

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# Providence

 <b>51</b> HOSPITALS	 <b>1,085</b> CLINICS	 <b>AK</b> PROVIDENCE Health & Services Alaska	 <b>WA</b> PROVIDENCE Health & Services Western Washington including Swedish Health Services and Pacific Medical Centers
 <b>119k</b> CAREGIVERS	 <b>38k</b> NURSES	 <b>MT</b> PROVIDENCE Health & Services Eastern Washington/Western Montana, including Kadlec Regional Medical Center	 <b>OR</b> St. JosephHealth Northern California (Humboldt, Napa, Sonoma Counties), including St. Joseph Heritage Healthcare
 <b>1.2m</b> HOME HEALTH VISITS	 HIGH SCHOOL NURSING SCHOOLS & UNIVERSITY	 <b>CA</b> PROVIDENCE Health & Services FACEY Medical Foundation Southern California (Los Angeles County), including Facey Medical Foundation	 <b>TX</b> St. JosephHealth CovenantHealth West Texas/Eastern New Mexico, including Covenant Health and Covenant Medical Group
 <b>5m</b> UNIQUE PATIENTS SERVED	 <b>16</b> SUPPORTIVE HOUSING FACILITIES	 <b>NM</b>	 <b>hoag</b> St. JosephHealth Southern California (Orange, High Desert and San Bernardino Counties), including Hoag and St. Joseph Heritage Healthcare
 <b>25k</b> PHYSICIANS	 <b>2.1m</b> COVERED LIVES		

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# Health for a better world



## Providence

- Providence is committed to keeping people healthy—mind, body and spirit—by providing personalized care that is convenient, accessible and affordable for all.
- In pursuit of Health for a Better World, Providence is sharing experience and key learnings to help other providers, communities and leaders be ready.



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# Digital Innovation Group

 Strategy & Commercialization

 Product Development

 Digital Experience

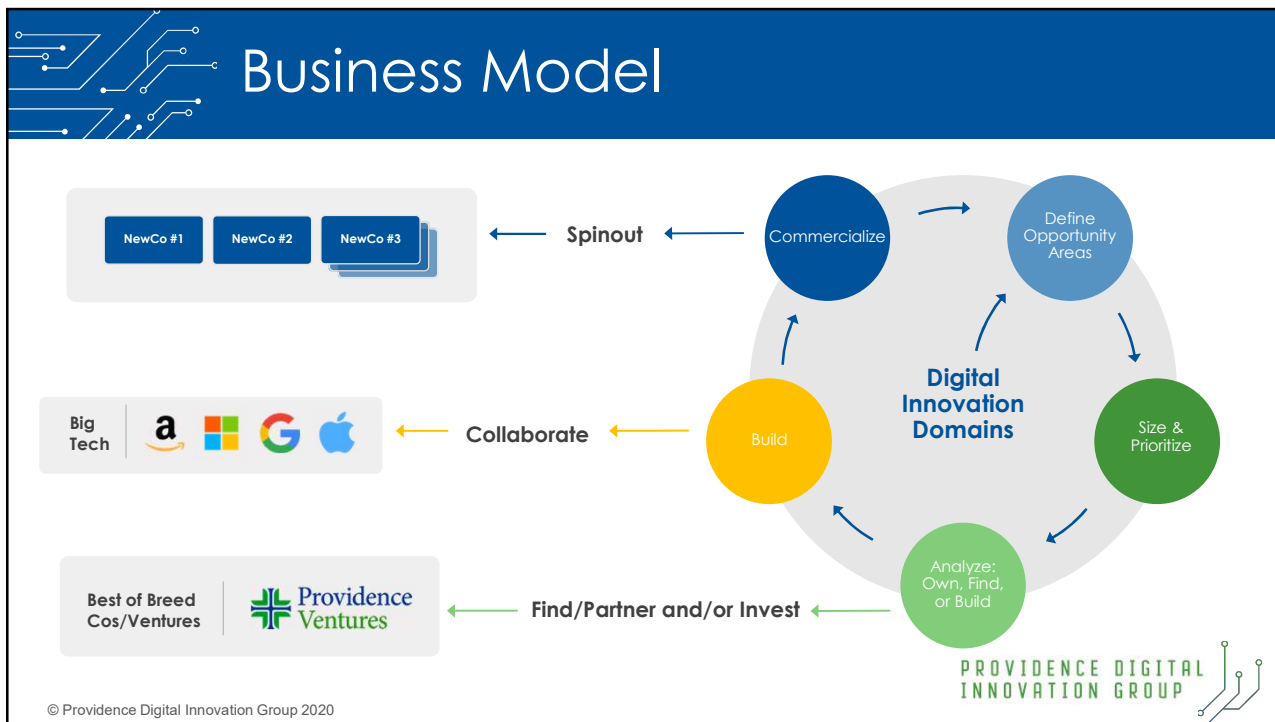
 Marketing

 Providence Ventures



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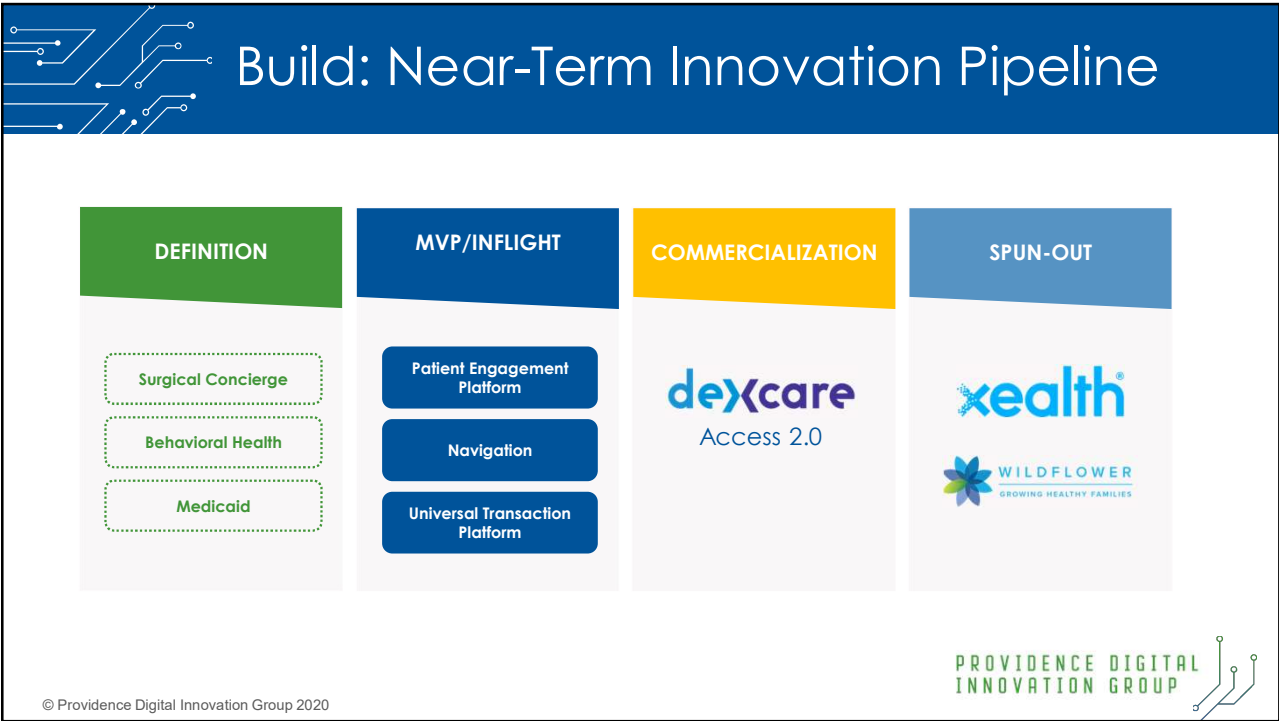
# Ventures

# of Portfolio Companies being used by PSJH = 18/18

<b>QVIA</b>	<ul style="list-style-type: none"> <li>+40 health system members</li> <li>Convening Medicaid Transformation</li> </ul>	<b>LYRA+</b>	<ul style="list-style-type: none"> <li>PSJH selected LYRA as Alaska's EAP</li> <li>EAP solution for major tech co's</li> </ul>
<b>binaryfountain</b>	<ul style="list-style-type: none"> <li>Working w/ PSJH digital marketing on social listening; digital stars</li> </ul>	<b>n of one</b>	<ul style="list-style-type: none"> <li>Serving Providence Oregon Laboratory</li> <li>Sold to QIAGEN (1/19)</li> </ul>
<b>CollectiveMedical TECHNOLOGIES</b>	<ul style="list-style-type: none"> <li>EDIE in WA/OR</li> </ul>	<b>omada</b>	<ul style="list-style-type: none"> <li>PSJH Enterprise Diabetes Prevention Solution</li> </ul>
<b>gaussurgical</b>	<ul style="list-style-type: none"> <li>AI/ML in Surgical Settings</li> <li>Deployed at Hoag, St. Vincent, SJH Orange</li> </ul>	<b>PRESS GANEY</b>	<ul style="list-style-type: none"> <li>Assessing PSJH system-wide ED patient satisfaction performance</li> </ul>
<b>INDEMAND</b>	<ul style="list-style-type: none"> <li>Enterprise on-demand interpretation services</li> </ul>	<b>WILDFLOWER</b>	<ul style="list-style-type: none"> <li>Enterprise Women's Health Platform</li> <li>Big contract wins in payor space; Providers</li> </ul>
<b>iris</b>	<ul style="list-style-type: none"> <li>Multi-clinic expansion underway in NW region</li> <li>Large tech co partnership to address AI</li> </ul>	<b>xealth™</b>	<ul style="list-style-type: none"> <li>LOR, WA, CA primary care</li> <li>5+ Health Systems</li> </ul>
<b>KYRUUS</b>	<ul style="list-style-type: none"> <li>Enterprise PDM solution for PSJH</li> <li>30+ Health System Clients</li> </ul>	<b>Trilliant Health</b>	<ul style="list-style-type: none"> <li>Planning health system footprint using Trilliant data analytics platform</li> </ul>
<b>BOLDER SURGICAL</b>	<ul style="list-style-type: none"> <li>Enabling pediatric surgeons to perform MIS procedures and exploring new robotic offering</li> </ul>	<b>one medical</b>	<ul style="list-style-type: none"> <li>System wide partnership across CA, OR and WA</li> </ul>
<b>twistle</b>	<ul style="list-style-type: none"> <li>Helps providers connect with patients, keeping them on track for faster recovery.</li> </ul>	<b>PROTENUS</b>	<ul style="list-style-type: none"> <li>HC data compliance and monitoring solution</li> </ul>

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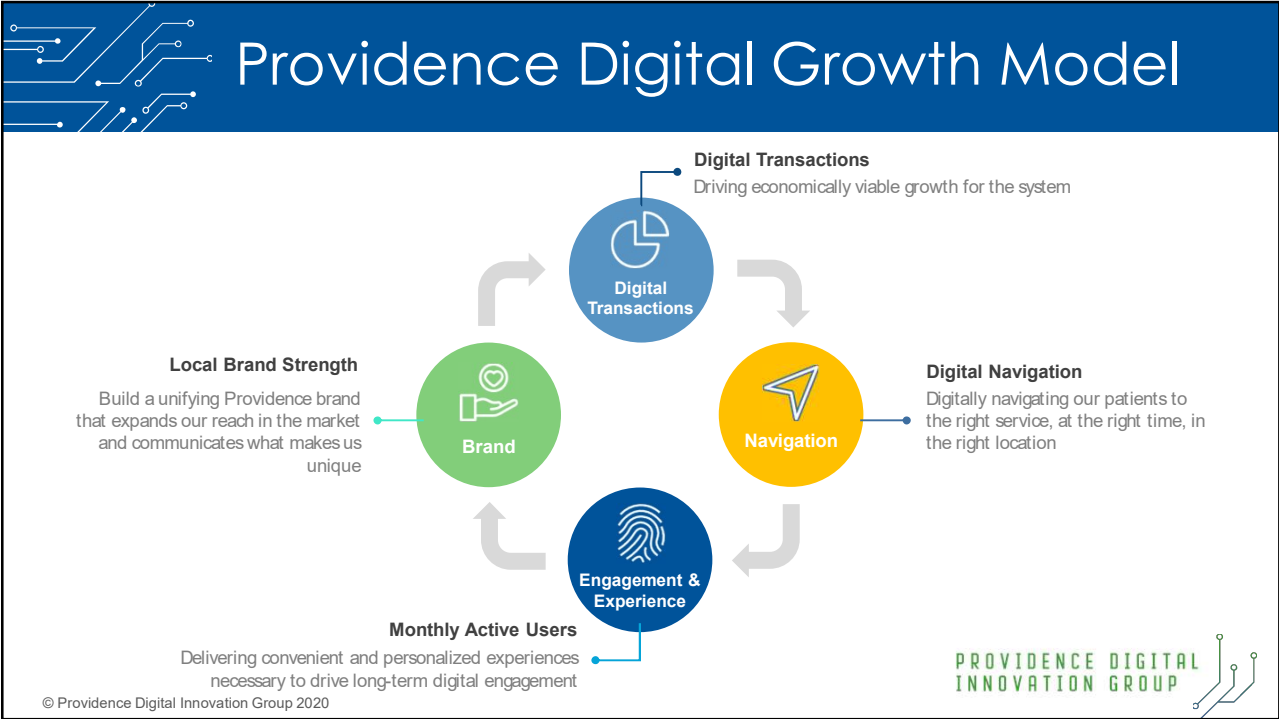
## Digital Innovation Domain: Digital Personalization & Convenience Journey

**Problem:** Disruptors are targeting commercial patients who are digital natives and who fund our mission.

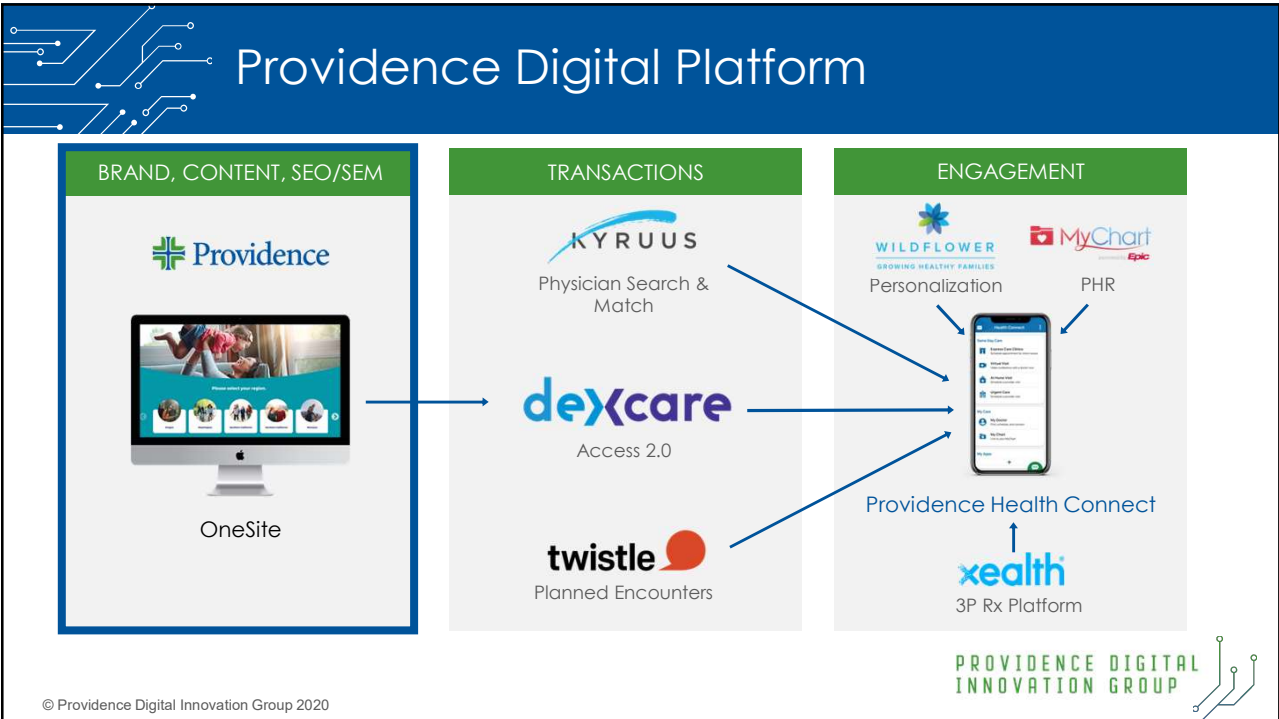
<p><b>Commercially Insured Patients are in the Driver's Seat</b></p> <p>Fund the Mission HDHP "Free Agents"</p> <p>Reimbursement to Cost</p> <table border="0"> <tr> <td>140-150%</td> <td>80-90%</td> </tr> <tr> <td>COMMERCIAL</td> <td>MEDICARE/MEDICAID</td> </tr> </table> 	140-150%	80-90%	COMMERCIAL	MEDICARE/MEDICAID	<p><b>Consumers Demand Digital Convenience and Access</b></p> <ul style="list-style-type: none"> <li>On-Demand</li> <li>Transparent</li> <li>Affordable</li> <li>Digital</li> </ul> 		
140-150%	80-90%						
COMMERCIAL	MEDICARE/MEDICAID						
 <p><b>Health Systems aren't Keeping Pace</b></p> <ul style="list-style-type: none"> <li>Analog – phone, paper, fax</li> <li>~30 Day PCP wait times</li> <li>Opaque, complex pricing</li> <li>Information silos</li> <li>Fragmented care</li> </ul>	<p><b>And New Same Day Care Players are Filling the Gap</b></p> <table border="0"> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td>Big Tech</td> <td>Disruptors</td> <td>Retailers</td> </tr> </table>				Big Tech	Disruptors	Retailers
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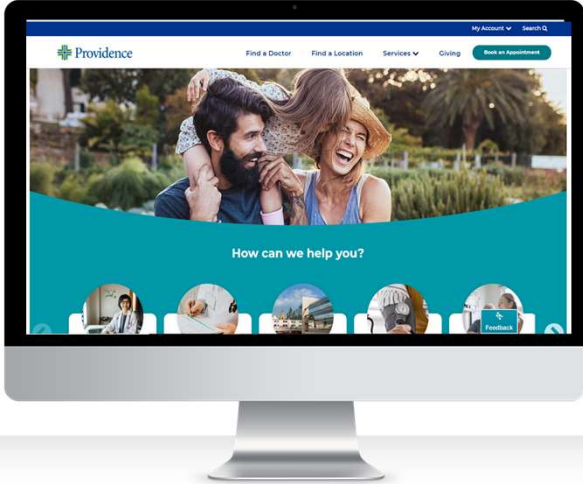


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# Brand, Content, SEO/SEM



## OneSite

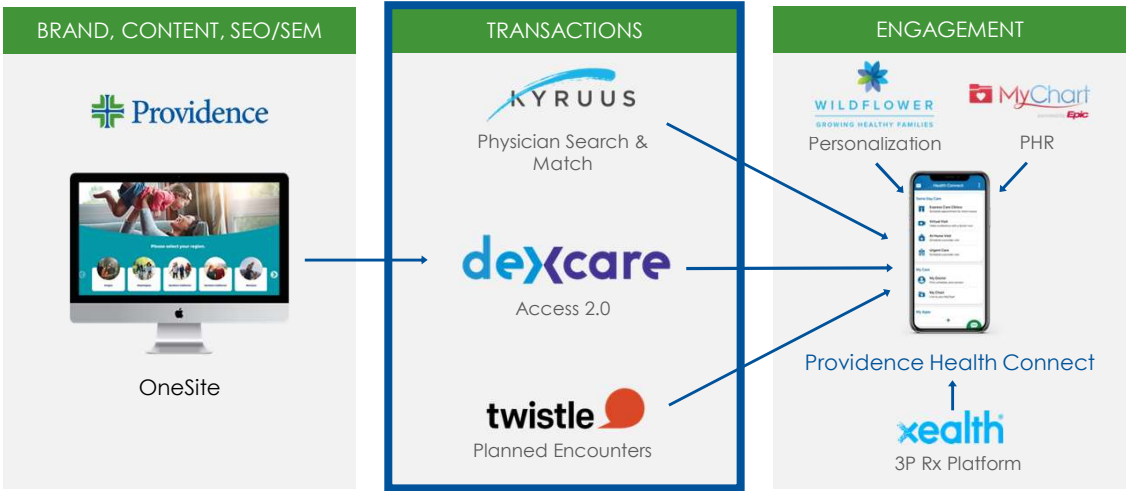
Consolidates websites to gain brand leverage via content investment

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# Providence Digital Platform




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# Transaction Readiness: Provider Search/Match, SEO/SEM



**Rebecca Susan Duke MD - Family Medicine**  
 Family practice physician in Seattle, Washington · 0.9 mi  
 Address: 1600 E Jefferson St Suite 510, Seattle, WA 98122  
 Phone: (206) 320-4888  
 Appointments: swedish.org  
 Reviews from the web: swedish.org 4.8/5 (210 votes), Healthgrades 4.9/5 (8 reviews)

**George Chow, M.D.**  
 Neurology  
 18370 Burbank Boulevard, Suite 107, Tarzana, CA 91356

**Danelle M. Fisher, M.D.**  
 Pediatrics  
 Accepting New Patients  
 Plays Vista Pediatrics  
 12555 West Jefferson Boulevard, Suite 302, Los Angeles, CA 90066  
 Book an Appointment: Monday, Feb 24, 2020  
 12:00 PM, 12:15 PM, 12:30 PM, 2:30 PM, 2:45 PM


**Spencer Wenger, M.D.**  
 Internal Medicine  
 Accepting New Patients  
 Hawthorne Primary Care  
 12618 Hawthorne Boulevard, Hawthorne, CA 90250  
 Book an Appointment: Tuesday, Feb 11, 2020  
 2:45 PM

**Gwen T. Iwasaki, M.D.**  
 Dermatology  
 Accepting New Patients  
 2700 Torrance Boulevard, Suite 300, Torrance, CA 90503

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# Transaction Readiness: Same-Day Care Discovery & Delivery



**DISCOVER**

**REQUEST**

**VISIT-READY**

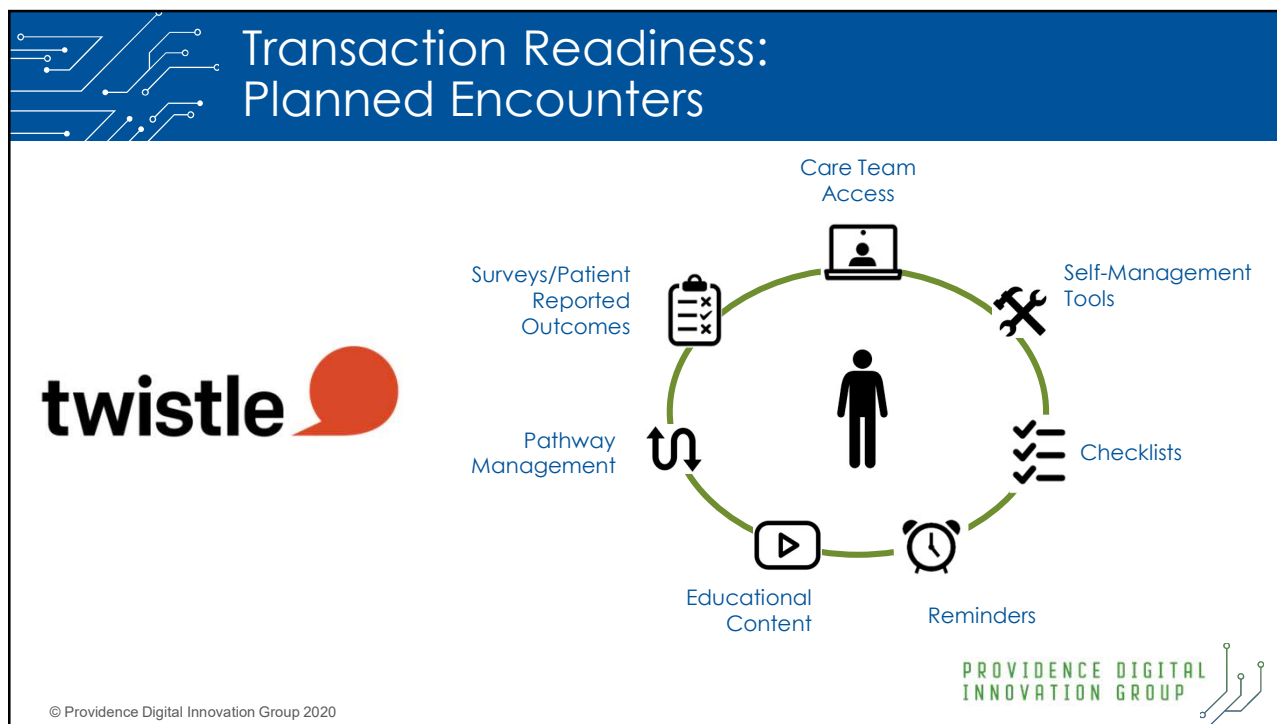
**VIST**

**ENGAGE**

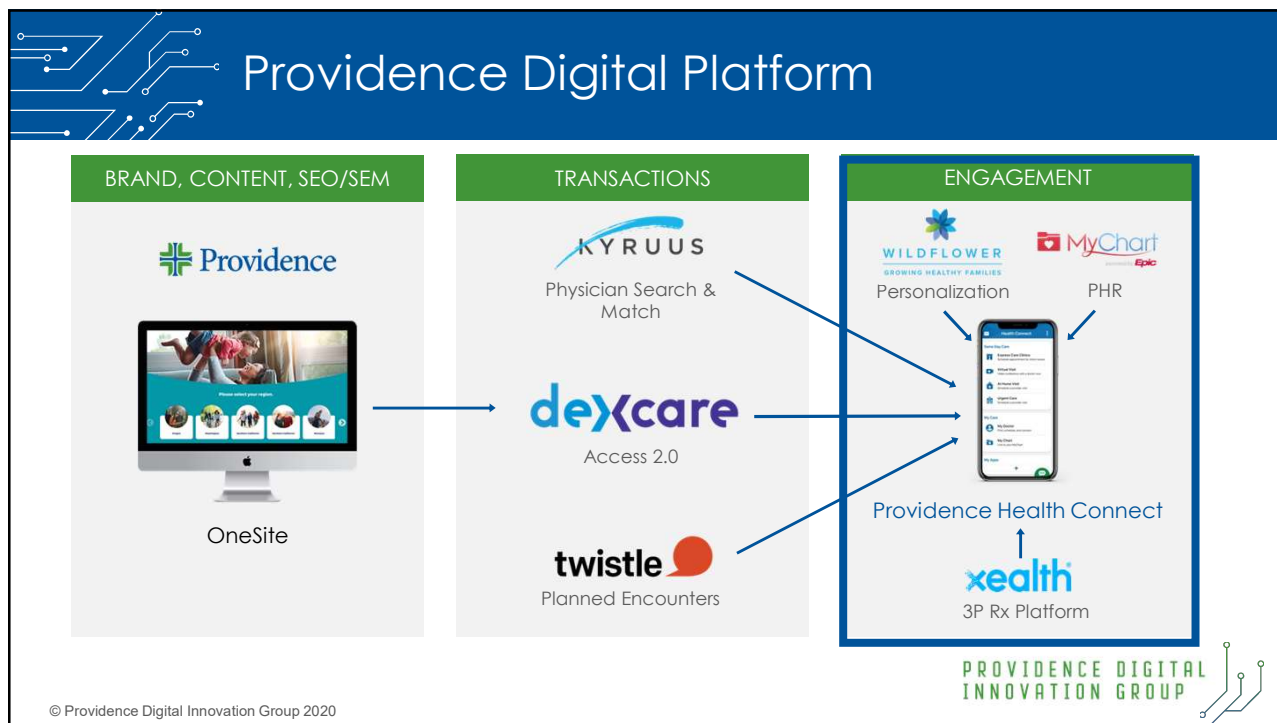
- SEO/SEM/Local  
Optimized
- Scheduled Retail  
On-Demand Virtual  
On-Demand @Home
- Digital Registration  
Online Payment  
Symptom Checker  
Chatbot
- Multi-modal  
(In-person/Virtual)
- Your App + SDK + EMR  
Integration

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# Consumer Engagement: Retaining Consumer & Reducing Churn

High-quality engagement before, after, during and in-between episodes of care increases retention, LTV capture & brand loyalty.

1% Reduced Churn

~\$4B National Opportunity

Source: DIG strategy team fall 2019 analysis

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# Consumer Engagement

Health System patient engagement is low, making the industry ripe for disruption.

High Usage Frequency

Low Advertising Spend

High Advertising Spend

Flywheel Loyalty

Competitive Footrace

Disruption Zone

Big Brand Advertisers

Increase Engagement

Increase Ad Spend

GEICO Auto Insurance

wayfair

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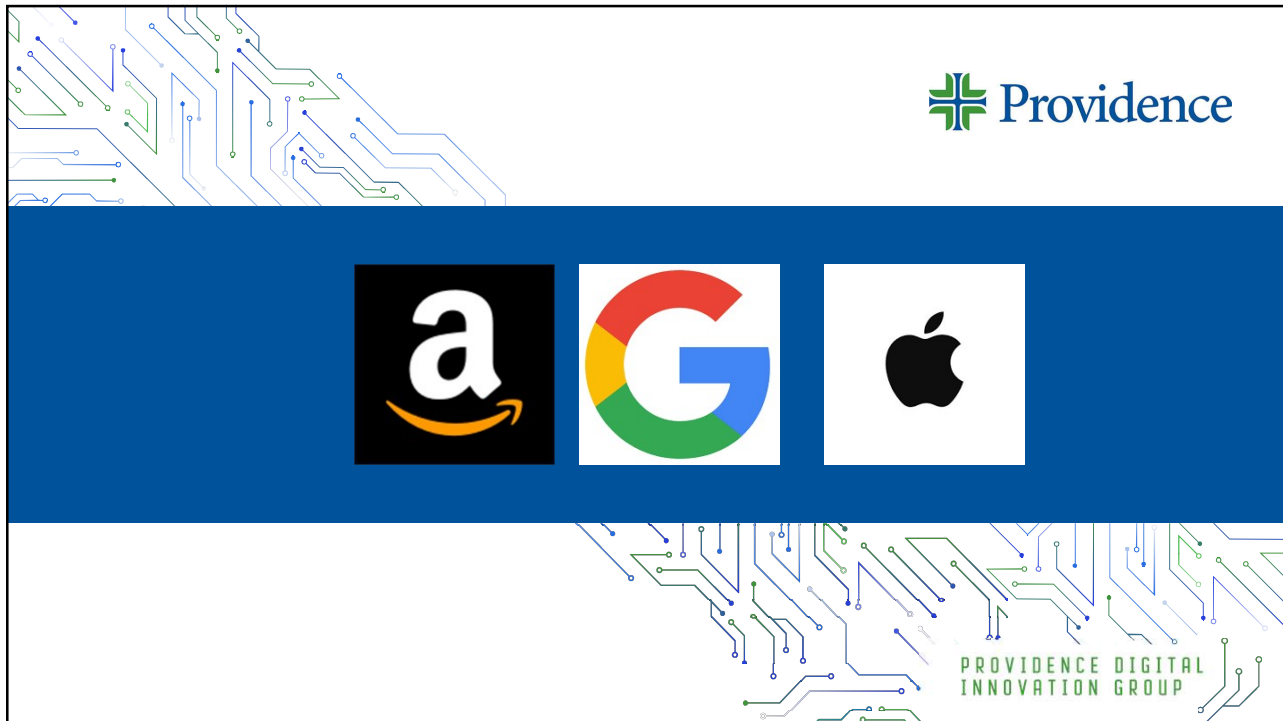
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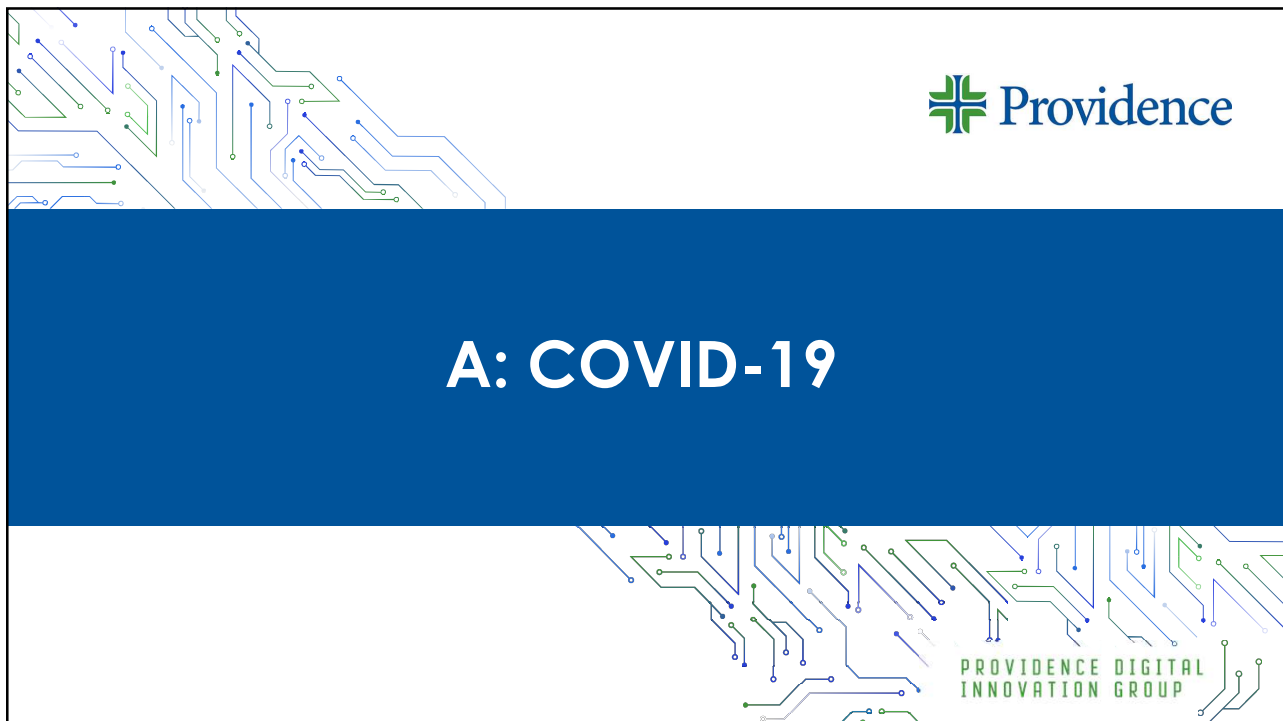
19

Q: Biggest healthcare disruptor of all time?

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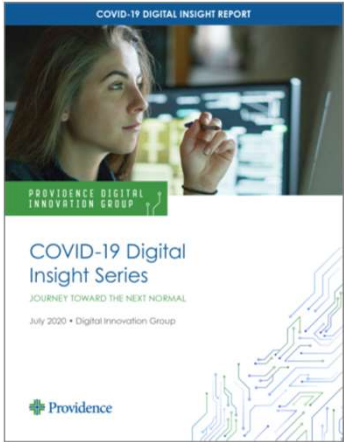
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# COVID-19 Digital Insight Series

Find resources at: [providence-digitalinsights.org](http://providence-digitalinsights.org)



- **Research-based.** Over 100 interviews conducted at all levels and functions within Providence and external to Providence
- **Driving strategy.** Basis for a re-focus of our digital initiatives here at Providence
- **Publicly published.** Publishing publicly to promote collaboration and discussion around the impact of COVID-19 and speed digital technology development and adoption



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# The Framework



## Trends Driving the Next Normal



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# Crisis Response

Mobilizing resources & responding

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**EDUCATE**  
COVID-19 HUB



**ASSESS**  
COVID-19 CHATBOT (GRACE)



**TRIAGE**  
EXPRESS CARE VIRTUAL



**MONITOR**  
AT-HOME TWISTLE & XEALTH



**TEST**  
CENTER AGGREGATION



**OPTIMIZE**  
DEXCARE



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# The Framework

Trends Driving the Next Normal


CATALYST	RESPONSE	FIRST ORDER IMPACTS	SECOND ORDER IMPACTS & OUTCOMES
<p>COVID-19</p>	<p><b>MOBILIZATION</b> Mobilizing Resources &amp; Responding</p>	<p><b>MITIGATION</b> Managing Trust &amp; Safety</p>	<ul style="list-style-type: none"> <li>Distributed Care &amp; Digital Health Acceleration</li> <li>New Workforce &amp; Facility Models</li> <li>Industry Consolidation</li> <li>Extended Supply Chain Models</li> <li>Vulnerable People and Under-Resourced Communities</li> <li>Scalable Behavioral Health</li> </ul>
	<p><b>RECOVERY</b> Resuming Operations &amp; Care Delivery</p>	<p><b>EVOLUTION</b> Business Model Evolution Toward Value</p>	

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# Evolution Business Model Movement Toward Value


**IN ORDER TO SUCCEED UNDER IN AN INCREASED ALTERNATIVE PAYMENT MODEL ENVIRONMENT, THERE ARE SEVERAL POSSIBLE SCENARIOS THAT WILL BE PURSUED:**




Big national payors will increasingly engage in vertical consolidation buying up providers as in the case of United Health Group / Optum



Integrated Delivery Networks (IDNs) with provider-sponsored health plans will accelerate their movement toward risk and increase their health-plan scale



Payor-provider partnerships between payors and health systems who have sufficient networks will form, and closer relationships with regional or super-regional plans will form



Subscale providers without sufficient networks will put themselves "up for sale" as targets for acquisition or partnership to become part of a network with sufficient scale


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# The Framework

**Trends Driving the Next Normal**

CATALYST	RESPONSE	FIRST ORDER IMPACTS	SECOND ORDER IMPACTS & OUTCOMES
 <b>COVID-19</b>	<b>MOBILIZATION</b> Mobilizing Resources & Responding  <b>RECOVERY</b> Resuming Operations & Care Delivery	<b>MITIGATION</b> Managing Trust & Safety  <b>EVOLUTION</b> Business Model Evolution Toward Value	<ul style="list-style-type: none"> <li>Distributed Care &amp; Digital Health Acceleration</li> <li>New Workforce &amp; Facility Models</li> <li>Industry Consolidation</li> <li>Extended Supply Chain Models</li> <li>Vulnerable People and Under-Resourced Communities</li> <li>Scalable Behavioral Health</li> </ul>

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# 2<sup>nd</sup> Order Impacts & Opportunities



**Distributed Care & Digital Health Acceleration**



**New Workforce & Facility Models**



**Industry Consolidation**



**Extended Supply Chain Models**



**Vulnerable People & Under-Resourced Communities**




**Scalable Behavioral Health**

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**Thank you!**

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