

# The Health System in a Digital World: Imperatives & Opportunities



A Governance Institute Webinar

*Moderated by*  
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Partner, Oliver Wyman

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HEALTH

# Learning Objectives

After viewing this Webinar, participants will be able to:



## Virtual expansion

Describe the expansion of virtual care in light of COVID-19 and the the technology, infrastructure, and regulatory changes that made it possible.



## Core strategy

Identify reasons why continuing and increasing focus on digital health post-pandemic and in the long term is an essential component for provider survival and should be core to every hospital and health system's strategy.



## Business model

Explain business and operating model implications for providers to take a leading position in the integration of digital health to serve their patients.



## Board takeaways

List specific action items for boards to implement in the near term to move their organizations further along their digital health integration journey.

# Continuing Education

In support of improving patient care, The Governance Institute, a service of NRC Health, is jointly accredited by the Accreditation Council for Continuing Medical Education (ACCME), the Accreditation Council for Pharmacy Education (ACPE), and the American Nurses Credentialing Center (ANCC) to provide continuing education for the healthcare team.

This activity was planned by and for the healthcare team, and learners will receive 1 Interprofessional Continuing Education (IPCE) credit for learning and change.

**AMA:** The Governance Institute designates this live activity for a maximum of **1 AMA PRA Category 1 Credit(s)**<sup>™</sup>. Physicians should claim only the credit commensurate with the extent of their participation in the activity.

**ACHE:** By attending this Webinar offered by The Governance Institute, a service of National Research Corporation, participants may earn up to 1 ACHE Qualified Education Hours toward initial certification or recertification of the Fellow of the American College of Healthcare Executives (FACHE) designation.



JOINTLY ACCREDITED PROVIDER<sup>™</sup>  
INTERPROFESSIONAL CONTINUING EDUCATION



IPCE CREDIT<sup>™</sup>

**Program level:** Overview · No advanced preparation required

**Field of study:** Business Management and Organization

**Delivery method:** Group Internet based

**Criteria for successful completion:** Webinar attendees must remain logged in for the entire duration of the program. They must complete the evaluation survey and include their name and degree (M.D., D.O., other) at the end of the survey in order to receive education credit. Evaluation survey link will be sent to all registrants in a follow-up email after airing of the Webinar.

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## Today's Moderator



### **Deirdre M. Baggot, Ph.D., RN.**

Partner, Health & Life Sciences Practice, Oliver Wyman  
Faculty, The Governance Institute

Deirdre specializes in developing strategies to transform clients for the shift to value and consumer-centric healthcare across provider and payer clients, as well as health enablement companies. She has developed multiple value-based healthcare provider and payer collaboration strategies, and has engaged in extensive value-based contracting, network design, and joint venture formations between provider systems and payers.

Deirdre is a former hospital executive who spent 10 years in academic healthcare, first at Northwestern Memorial Hospital and later at the University of Michigan Health System. She also is a Former Expert Reviewer, Centers for Medicare and Medicaid Innovation and served as an advisor to NY Medicaid on the development and piloting of eight chronic disease bundles from development to launch. Deirdre holds a Ph.D. from the University of Colorado, an M.B.A. from Quinlan School of Business at Loyola University Chicago where she was a Gregory LaVert Scholar and a Bachelor of Science in nursing (summa cum laude) from Southern Illinois University. In addition, Deirdre received a certificate in healthcare executive leadership from the Wharton School and LEAN certification from the University of Michigan.

## Today's Presenters



### Anne M. Murphy

Partner, Health Care Group, Arent Fox LLP

Anne serves as trusted counsel to healthcare delivery organizations on complex business, regulatory, and risk mitigation projects. With a unique portfolio of industry leadership experience, Anne provides strategic and nuanced legal advice to senior management, governing boards, and investors on health sector mergers and acquisitions, corporate restructurings, facility closings and reconfigurations, service innovations, joint ventures, major contractual initiatives, and other significant enterprise events. Anne also counsels on enterprise risk and fiduciary duties.

Drawing on her decades of combined senior leadership in healthcare organizations, government and law enforcement bodies, and law firms, Anne represents healthcare systems, academic medical centers, clinician organizations, health service companies and their investors, healthcare innovation initiatives, and ACOs and other health value based service delivery vehicles. She is called upon by clients to address novel and high profile matters, and regularly counsels clients on emerging healthcare delivery models in areas such as value-based purchasing, behavioral health, aging in place, health information and technology, and telemedicine.

## Today's Presenters



### **Craig E. Samitt, M.D., M.B.A.**

President & CEO, Blue Cross Blue Shield of Minnesota

Dr. Samitt is responsible for overseeing the strategy and operations of the state's first and largest health plan. Dr. Samitt came to Blue Cross in July 2018 from Anthem, Inc., where he built partnerships within and outside of Anthem to provide new sources of growth for the enterprise and deepened Anthem's relationships and impact across the healthcare ecosystem. He advanced the company's portfolio of provider partnerships and payment innovation models, leading quality improvements in patient outcomes and increasing the delivery of value-based care.

An internal medicine physician by training, Dr. Samitt has worked across multiple sectors within the healthcare industry. His career includes a number of senior executive positions, including President and CEO of HealthCare Partners, a subsidiary of DaVita HealthCare; and President and CEO of Dean Health System Inc., one of the largest integrated health systems in the Midwest.

For nearly 25 years, Dr. Samitt has been a nationally recognized expert and thought leader on healthcare delivery and policy. His record of collaborating across the industry to deliver higher quality care at a lower cost led to him being named as one of the "50 Most Influential Physician Executives and Leaders" by Modern Healthcare in 2018.

## Today's Presenters



### **Shawn Sheffield, M.B.A., M.H.S.A.** Chief Strategy Officer, Keck Medicine of USC

Since joining USC in 2012, Shawn Sheffield has had senior executive oversight of clinical strategic planning, including M&A, business development, contracting/payer relations, and marketing/communications for the health system. Sheffield successfully led an enterprise-wide strategic plan, which led to unprecedented growth and Keck Hospital and Norris Hospital being recognized in the nation's top 20 by *US News & World Report*. She manages Keck Medicine's clinical affiliation relationships and other network partners.

Sheffield previously served as Chief Strategy and Business Officer and Assistant Vice Chancellor of Resource, Strategy, and Planning for UCSD Health Sciences. She joined UCSD in 2006 as the Vice Chair for Administration in the Department of Pediatrics and served at Rady Children's Hospital. She has also held academic leadership positions at UCSF and Johns Hopkins University.

Shawn holds Master of Business Administration and Master of Health Science Administration degrees from Arizona State University. She also completed a certification in Healthcare Executive Leadership from the Wharton School. **Shawn was named as *Women in Health Administration's* Woman of the Year in 2019 & *Los Angeles Business Journal's* Top Women Leaders in Health Care in March 2020.**



## Today's Presenters



### Ran Strul

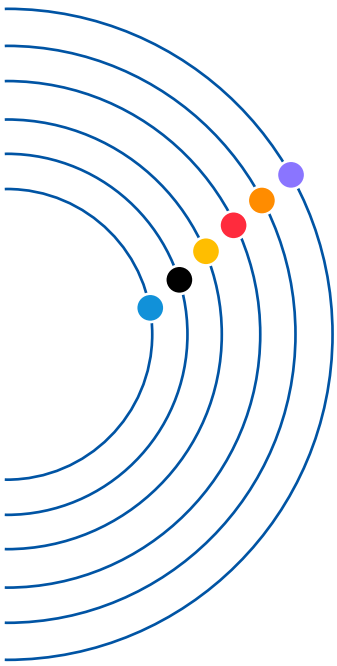
Principal, Health & Life Sciences, Oliver Wyman

Ran works across the payer and provider domains, specialized in the latter. He has assisted health system clients in corporate strategy development, long-term financial projections and scenario planning, optimizing cost structure, igniting growth, and developing bold new future visions and implementation plans.

He has also assisted providers on volume to value transformation including strategy development, integrating existing plans and capabilities, and redesign of primary and specialty care models to become true population health managers.

He has helped clients enable consumer-based innovations such as new “front doors,” focused on a combination of physical and digital ambulatory access points across the communities served, expanding new modalities of care to engage patients in a digital manner and provide personalized access options.

Prior to Oliver Wyman, Ran was with Tefen Management Consulting in Israel and the U.S. Through global engagements across numerous industries, including Healthcare, Ran led project teams in the implementation of business process re-design and the achievement of Operational Excellence. Ran holds a BSc from Shenkar College of Engineering and Design in Israel and a Six Sigma Black Belt certification from the American Society of Quality.



*Twenty years ago we  
“tele-banked.”  
Today we just “bank.”*

*Will healthcare follow?*

# COVID-19 Ushered a Decade of Digital Care Progress in Months

Pre-COVID – adoption stymied by regulation and payment practices



Care Model Innovation

- Prolific innovation (hospital at home, behavioral, monitoring)
- Limited adoption



Regulation and Payment

- Payment disparity
- Limitations on: state-lines practice, patient-type, care setting...



Consumer & Provider Adoption

- Consumers willing to try but never do
- Clinicians wary of quality and workload impacts

Since March 2020:

*The New York Times*

With Red Tape Lifted, Dr. Zoom Will See You Now

THE WALL STREET JOURNAL

Telemedicine, Once a Hard Sell, Can't Keep Up With Demand

FT FINANCIAL TIMES

Transforming telemedicine to combat a health crisis

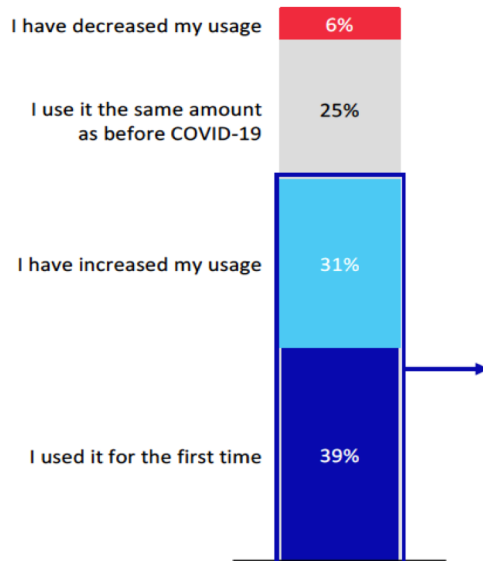
*The Boston Globe*

Could the coronavirus push telehealth to the forefront of medical care?

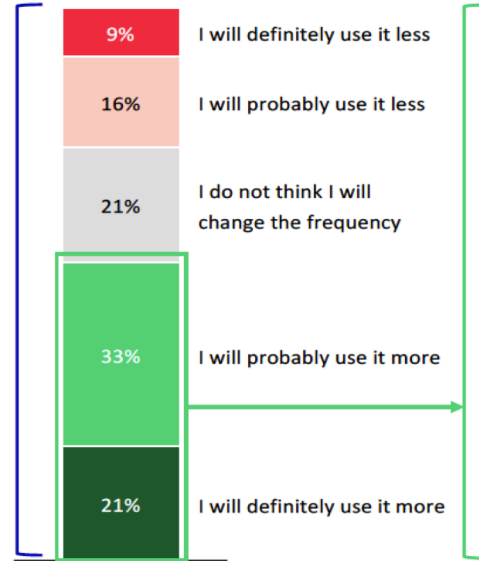
# The trend is likely to continue...

...as consumers realize they can do the same, more conveniently, and at a lower cost.

**How has COVID-19 impacted how much you use telehealth services**  
% of respondents who have used telehealth (n=586)



**How frequently do you think you will use telehealth services after stay-at-home orders are lifted**  
% using telehealth more or for the first time (n = 406)

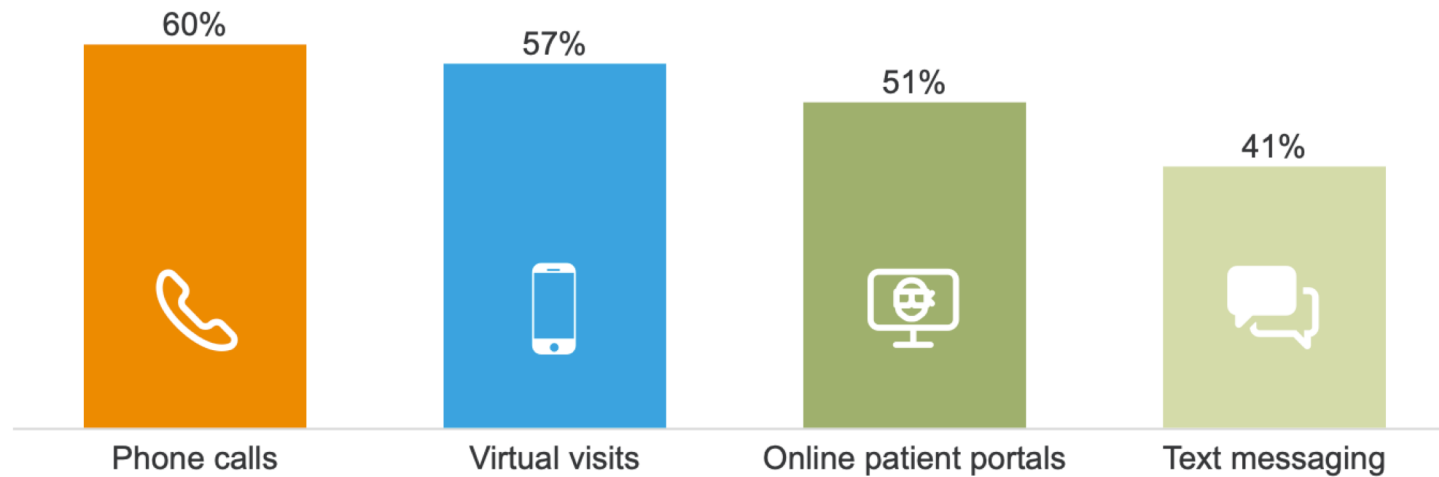


**Why do you plan to increase your usage of telehealth compared to before COVID-19**  
% of respondents planning to increase use (n = 219)

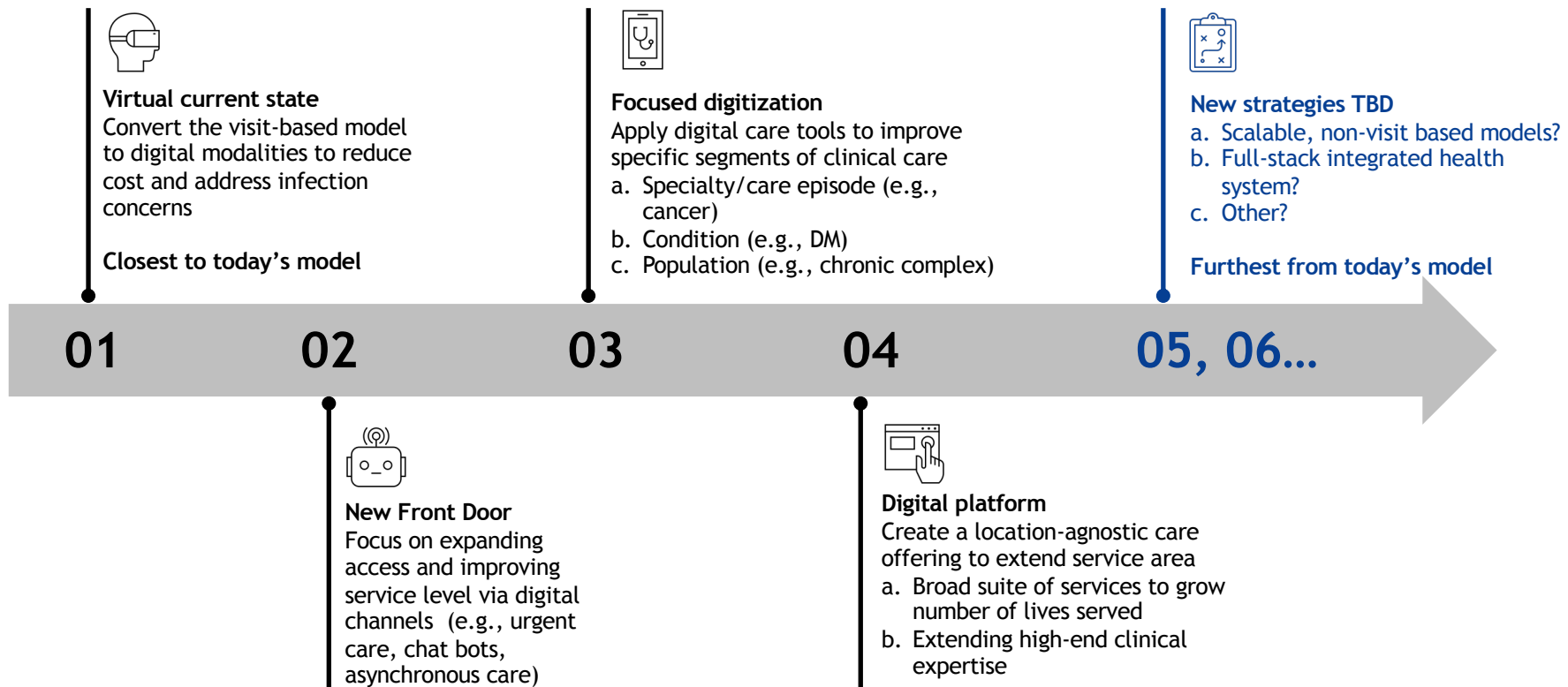
| Reasons   | %   |
|---|-----|
| I am able to save time                                | 61% |
| I am able to accomplish as much as an in-person visit | 55% |
| I feel safer using telehealth                         | 39% |
| I am able to save money                               | 37% |
| My insurance now covers telehealth appointments       | 30% |

## Consumer Desire for Alternative Care Delivery

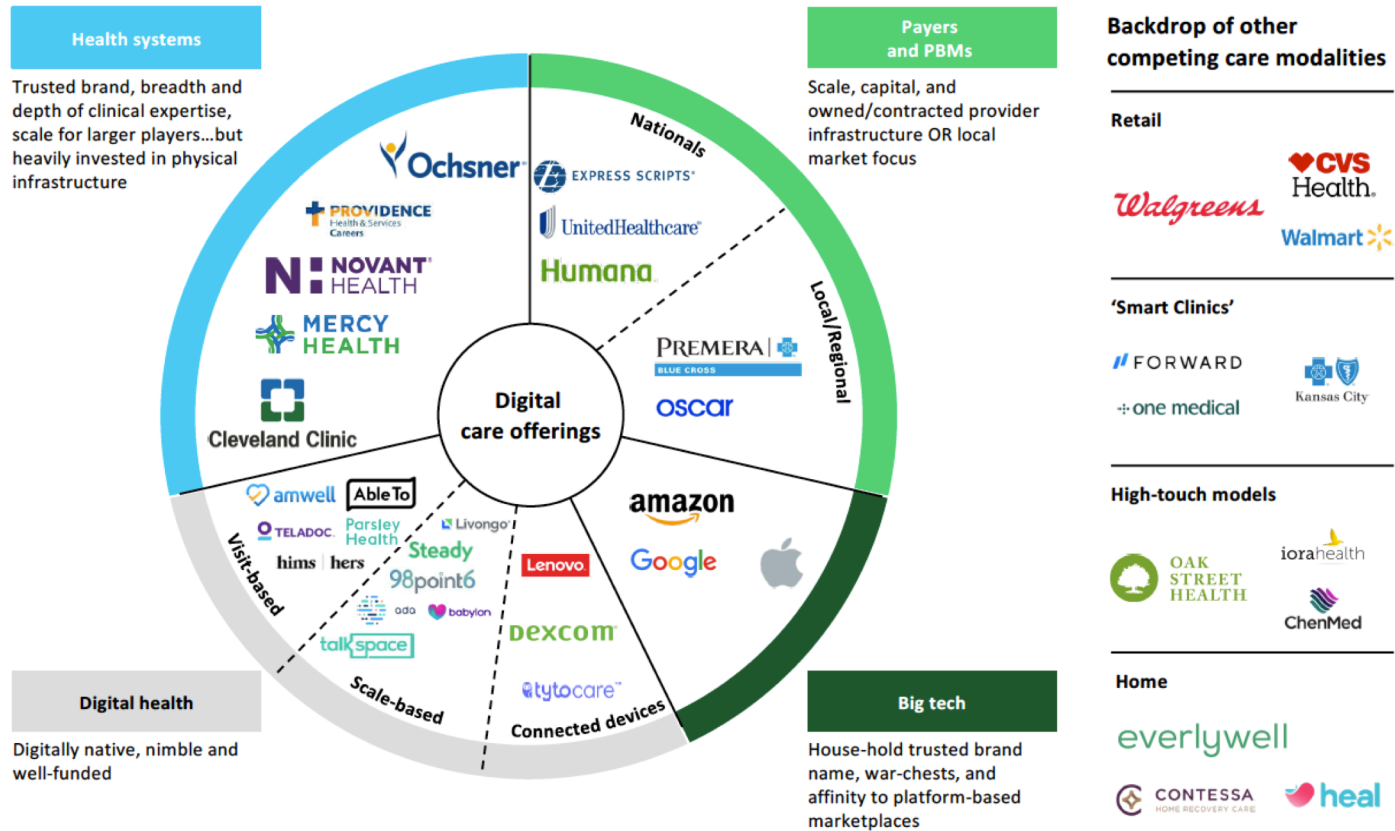
People are somewhat or very interested in using the following modes of communication, instead of attending an in-person doctor's appointment for non-emergency medical needs.



# “Virtualizing” the Current State vs. Other Strategies



# Digital Care Is Ripe for Health Systems to Own; Other Players Will Attempt to Control Pieces of It



# Where Does This Leave Us? Three Key Implications

#1

Digital care, once an after-thought and an addendum to a delivery ecosystem, is now central.

#2

It is here to stay in an expanded, fully intertwined form with care delivery; soon it won't be "tele-health," it will just be "health."

#3

It will impact every aspect of how you run your business, from productivity to CapEx; this needs to be considered now.





# QUESTIONS

## Contact Us...



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