The Blurring Boundaries of Elder Care: Implications for Providers and Patients

By Jim Watson

One hospital found that the $13 per day in-home technology cost for high-risk patients was considerably less than the cost of potential readmissions.

Elder care means different things to different people. But with the silos coming down between healthcare and technology—and growing payments for telemedicine—elder care is becoming even more personalized.

Elder care is moving from hospital to home, and technology is helping make it happen (*It's Time for Candid Conversation on Elder Care*, BDO)

Top Elder Care Investments

In a June 2018 survey, in partnership with *NEJM Catalyst*, The BDO Center for Healthcare Excellence & Innovation asked almost 500 healthcare executives, clinical leaders, and clinicians where they'd focus their investments by 2020 to address the growth of the aging population. The top three investment areas are as follows:

> Home health, 44 percent
> Palliative/end-of-life care, 44 percent
> Geriatric caretakers, 39 percent

Home Health Trends, Challenges, And Opportunities

A shift is occurring toward home health and away from facility-based elder care models like post-operative skilled nursing facilities (SNFs) and long-term acute care facilities (LTACs). Just 12 percent of healthcare organizations said they were investing in SNFs to prepare for the growth

of the aging population, while 7 percent said they were investing in LTACs.

When it comes to home health investment, there's also variation between the Northeast and the West Coast. Of the 44 percent of healthcare companies who said home health is one of the top two segments they will invest in most by 2020, more than half (52 percent) in the Northeast chose home health, compared with 35 percent in the West.

We don't think this means the West Coast is less interested in home health though. Rather, it's likely an indication that the Northeast is ramping up investment to catch up to the West in terms of home health. One reason we think the West Coast has been so far ahead of the Northeast when it comes to adopting home health is its cities have significant traffic problems and poor public transportation compared with those in the Northeast. This makes it no easy feat for an elderly person to make their way across the West Side of Los Angeles or the San Fernando Valley, for example. Home health, empowered by telemedicine, alleviates this complication for seniors when used in conjunction with caregivers or practitioners.

Home health also presents challenges and opportunities.

Challenges. Lack of access, availability of services, and patient acceptance and/or understanding of home health emerging technology and telehealth applications are all challenges providers face when it comes to home health. Rising cybersecurity risks that require providers to focus more on securing patient privacy and data are also a concern.

Opportunities. Under consumer-centric, high-value care, SNFs and LTACs that evolve business models to improve care quality and satisfaction, boost population health, and reduce healthcare costs—whether inside brick-and-mortar facilities or not—will thrive. SNFs and LTACs have an opportunity to transform their service offerings—leveraging technology to do

it—according to providers' evolving focus areas.

In the Northeast, this means refocusing service offerings and expertise to align better with at-home health models in tandem with providers' growing focus there. In the West, where providers said their top segment of investment would be in geriatric caretakers (47 percent), the focus will be evolving service offerings and bolstering recruitment in geriatric specialties.

More broadly, opportunities exist surrounding the deployment of telehealth and virtual health services as well as integration into overall population health management strategies. Telehealth, if aligned with data analytics and IT infrastructure, will be vital to chronic disease management, care coordination, home monitoring, and the integration of patient data into electronic health records. Technology also presents the opportunity to mitigate the social determinants of health that providers say are most critical to improving elder care: familial support (63 percent) and access to transportation (44 percent).

These emerging technologies are even more crucial for rural healthcare providers. Rural hospitals are being forced to close their doors at faster rates than ever before because of clinician shortages and budget woes. Electronic telemedicine capabilities allow improved access to patients and allow community providers to focus their services, reduce their financial burden, and continue to provide necessary care for hard-to-reach patients.

Palliative/End-of-Life Care Trends, Challenges, and Opportunities

Patients increasingly prefer palliative care focused on improving quality of life versus the medicalization of old age. As the consumer-centric transformation of healthcare quickens, seniors' expectations are changing: They're tired of receiving care that focuses just on increasing the number of days left without maximizing the quality of that time. And, with the rise of digital health, their caretakers are armed with better information and more access to

their loved ones to help them have effective conversations around end-of-life care.

Challenges. Lack of benefits coverage and service access, as well as additional out-of-pocket patient costs, present challenges to expanding palliative care.

Opportunities. Opportunities exist surrounding engagement with patients and their families on treatment planning and the deployment of telehealth and virtual health services integration into overall population health management strategy. In addition, a January 2016 Medicare policy has expanded clinician payments for end-of-life care conversations.

Geriatrics Trends, Challenges, And Opportunities

As seniors and their caretakers focus more on improving quality of life, there is a greater need for geriatric caretakers trained to help seniors remain independent for longer.

Challenges. Talent shortages in geriatric specializations, lack of benefits coverage and services access, and additional out-of-pocket patient costs are areas that require attention.

Opportunities. Geriatric care coordination with overall population health management strategy creates new care coordination pathways. Providers that strengthen their investment in geriatrics—including by investing in new ways of recruiting and retaining physicians and caretakers in the space—stand to identify health risk factors before they get to the point of chronic patient illness. In addition, when their patients are already facing chronic illness, they can use geriatric resources, combined with at-home care technologies, to enhance quality of life for seniors.

Tech-Enabled Innovation: What Providers are Planning in Elder Care

Healthcare organizations view technology as a crucial component to shifting more elder care services into the home as well

as improving the quality and safety of that care. With the recently proposed expansion of telemedicine payment under the latest Centers for Medicare & Medicaid Services (CMS) physician fee schedule and quality payment proposal, the adoption of telemedicine and tech-enabled care models will increase.

In the BDO/*NEJM Catalyst* survey, healthcare providers identified home-based care and care coordination as the greatest opportunities for technology to improve elder care (see the exhibit at right).

Survey participants also identified transportation, electronic consultation capabilities, and wearables and sensors as the factors where technology could have the greatest impact on quality of care.

Telemedicine: A Lifeline in Rural Health Settings

For rural healthcare providers facing access to care and other challenges, telemedicine becomes even more of a lifeline. There are many innovative models across the United States deploying telehealth and virtual health for population health management initiatives.

While various aspects of telehealth deployment prove challenging, such as providing non-covered services to the Medicare population, providers have found that the benefits outweigh the risks and that the improvement in patient care outweighs compliance concerns, especially in an era of innovation and population health management.

One forward-thinking Midwestern health system that is on the leading edge of population health management across Medicare, Medicaid, and health plan populations was faced with this dilemma. After careful review and consideration with its compliance department, the health system proceeded with deployment of telehealth applications among its at-risk senior population after concluding that the improvement in patient care outweighed any compliance concerns. Such telehealth and virtual health applications can be deployed across all populations, including accountable care organizations (ACOs), Bundled
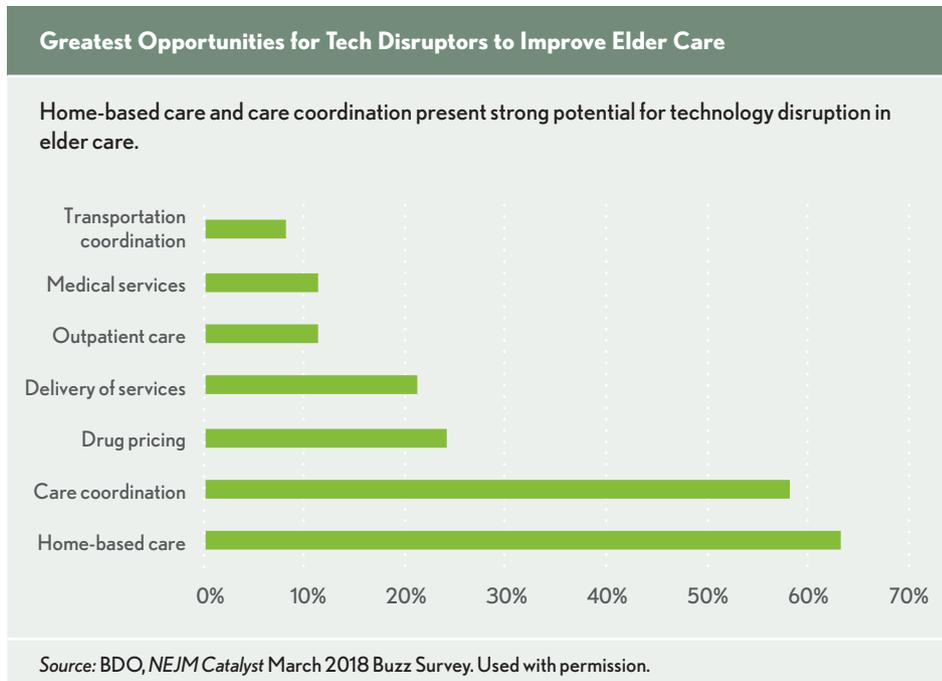
Payments for Care Improvement (BCPI), and other value-based care models.

In-home technology was deployed for patients identified as high-risk for readmissions. The cost of this technology was $13 per day per patient, but the health system's conclusion was that this cost was considerably less than the cost of a readmission, and more important, it was the right decision for patient care. This same health system has deployed another telehealth application that enables patients to use an app to "check in" with vitals and the presence or absence of symptoms. The app then transmits the readings directly into the electronic health record (EHR), where there are early warning systems and other decision-support capabilities, allowing caregivers to identify and engage high-risk patients as warranted by the real-time data.

Future Investments: Alignment of Tech, Benefits Coverage, and Payment

By 2029, seniors will represent more than 20 percent of the U.S. population. They are also the costliest in terms of per capita healthcare spending, at a time when Medicare teeters on insolvency. The deployment of technology applications in telehealth and virtual health has facilitated

an expanded dialogue with patients, payers, and providers.

Technologies like internet-connected door locks, thermostats, smoke alarms, and at-home cameras allow seniors' family members to remotely monitor and care for their loved ones, allowing seniors to remain comfortable at home. Furthermore, telemedicine and remote patient monitoring allows hospitals to provide follow-up care more frequently without the patient having to make their way to an appointment.

While the innovation train has left the station and is hurtling down the track, there are important trends that need to speed along parallel tracks to catch up.

Traditional EHR vendors. Stand-alone apps will continue to provide value, while traditional EHR vendors hustle to catch up with these technologies and integrate them into their platforms. Vendors must realize the full potential of EHRs as one-stop patient care, including management and documentation of that care.

CMS and health plans. Both need to accelerate their coverage and payment policies for the cost and implementation of digital health, as current coverage and payment

---

Greatest Opportunities for Tech Disruptors to Improve Elder Care

Home-based care and care coordination present strong potential for technology disruption in elder care.

Source: BDO, *NEJM Catalyst* March 2018 Buzz Survey. Used with permission.

Impact of Technologies on Improving Quality and Safety of Elder Care by 2020

	Net impact	Significant	Moderate	No impact
Transportation coordination	97%	64%	33%	3%
Electronic or telemedicine consultations/capabilities	93%	56%	37%	7%
Wearables, sensors, or connected devices	89%	43%	45%	11%
Artificial intelligence	71%	21%	49%	29%
Mobile phone apps	77%	20%	57%	23%
Robotics	52%	8%	45%	48%
Virtual reality	38%	5%	33%	62%

Source: BDO, *NEJM Catalyst* March 2018 Buzz Survey. Used with permission.

does not address many of the potential uses of digital health tools. Providers have concluded that the benefits outweigh the costs and have proceeded with deployment of these technologies, especially in population health management models and risk contract populations. The U.S. healthcare system will miss a wave of opportunity if benefits coverage and provider payment policies are not updated to catch up with the care improvements these evolving technologies provide to caregivers and patients.

Patients and caregivers. Both groups will need education around digital health, and providers could offer educational resources to help bridge the generational gaps and existing "technophobia" that sometimes creates barriers to the deployment and adoption of these technologies and tools.

Medicare coverage has always been relatively straightforward. Following rigorous scientific demonstration of efficacy, CMS approves coverage of a service and establishes a billing code. CMS then sets a payment amount for Medicare to pay the provider for that service. However, this process is not as easily executed for new and emerging services such as telemedicine, home care, palliative care, geriatrics, and other growing "supplemental" benefits offered through traditional Medicare or Medicare Advantage plans.

Despite these initial growing pains, CMS has already taken promising steps to help providers overcome these short-term administrative challenges and receive payment for new types of elder care. This trend will only quicken. Continued innovation around outdated payment policies will ultimately enable improved care—and better patient outcomes. **//**

Jim Watson
is a partner in The BDO Center for Healthcare Excellence & Innovation and a member of HFMA's First Illinois Chapter (jwatson@bdo.com).