

Health Services



**Connecting the Health Community
The Next Dimension for
Patient Centered Care**

Vision

**Breakthrough innovations
for health providers worldwide.**

Jon Zimmerman
Vice President
e.Health
23 May 2003

SIEMENS

Objectives

- Develop a Common Understanding of:
 - ▶ Problems
 - ▶ Opportunities
 - ▶ Assets
- Understand How to Align to Address Market Needs
- Build a Plan to Focus Our Efforts in Ways that Matter to:
 - ▶ Providers
 - ▶ Patients
 - ▶ Payers
 - ▶ Government
- Achieve



The Mission:

- To deliver proven outcomes by securely transforming, exchanging and integrating information throughout the entire health community.



Topics

- The Connecting for Healthcare Initiative
- Relationship to IHE
- The Industry Challenges
- Actions
- Assets
- Workflow Approach
- How to Start



A Flood of Data

Clinical data for medical practice is undergoing a fundamental change.

The eHealth Initiative is a public-private partnership aiming to improve Healthcare through Applied Information Technology & Standards

Mission

To drive improvement in the quality, safety, and cost-effectiveness of health care through information technology.

Vision

Consumers, providers and those responsible for population health will have ready access to timely, relevant, reliable and secure health care information through an interconnected, electronic health information infrastructure.

... with the broad participation necessary for success

- **Practicing Clinicians**
- **Hospitals, Academic Medical Centers**
- **Payers**
- **Pharmaceutical companies**
- **Quality Improvement Organizations**
- **Government – CDC, CMS, FDA, State Organizations**
- **Researchers**
- **Independent Software Vendors**
- **Application Vendors**

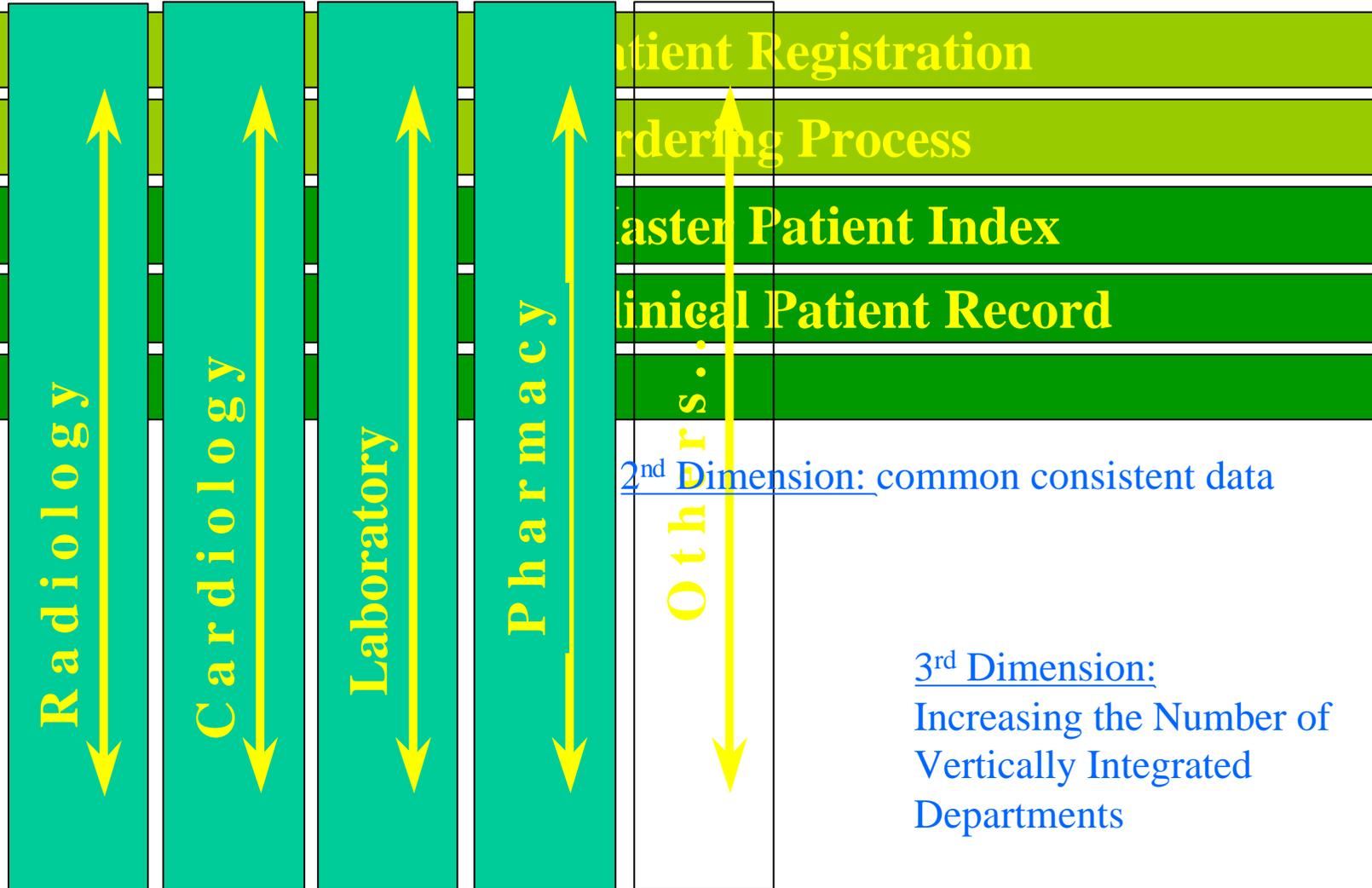
The National Healthcare Collaboration Network is the response to numerous converging environmental pressures in the healthcare industry

- Private industry demanding reform in Healthcare to slow inflation
- Success of technology to transform other industries; the maturation of collaborative technologies and analytical tools
- Public health surveillance being thrust to the forefront of national agenda
- Federal agency focus on informatics as tool for governmental reform
- Leadership from key national stakeholders coming together to promote change

IHE Vision for Growth

A Multidimensional Expansion of Integration

1st Dimension: Workflow inside department



2nd Dimension: common consistent data

3rd Dimension:
Increasing the Number of
Vertically Integrated
Departments

4th Dimension: The Community

Industry Challenges

- Rising Costs & Premiums – Plans & Employers
- Shrinking Reimbursements – Practices & Health Systems
- Malpractice Costs – Practices and Health Systems
- Growing Regulation – Plans, Health Systems & Practices
 - ▶ HIPAA, Patient Safety, etc
- Staffing Shortage – Health Systems and Practices
 - ▶ Physicians, Nurses, Techs, Admin.
- Health & Drug Spend Rising – Plans & Employers
- **Must Have:** Innovation Integrated With Operations
 - ▶ Pure Innovation is Just a Dream
 - ▶ Plain Operations is the Path to Obsolescence

Imperative Actions

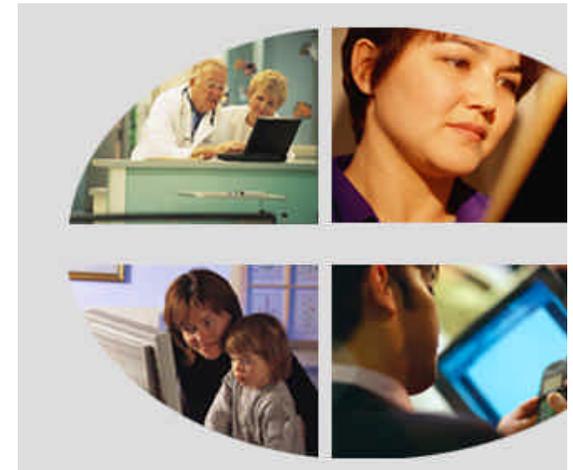
- Improve accuracy without adding complexity
 - ▶ Let the systems communicate to get the right data
- Improve efficiency – Reduce Manual Tasks
 - ▶ Eliminate unnecessary phone calls and paper
 - ▶ Connect intra and inter-entity workflows
 - ▶ Reduce **shared operational** costs
- Improve convenience for all stakeholders
 - ▶ Patients/members drive revenue
 - ▶ Superior patient/member access drives convenience
 - ▶ Convenience helps drive market share
 - ▶ Market share is a measure of competitive success



Imperative Actions

- Standards and reliable technology are vital
 - ◆ Rollout and implementation make or break the value proposition

- Adoption will be the **key** determining factor
 - ◆ Proven, incremental workflow improvements are the best adoption accelerant

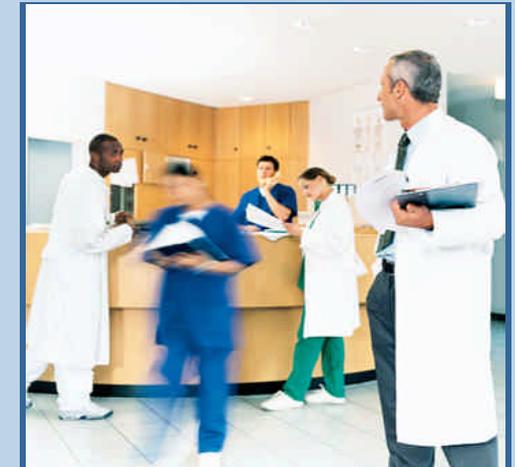


Objective:

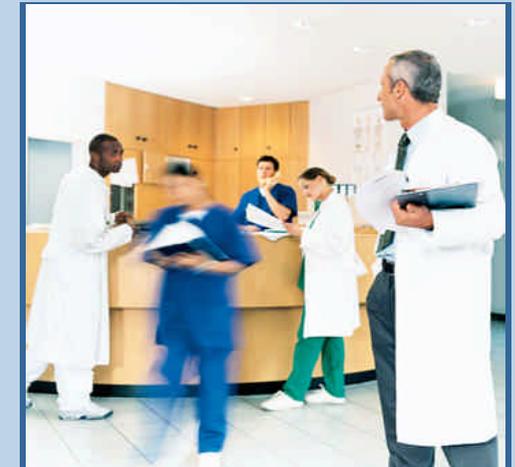
Value via Integrated Business Processes
Delivered via **Networks** of Interconnected **Business Systems** to Serve the Health **Community**

Goal:

Replace \$Billions of Inefficiency
With Systems for Affordable &
Effective Care



Question:
How Do Industry Assets and
Competencies Complement and
Add Enough Value to Our
Customers and Their
Communities
to be Economically Viable?



The Government: NHII

NHII – National Health Information Infrastructure

- Communication Connections Among:
 - ▶ Hospitals
 - ▶ Clinics
 - ▶ Practices
 - ▶ Emergency Response Centers
 - ▶ Government Health Agencies
 - ▶ Health Plans
 - ▶ Community Clinical Providers
- Used for Commercial and Public Health Purposes Today
- Immediately Expandable to Respond to Emergency Situations

Eight Areas of Focus

1. privacy & confidentiality
2. architecture
3. standards & vocabulary
4. safety & quality
5. financial incentives
6. consumer health
7. homeland security
8. research & population health

Back to the Business.....

Current and Intended Uses

- **Current Commercial**
 - ▶ Clinical Data Access & Transaction Processing HL7 & XML
 - ▶ Standard Vocabulary & Translation Engine SNOMED
 - ▶ Administrative Simplification X12
- **Current Public Health**
 - ▶ Disease Reporting & Adverse Events
 - ▶ Disease Surveillance (Limited) LOINC, HL7 & XML
- **Future Commercial**
 - ▶ Expanded Clinical Data Access
 - Using Standards to Drive More Information to More Authorized Points of Presence
 - ▶ Better Integrated, More Simplified Administrative Uses
 - ▶ Automated, Standard Quality Performance Reports HL7 & XML for
- **Future Public Health**
 - ▶ Expanded Disease Surveillance & Emergency Response Denial Avoidance
& Care
Management

Drivers & Levers

Drivers

- Economics
- HIPAA
- Medical Specialty Societies

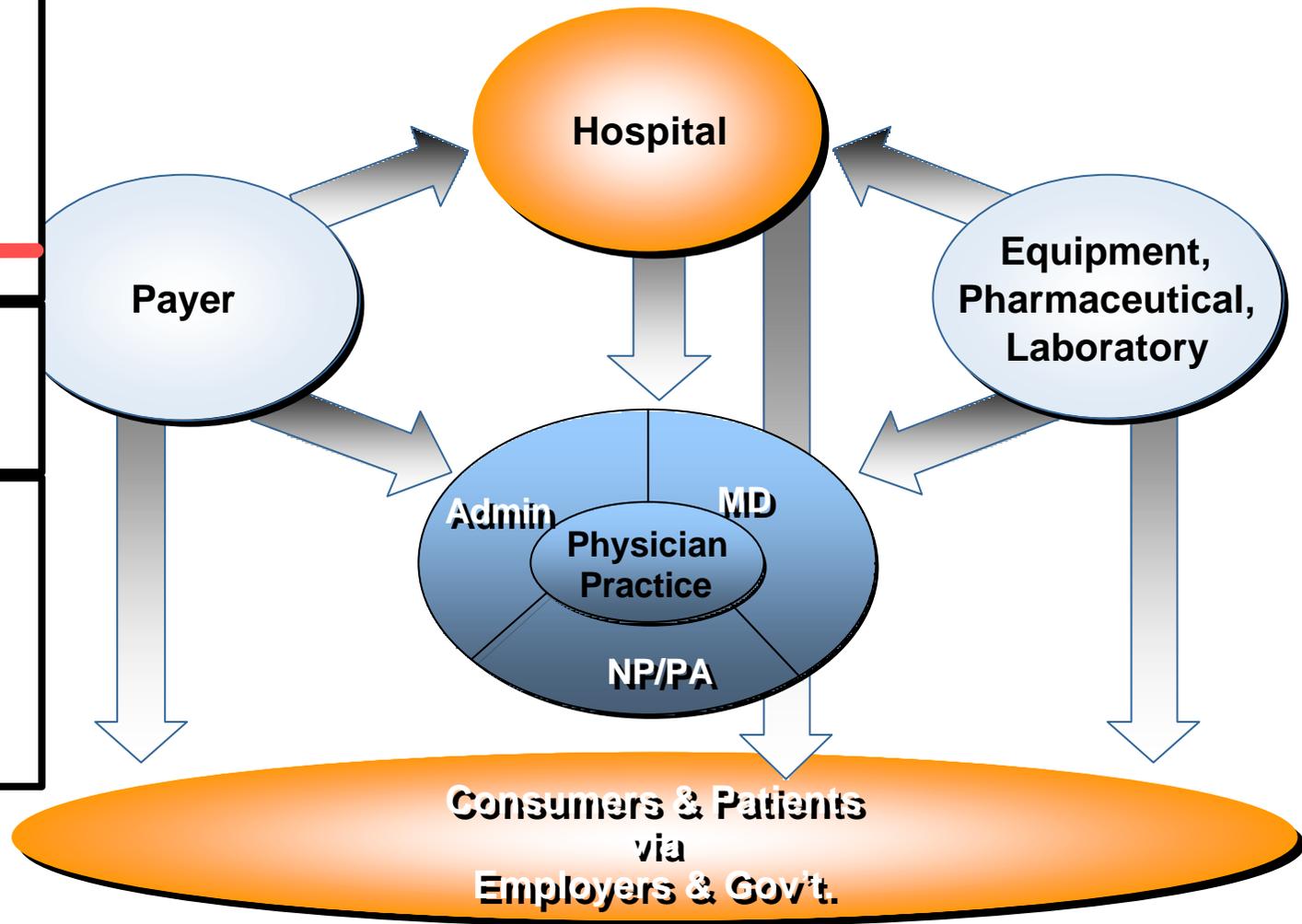
Levers

- Standards
- Technology
- Health and Human Service



Follow the Flow

Transactions Documents Portals Phones/Faxes
30 Billion / Year
Revenue Cost Quality Compliance



Rational Business Framework

HEALTH SYSTEM AUDIENCES

O
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	Practices	Patients	Plans
Top Line Growth			
Profitability			
Quality User Experience Business Efficiency			
Compliance			



Rational Business Framework

HEALTH SYSTEM AUDIENCES

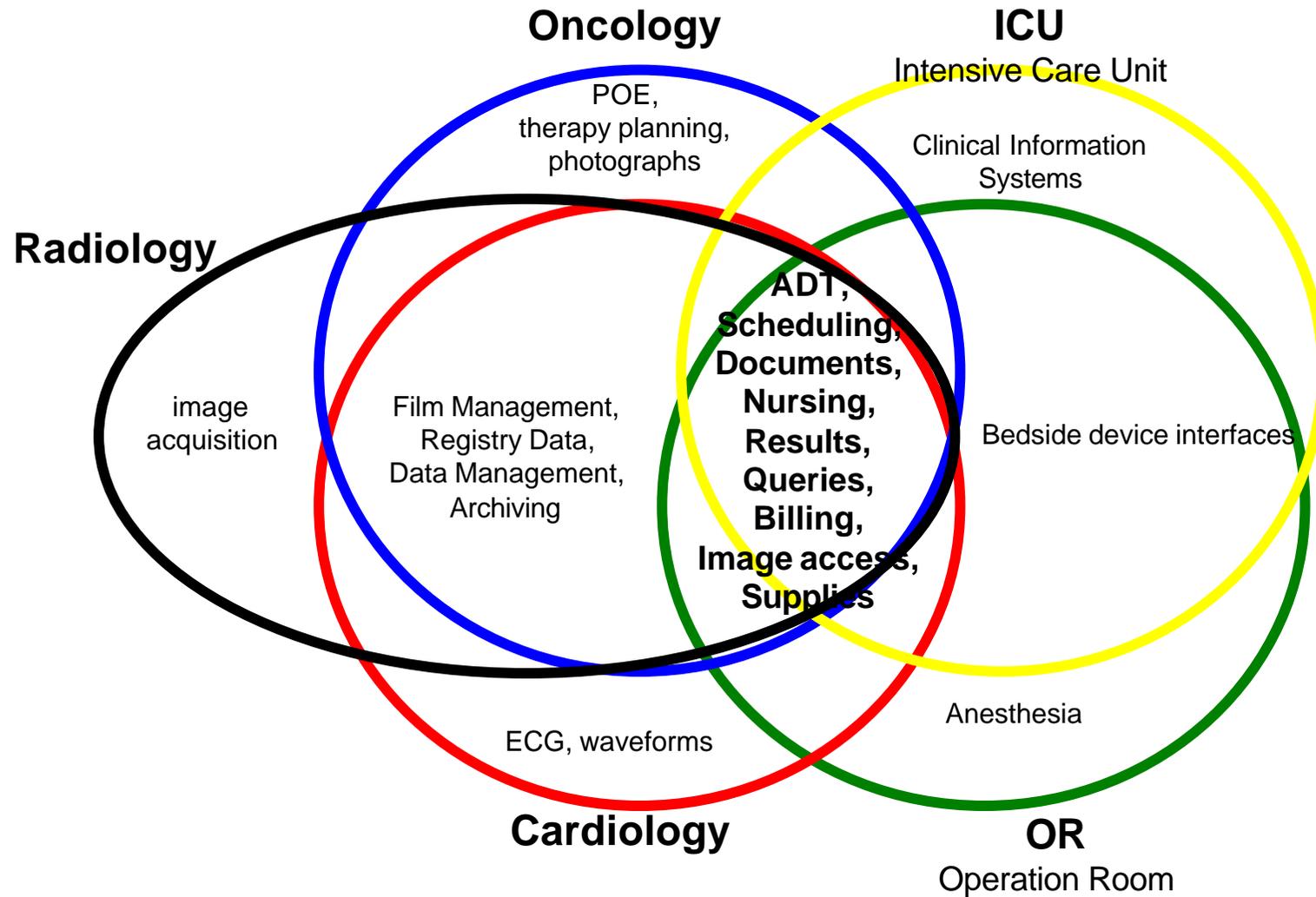
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	Practices	Patients	Plans
Top Line Growth	<p>Transactions Electronic Documents Clinical and Administrative Portals Secure Messages & Infrastructure Screening / Monitoring System</p>		
Profitability			
Quality User Experience Business Efficiency			
Compliance			

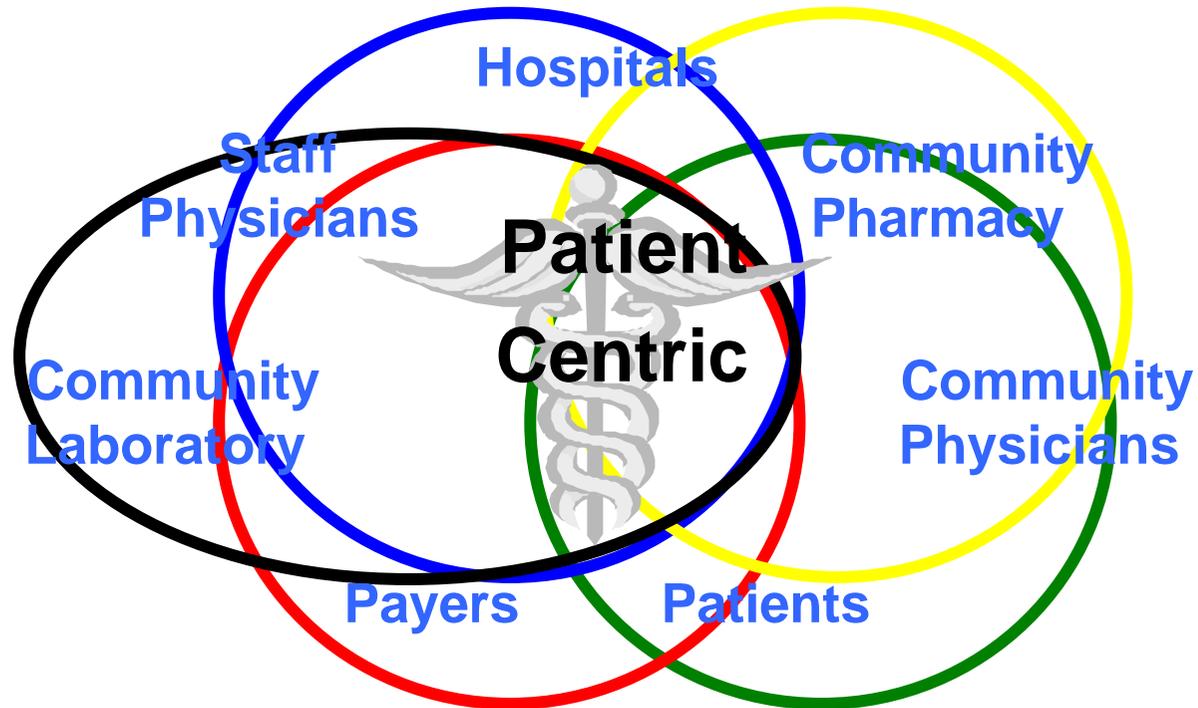
Business Process Driven Integration:
Revenue Cycle
Health Information Management
Practice Affinity
Patient Affinity
ELIMINATE PAPER AND PHONE CALLS!



IT-Functionalities of departments overlap



IT Functionalities Meet the Community



IT Functionalities Meet the Community

X12 & XML & NCPDP

Access & Discharge

XML & HL7 & DICOM

Encounter / Diagnose

HL7 & CV & DICOM

Information + Knowledge = Order

HL7 & CV &
DICOM & CDA

Observe + Monitor = Order, Test & Document

X12 & XML & ACH

Collect, Process, Bill, Process, Re-Process, Settle

Hospitals

Payers

Patients

IT Functionalities Meet the Community

X12 & XML & NCPDP

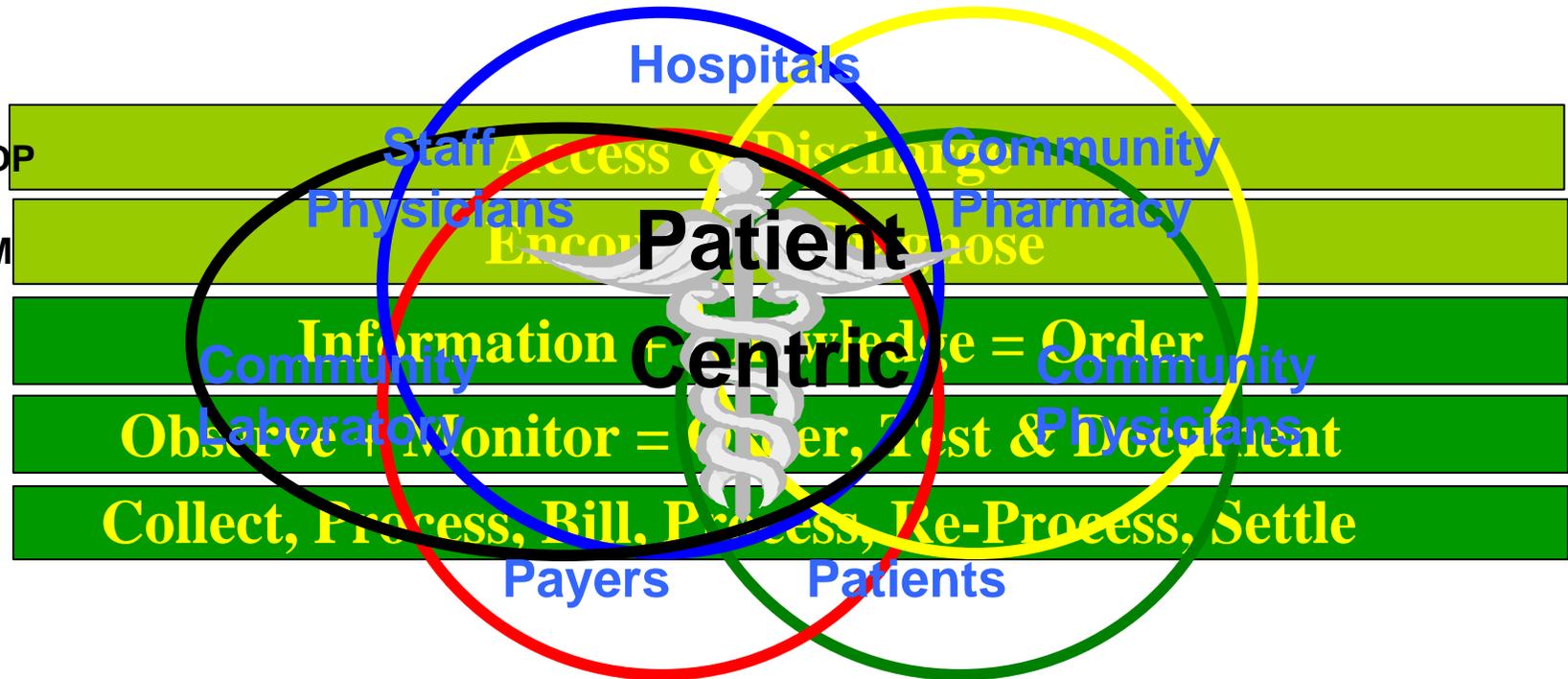
XML & HL7 & DICOM

HL7 & CV & DICOM

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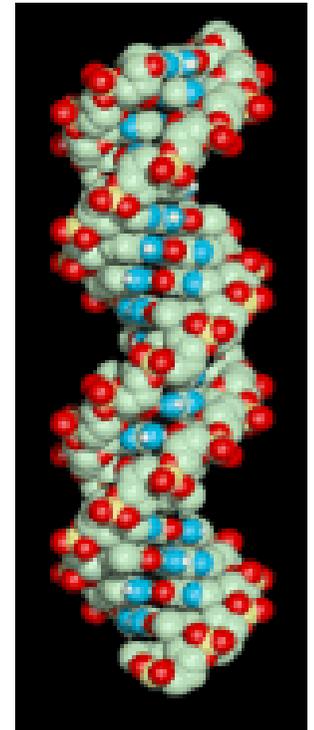
DICOM & CDA

X12 & XML & ACH



HIPAA

- Changes All Billing Transactions & the Revenue Cycle
- Establishes Standards & Use Cases
- Drives Data & Privacy Protection
 - ▶ To Facilitate Confident Use of Networks
- Enables Interchange
 - ▶ Business & Research
- Sets the Platform for Clinical Interchange
- We Still Need a “Standardized Use of Standards”



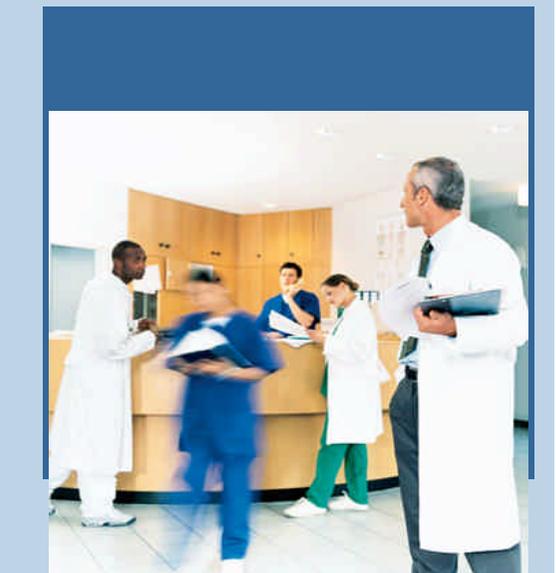
Medical Specialty Societies

- Centers of Physician Trust
- Very Strong Market Power
- Building Systems Momentum
- Assembling for Leadership and Self-Sustaining Systems Solutions



Technology Leaders & The Internet

- Ubiquitous, Distributed Computing
- Used and Developed Open Standards
- Unleashed Physical Connections
- Unleashed Innovations
 - ▶ Business Implosions
- Unleashing Integrations
- Workflow Integrations Will Drive Sustainability
- Standards and Use Cases Will Drive Meaningful Integrations



Health and Human Services

- Experienced Action Oriented Executive Leader
- Root Cause Identifier
 - ▶ Preventive Care
 - ▶ Chronic Disease
 - ▶ Standards
- Pay for Proof
 - ▶ Differentials on Quality
- NHII
 - ▶ Business, Public Safety, Fiscal Responsibility
- Pushing Congress to Act
- The Department's Clear Support of eHI



Engineering a Better System

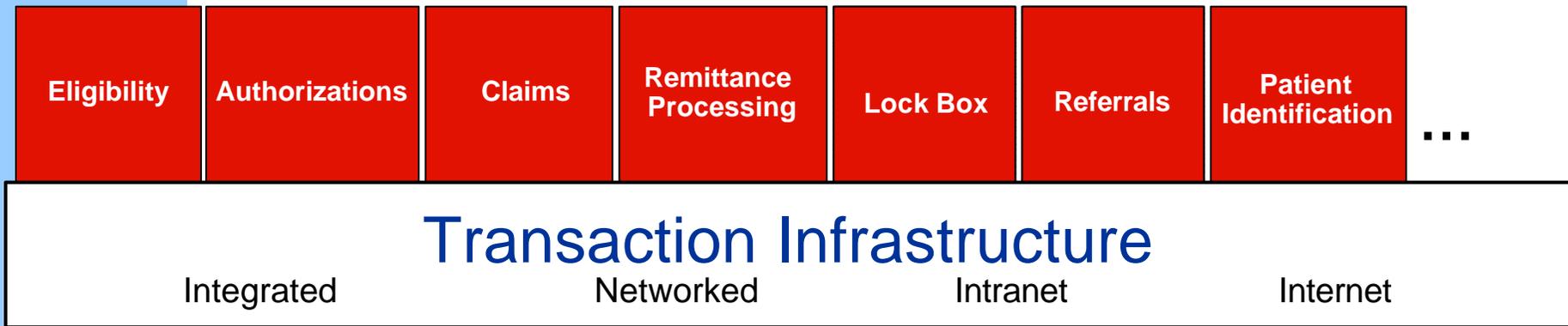


A Flood of Data

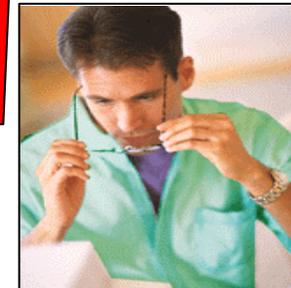
Clinical data for medical practice is undergoing a fundamental change.

“Incrementalism”

Connections for Payers: Administrative Transaction Services



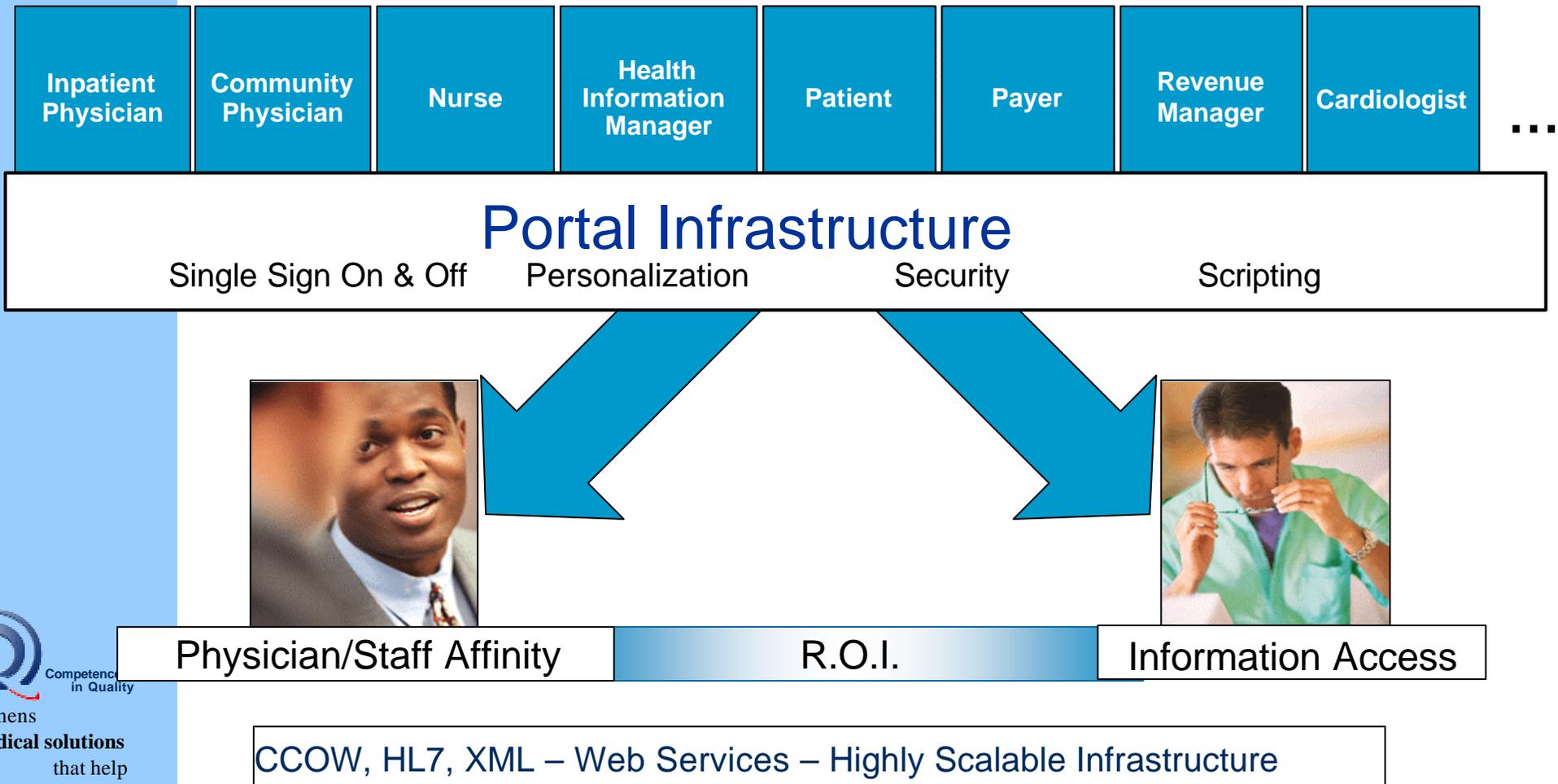
Revenue Optimization



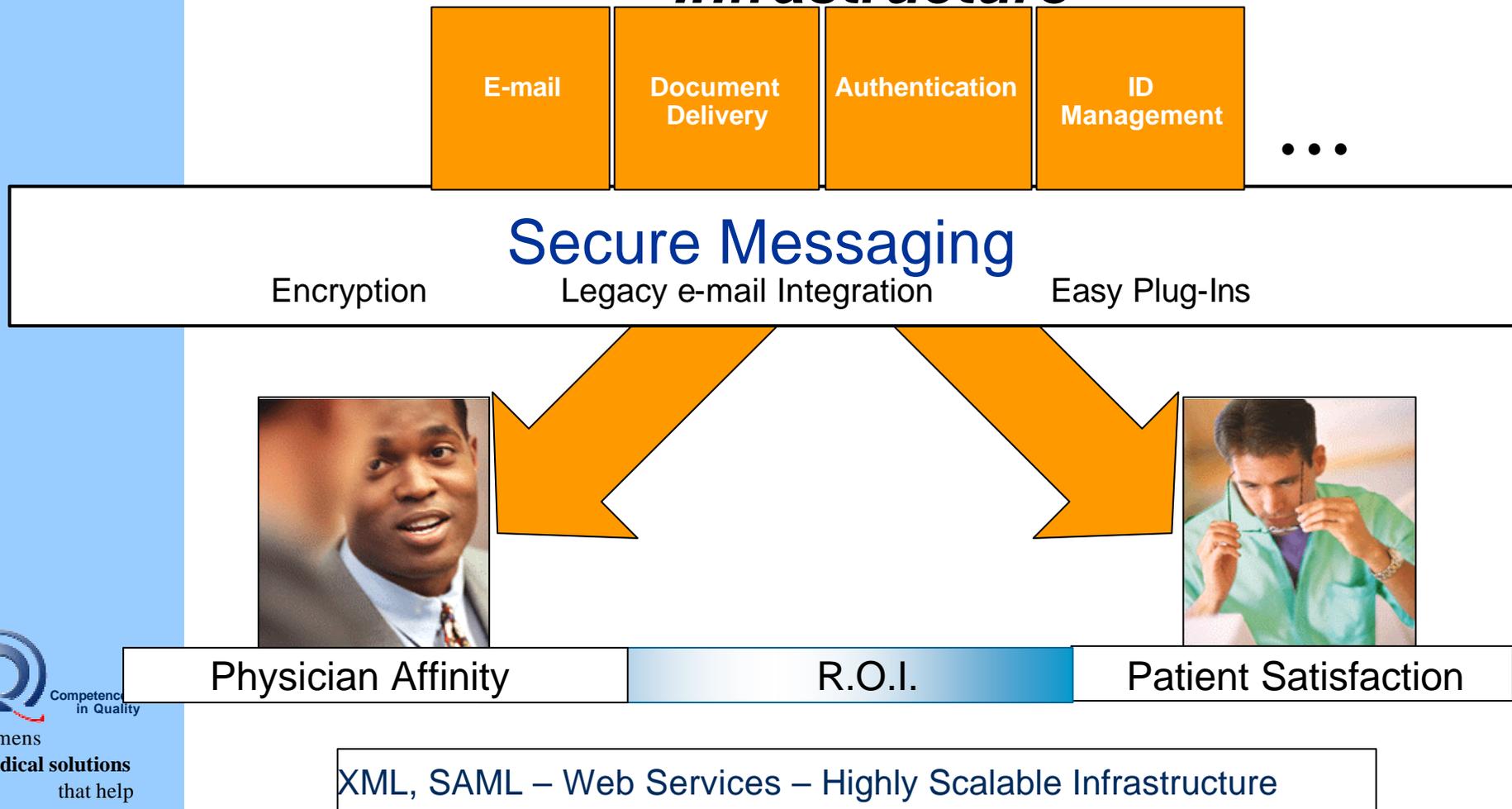
Compliance(HIPAA)

X12 – XML – HL7 – Web Services – Highly Scalable Infrastructure

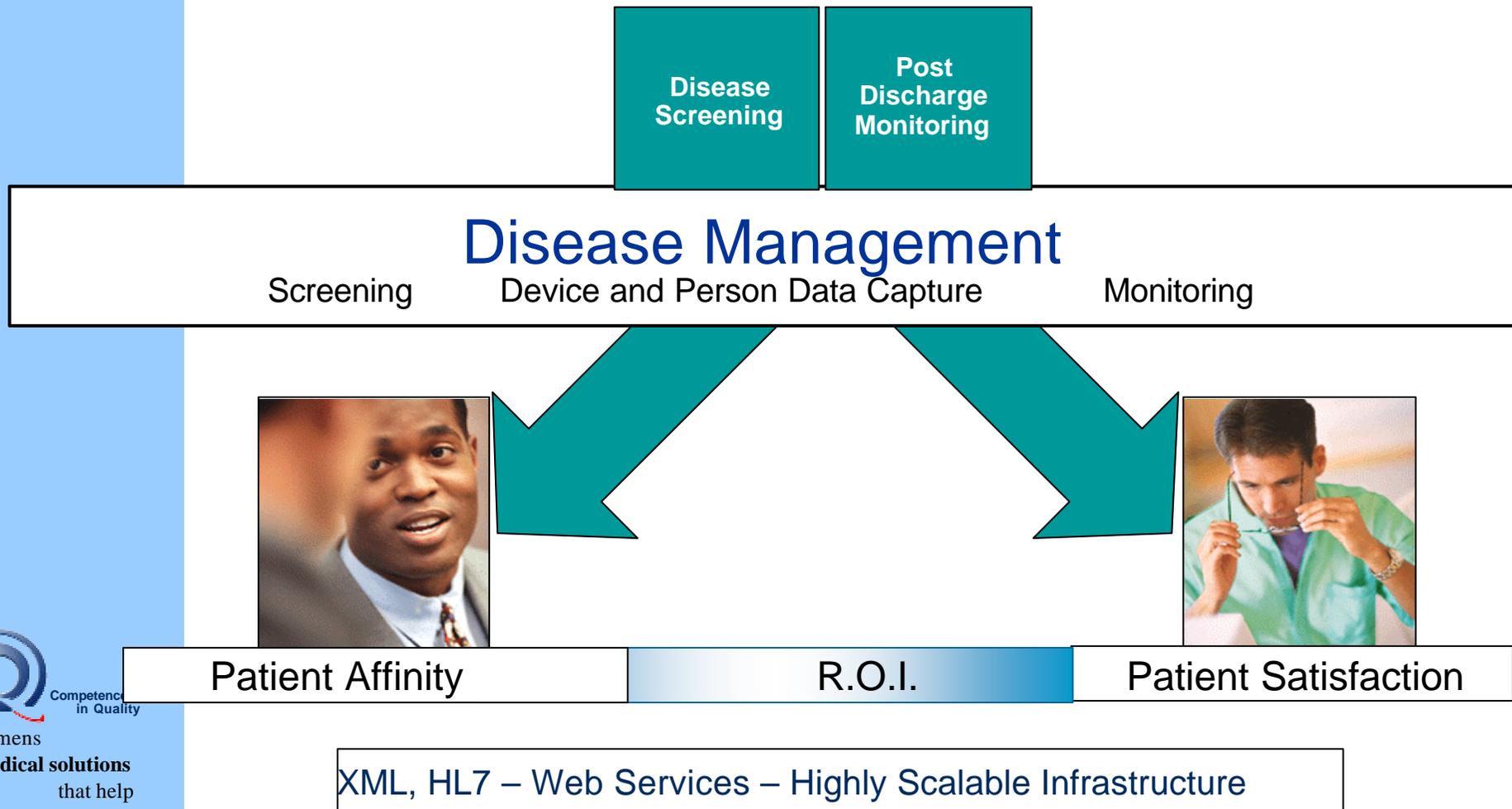
Connections for Doctors, Nurses & Patients: Information Access Portal Services



Connections Across the Community: Secure Messaging & Access Infrastructure



Connections for Patient Care: Care Management Infrastructure



How To Improve Workflow?

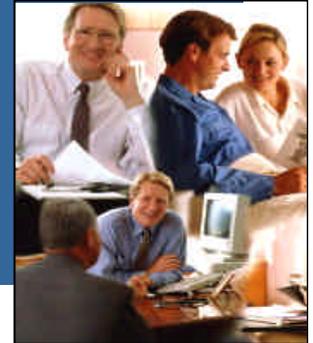
Integrate to Eliminate

- Understand healthcare needs.
 - ◆ Existing Processes, Inefficiencies and Friction Points
 - ◆ Apply to Medical and IT technologies
 - ◆ Clearly define patient, physician & payer expectations
- Transform knowledge & assets into unique solutions with measurable results.
 - ◆ Set outcome-oriented goals – for key stakeholders
 - ◆ Leverage cross-industry best practices
 - ◆ Develop tactics and market introduction strategies, based on defined integration and workflow improvements
- Deliver innovative solutions with measurable results.
 - Leverage collective technology, systems, and services
 - Deliver best practice integration as defined by stakeholders
 - Accommodate the individual
 - Deploy for enabled delivery systems and communities



Where Do We Start?

- Select High Impact Workflows to Integrate
 - ◆ Access, Admission, Management, Utilization, Adjudication, Payment
 - ◆ For each selected, define clear achievable goals
 - ◆ For each selected, define:
 - Economic Value Add, Measurable Outcomes, Success Factors
- Define the Assets to Leverage & Standards to Use
- Define the Market Sub-Segments, Drivers & Timing
- Define the Best Market Approach(es)
- Define Relationship Types – Pros and Cons
- Develop & Model Best, Worst and Most Likely Business Cases
- Select Targets
 - ▶ Workflow, Assets, Market Segment, Approach & Business Model
- Set a Date and Build the Timeline
- Set the Team and Drive



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Siemens **medical** **Solutions** that help