



Building an eHealth 2.0 strategy to fuel the future

Philips Healthcare Transformation Services at work with Saint Luke's

Who/where

Saint Luke's Health System
Kansas City, MO

10 hospitals and affiliated services

Most Wired Hospital
2003 Recipient of the Malcolm
Baldrige National Quality Award

Challenge

Move eHealth from siloed programs of varying scale and maturity into an institutional core competency that drives larger clinical and financial results.

Solution

Philips Healthcare Transformation Services led a four-month project to create a comprehensive eHealth 2.0 strategic plan and operations design. The project included:

- Market assessments
- Internal efficiency evaluations
- Maturity evaluation
- Business modeling
- Readiness assessments
- Activity roadmaps
- Performance measurement.

Results

- Created a core eHealth strategy to drive growth
- Quantified expansion opportunities
- Designed a centralized organizational structure
- Built a core eHealth portfolio to align with the new eHealth strategy
- Modeled several growth scenarios with associated expenses
- Defined steps and timeline for implementation

With a mix of ten academic, specialty, community, and rural hospitals spread across Kansas and Missouri, Saint Luke's Health System is one of the largest healthcare service providers in the region.

The organization has a long history of eHealth innovation and was an early adopter of eICU, remote patient monitoring, and telehealth clinics. While each innovation generated its own benefits, programs were organized and managed separately. This led to duplication of effort, competition for funding, limited awareness, and constraints on growth.

"We were duplicating effort and all trying to achieve the same objectives," says Jennifer Ball, Director, eICU.

Building on an eHealth foundation

Saint Luke's management team faced a number of new market pressures and internal challenges to integrating services and driving efficiency. But they were confident they could build on the organization's strong track record in eHealth to drive growth and performance, so they formed an eGovernance Committee to lead the creation of an eHealth 2.0 strategy and operational plan.

Since existing eHealth programs were housed across many different departments and service lines, the committee included senior executives from across the organization. The team defined key strategic eHealth objectives, but felt it could benefit from external support. They decided to look for consultants that could bring the added knowledge, experience, and established methodologies required to develop a comprehensive plan to meet this complex challenge.

The committee engaged Philips Healthcare Transformation Services in June 2011 to help create an eHealth strategy and operations design. Why Philips? Because of our experience supporting healthcare organizations with eHealth planning while maintaining vendor-neutrality in our consulting solutions.

The eGovernance committee recognized that the right technology and strategy were essential for success, but operational excellence and the ability to continuously improve performance were equally important.

PHILIPS

“Philips was definitely the right partner to help us with this strategy. We now have all the information we need to be confident in our planning decisions.”

– Steve Kropp, Executive Director of eHealth and Outreach

Saint Luke's Health System

Looking for answers

Specifically, the committee sought answers to four key questions:

1. What is the market demand for each eHealth program?
2. Which programs should they focus on and are there others they should adopt?
3. What was a self-sustaining business model for eHealth?
4. How should they integrate programs for the biggest impact?

Saint Luke's eGovernance Committee Members

- Chief Medical Officer
- Chief Nursing Officer
- Chief Marketing Officer
- Chief Information Officer
- Chief Technology Officer
- VP, Business Development
- VP, Regional Services
- CEO, Homecare and Hospice
- eHealth Medical Director
- Director, Outreach and Telemedicine
- Director, eICU

Phase I – Assessing the opportunity

Philips Healthcare Transformation Services designed a multi-phase approach to formulate the strategic plan, create a sustainable business model, integrate operations, and create a development roadmap with performance measures to guide execution. The first phase involved assessing the relative opportunity of each program to define which ones would be included in the core eHealth portfolio.

“There were a lot of great ideas about what to do, but we did not understand whether or not there was a market need or demand” according to Robert Bonney, Senior Vice President, Network Operations and Development, Saint Luke's Health System. “We wanted to have confidence that we would be investing our scarce resources where we could meet the most need while gaining the best return on our investment.”

Philips Healthcare consultants:

- Constructed a series of quantitative and qualitative analyses based on these goals
- Leveraged a variety of data sources from the health system, state and federal agencies, and medical societies
- Identified widespread need for many of the eHealth services and a large market potential

Phase II – Defining the strategy and services

Based on the results of the first phase, the second phase formulated the go-forward eHealth strategy and portfolio of services. The core strategy centered on offering Saint Luke's eHealth services to support regional and small rural providers that often struggle to staff clinicians and specialists locally. By extending Saint Luke's clinician and specialist resources, more patients could be cared for in their local community. Only those requiring tertiary services would need to travel to Saint Luke's facilities.

“By delivering value to partner facilities, Saint Luke's will be able to expand its footprint without building new facilities,” says Steve Kropp, Executive Director of eHealth and Outreach.

Phase III – Building a business model

The third phase was to build a comprehensive business model to support planning and creation of the business case for organizational investment. The model projected utilization growth, revenue, secondary financial benefits, capital costs, and operating expenses over five years. Using three growth scenarios, management was able to estimate the technology, staffing and support services required to achieve desired growth and performance results. More importantly, the model outlined how the strategy would turn eHealth into a new revenue center for Saint Luke's within five years.

“Any proposed program had to be self-sustaining financially without relying on grants,” said Debe Gash, CIO. “Any plan has to be profitable to even consider moving forward.”

Phase IV – Creating a roadmap

Finally, the fourth phase focused on developing an activities roadmap and performance measurement scorecard. Administrators, physicians, and front-line staff were engaged in a full-day workshop to identify the critical activities required to execute the eHealth strategy, as well as the challenges that would have to be addressed. Over 100 key activities were grouped into technology, finance, operations, leadership, and clinical categories to support ongoing task assignment.

At the conclusion of this project, Saint Luke's executives had the necessary information they needed to feel confident about moving forward with their planning decisions and the operational design to execute plans quickly.

The bottom line

Working with Philips Healthcare Transformation Services, Saint Luke's has now created a core eHealth strategy of regional outreach and physician-to-physician relationships to drive growth. The team also designed a centralized organizational structure to reduce overhead while accelerating program expansion. They have successfully built a core eHealth portfolio to focus investments in programs that align with the new eHealth strategy. Plus, they have quantified expansion opportunities and future benefits for each program. After modeling conservative, moderate, and aggressive growth scenarios with associated operations, Saint Luke's has mapped out steps and timelines to provide the organization with clear directions for putting its robust eHealth 2.0 strategy to work.

eHealth Programs considered

- eICU
- ePharmacy
- Telemedicine Clinics
- ED Telepsychiatry
- eHospitalist
- Online eVisits
- eHome Health (Remote patient monitoring and Philips Lifeline)
- Inpatient eConsults
- Telestroke
- Nurseline
- Centralized Telemetry
- Secure messaging
- Teleradiology
- Transfer Line

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www.philips.com/healthcare

healthcare@philips.com

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