

Testimony of Michael P. Adcock
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Chairman Blum, Chairman Radewagen, Ranking Member Schneider, Ranking Member Espaillat, and Members of the Small Business Committee, thank you for the opportunity to appear before the subcommittees today. I am Michael Adcock, Executive Director for the Center for Telehealth at the University of Mississippi Medical Center (UMMC) in Jackson, Mississippi. I am honored to talk to you this morning about telehealth and the ways its power can be harnessed to address the healthcare needs of America's small businesses.

Mississippi has significant healthcare challenges, leading the nation in heart disease, obesity, cardiovascular disease and diabetes. These and other chronic conditions require consistent, quality care - a task that is made harder by the rural nature of our state. In order to improve access to care and give Mississippians a better quality of life, it is clear we need something more than traditional, clinic and hospital-based services.

Telehealth has been a part of the healthcare landscape in Mississippi for over 13 years, beginning with an aggressive program to address mortality in rural emergency departments. In 2003, three rural sites were chosen to participate in a program that would allow UMMC board certified emergency medicine physicians to interact with and care for patients in small, rural emergency rooms via a live, two way, audio-video connection. The TelEmergency program has grown to serve more than 20 hospitals and continues to produce outcomes on par with that of our Level 1 trauma center. This program has had a significant impact, not only in bringing quality care to the residents of the community, but in supporting the viability of the community hospitals themselves. As a result of TelEmergency, rural hospitals are able to identify and recruit healthcare professionals who live in the community and desire to work locally. The program helps communities retain healthcare revenue that was lost as a result of patients being transferred out for care. In some cases, Telemergency prevented hospital closures that would been detrimental to these underserved communities. The success of this program and noteworthy outcomes led to the development of additional healthcare models using technology to address needs statewide.

Today, the UMMC Center for Telehealth delivers more than 30 medical specialties in over 200 sites across the state including rural clinics, schools, prisons and corporations. It is important to note that a very small portion of these sites are actual UMMC sites. As every community has different needs, we partner with local providers to address their specific needs. UMMC is committed to supporting the community providers through collaborative models that promote efficient use of valuable resources. The depth and

breadth of our statewide network allows us to deliver world-class care in 68 of our state's 82 counties and provides access for patients who might otherwise go untreated. Over the last decade, we have conducted over 500,000 patient encounters through telehealth. Maximizing our utilization of healthcare resources through the use of technology is the only way we can reach all of the Mississippians who need lifesaving health care.

Small businesses account for 99.9% of all firms in the United States and 96.2% of all Mississippi businesses. The one year survival rate for small businesses averages 78.5%. Approximately half of these establishments survive five years. In Mississippi, the small business exit rate is higher than the startup rate. Small businesses often cite access to affordable healthcare as their number one concern. According to the Gallup-Healthways Well-Being Index, annual costs for lost productivity for employees having chronic conditions totaled \$84 billion. Multiple publications cite that unscheduled absenteeism costs roughly \$3,600 per year for each hourly worker and \$2,650 for each salaried employee. These factors lead to over \$250 billion in lost economic output per year in the United States.¹

Decreasing absenteeism, increasing productivity and improving access to high quality care were the drivers behind the creation of the eCorporate and eSchool Health programs at UMMC. The eCorporate service allows employees to access high quality care from their workplace through secure audio/visual connections. This program is employee initiated and avoids travel to seek medical care, promotes appropriate use of healthcare resources and is a lower cost alternative to the higher cost healthcare settings.

UMMC's eCorporate program is unique in that it is not designed to be a standalone means for primary care, but as an additional avenue for employees to access safe healthcare in an affordable and convenient manner. In many cases, this program has helped identify healthcare needs that, if gone untreated, would have resulted in increased healthcare burden and loss of productivity. For this reason, several corporations have chosen to pay for this service for their employees and allow paid time during the workday to use the service, further reducing barriers to health care. Healthcare is a collaborative effort, and this program is no different. Should an employee have a need outside the scope of telehealth, UMMC assists in securing appropriate follow up with local providers. The goal is to refer locally and support the local community when possible. The eCorporate program currently covers more than 4,000 employees and dependents in businesses across Mississippi. We have customers with as few as 15 employees. When you add our program for State Employees (UMMC 2 You), we cover over 185,000 lives across our state.

Our corporate offerings are not only aimed at patient initiated services. We currently offer wellness services and diabetes prevention/management services for corporations across Mississippi. We are working with some businesses to augment their current wellness services by helping to risk stratify their employees' annual lab work and biometric measurements. This leads to proactive visits with our providers to discuss risk factors and wellness. The goal is to educate these employees on healthy living and how they can address their risk factors to live a healthier life.

Similarly, the eSchool Health program provides the school nurse with additional provider support needed to reduce absenteeism and improve student performance. With very few local primary care providers, nurses and parents have difficulty ensuring that students will have access to basic, and sometimes vital health services. With eSchool Health, school districts partner with UMMC to provide a more comprehensive health care offering that can assist with health care related needs such as asthma action plans and medication refills. Our eCorporate and eSchool Health programs are examples of working with community leaders to create an environment that is attractive to business by supporting efforts to produce healthy families.

Another program that has been very impactful for patients is remote patient monitoring (RPM), which supports patients as they manage chronic disease in their homes. RPM is designed to educate, engage and empower patients so that they can learn to take care of themselves. Our initial pilot with diabetics in the Mississippi Delta was a public/private partnership between critical access hospital North Sunflower Medical Center, telecommunications provider C Spire, technology partner Care Innovations, the Mississippi Division of Medicaid, Office of the Governor of Mississippi and UMMC. The purpose of the pilot was to test the effectiveness of remote patient monitoring using technology in a rural, underserved area. Specifically, the desired outcome was to reduce Hemoglobin A1C by 1% in uncontrolled diabetics. The participants in this study received their healthcare in the local rural health clinic. UMMC supported these providers by delivering diabetic education, monitoring biometrics and serving as a liaison between the patient and their provider as they learn to manage their condition. The preliminary results through six months of the study showed: a marked decrease in blood glucose, early recognition of diabetes-related eye disease, reduced travel to see specialists and no diabetes-related hospitalizations or emergency room visits among our patients. This pilot demonstrated a savings of over \$300,000 in the first 100 patients over six months. The Mississippi Division of Medicaid extrapolated this data to show potential savings of over \$180 million per year if 20 percent of the diabetics on Mississippi Medicaid participated in this program.

Given the success of the diabetes pilot, UMMC Center for Telehealth has expanded remote patient monitoring to other disease states, including adult and pediatric diabetes, congestive heart failure, hypertension, bone marrow transplant and kidney transplant. Working closely with a patient's primary care provider, we continue to grow this program both in terms of volume and number of diseases that can be managed. Most importantly, this program is giving patients the knowledge and tools they need to improve their health and manage their chronic disease. Businesses that are a part of our eCorporate program are also given the option to provide this service to their high risk employees with chronic disease. The employers see this as a way to offer their employees additional support and to reduce costs incurred for after hour clinic visits and emergency room visits for non-emergent conditions. Many small businesses are self-insured, so a program of this type that provides quality care at an affordable rate is attractive and beneficial.

Health care is a major economic driver across the United States, with the sector growing at over 20% annually. In Mississippi, hospitals boast over 60,000 full time employees and create an additional 34,000 outside of their facilities. Every new physician creates approximately 21 jobs and more than \$2,000,000 in revenue for a community². Critical Access Hospitals (CAH) are located in small, rural communities and are an important part of the health system. They are responsible on average for 170 jobs with \$7.1 million in wages salaries and benefits. For every job in a hospital, an additional .34 jobs are created in other businesses in the local economy. This means that the average CAH is responsible for an additional 43 jobs outside of the hospital and \$1.8 million of taxable retail sales³.

Our telehealth program directly supports the financial viability of the health care system, especially primary care providers' offices, small rural hospitals and rural health clinics. Supporting these small businesses also supports the overall financial viability of the community. Collaboration between the Center for Telehealth and providers throughout the state allow for the delivery of high quality specialty care in locations that are convenient for patients. These collaborations deliver multiple benefits: access to specialty care close to home, continuity of care and originating site fees to the local providers. These services do not cost the patients any more than traditional visits, but save them a tremendous amount of time and money on travel. For the clinics, we are able to bring a more comprehensive healthcare offering to their community. Keeping services in communities not only supports the local providers, but keeps much needed employment and revenue in rural communities.

Businesses in Mississippi that have utilized our telehealth and remote patient monitoring programs have demonstrated success by improving access to care, decreasing cost of care and improving quality of care for their employees. Healthy employees mean decreased absenteeism, increased productivity and a greater chance for small businesses to remain viable.

Thank you for your time and attention to this very important matter.

1. U.S. Small Business Administration, Office of Advocacy
2. Critical Care, The Economic Impact of Hospitals on Mississippi's Economy. 2012
3. **Economic Impact of a Critical Access Hospital on a Rural Community**
Gerald A. Doeksen, Cheryl F. St. Clair, and Fred C. Eilrich, National Center for Rural Health Works