Digital Medical Currency - Bridging the Access Divide

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Who Am I?

Michigander | Transformation Expert | Wife and Mother
Global Healthcare Challenges

Challenge 1
Cost of Healthcare increasing

Challenge 2
Aging population

Challenge 3
Healthcare delivery system has finite capacity

These challenges act as barriers to healthcare access.
Key Learning Objectives

Learning Objective 1
Understand the business model framework for Digital Medical Currency for patient identification, eligibility verification, and payment

Learning Objective 2
Understand the business rule alignment of Digital Medical Currency to common benefit criteria and cost savings opportunities

Learning Objective 3
Learn about implementation approaches to adopting a Digital Medical Currency business architecture
What is Digital Medical Currency?

Simplify the Healthcare Benefit System

Medical Currency Wallet bridges the gap between payer, provider, and patient by streamlining the financial and administrative processes, making healthcare accessible through transparency of payments and reimbursement transactions.

Eliminate the confusion and complexity associated with using healthcare benefits on how and if they are paid before a service is rendered.
Digital Medical Currency: patient identification, eligibility verification, and payment
Democratization

- Fuel expediting transitions - democratization
- **Definition of democratize**: to make (a country or organization) more democratic. : *to make (something) available to all people : to make it possible for all people to understand (something)*
Why Now?

• Use of Smart Cards and Mobile Wallets for consumer-based transactions continues to rise:
  – 17 out of 10 U.S. adults have a Smart Phone
  146% of U.S. consumers report having made a mobile payment, which translates to approximately 114 million adults
  172% of Mobile Payment users (e.g., making payments via websites, text messages or mobile apps) are done by Millennials and Generation Xers
  – 2 The health care industry is among the fastest growing segments utilizing Near Field Communication (NFC) for payment, treatment and health care operations, with a Compound Annual Growth Rate of 20.4%. NFC is contactless technology which is used to enable real time transactions via Smart Cards or Mobile Apps with an NFC reader.
Why Now? Cont’d

• Over 200 million smartcards have been distributed in the healthcare industry worldwide

• Example U.S. projects
  – Resolute Health Care and Baptist Wellness,
  – The Memorial Hospital (North Conway, N.H.), and
  – Santa Rosa Community Health Center (Northern California)

• In all cases, patients use cards as authenticated identifiers to access medical records, store patient information, and pass admissions information into the hospital’s admitting software, thereby automating the process (source: Smart Card Alliance).
Digital Medical Currency to common benefit criteria and cost savings opportunities
USA Cost of Billing & Insurance Process

Conclusion:
A simplified financing system in the U.S. could result in cost savings exceeding $350 billion annually, nearly 15% of health care spend.
## Estimated Administration Cost Savings

<table>
<thead>
<tr>
<th>Targeted EDI Transaction Set</th>
<th>Avg. Savings per Combined Set (<strong>2016 CAQH Index</strong>)</th>
<th>*10% Adoption</th>
<th>* 30% Adoption</th>
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<tbody>
<tr>
<td>• Claims Submission/Receipt • Eligibility &amp; Benefit Verification • Prior Authorization • Claims Status • Claim Payment • Claim Remittance • Advice</td>
<td>• $15.37/EDI set automation savings to Payer • $25.25/EDI set automation savings to Provider</td>
<td>• Benefit admin: $1.6M • Community-Based Provider Network: $2.2M</td>
<td>• Benefit Admin: $4.8M • Community- Based Provider Network: $6.7M</td>
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**2016 CAQH Index Report; currency = USA dollar**
Digital Medical Currency Requirements

- **NFC Enabled Smart Card**: to process healthcare services at their chosen point of care within healthcare facilities or provider networks.

- **NFC Enabled Mobile Wallet & Benefit Navigator**: to be used just like their Smart Card with QR-Code capabilities. The Benefit Navigator will enable the consumer to configure settings for using entitled benefits for managing and tracking payments, and electronic billing notifications, their healthcare.

- **Configurable NFC Reader**: to enable benefit administrator and providers to have an NFC reader that is configured to initiate automated eligibility verification, automated co-payment transactions, real time claims submission, and automated provider payment and remittance advice transactions when the consumer presents her Smart Card or Mobile Wallet at the time of care.
How does it work?

Patient identification and Eligibility Verification
Current Workflow – Follow-Up Outpatient Office Visit

1. [Diagram]
2. [Diagram]
3. [Diagram]
4. [Diagram]
5. [Diagram]
Implement Digital Medical Currency Workflow – Primary Care

1. Patient
2. PCP
3. And 4. Real Time Billing & Provider Reimbursement
4. PCP
5. PCP Billing Clearing House & Financial Institution
6. Patient

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Conclusion

• Healthcare industry can leverage digital innovation to reduce cost of healthcare delivery
• Leverage the technological innovation of other industries to reduce adoption time
• By exposing the benefit scheme at Point-of-Care, we can reduce the barriers the healthcare access
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