American Well®

CASE STUDY:

AVERA'S MOVE TO CONSUMER TELEHEALTH

Overview

Coming in to 2015, Avera Health had a robust business-to-business telemedicine network that had been in place since 1993, connecting rural hospitals across eight states and 80 counties with specialists headquartered in Sioux Falls. As a fully integrated health system that includes the Avera Health Plan, as well as Avera Medical Group, a primary and specialty care physician network, Avera had developed a robust telemedicine offering reaching 275 healthcare facilities and benefiting over 18,000 patients each month.

With this nationally recognized telemedicine program already in place, Avera Health's next move was to reach outside the brick-and-mortar practice to be exactly to where the patients are—their homes. To do this, Avera Health needed a direct-to-consumer telehealth offering, which would cover Avera's expansive geographical footprint of more than 72,000 square miles, and give a population of over 1 million people immediate video access to Avera physicians.

The visionary Avera team set out to create AveraNow, Avera Health's consumer telehealth offering

Figure 1: AveraNow would serve five states

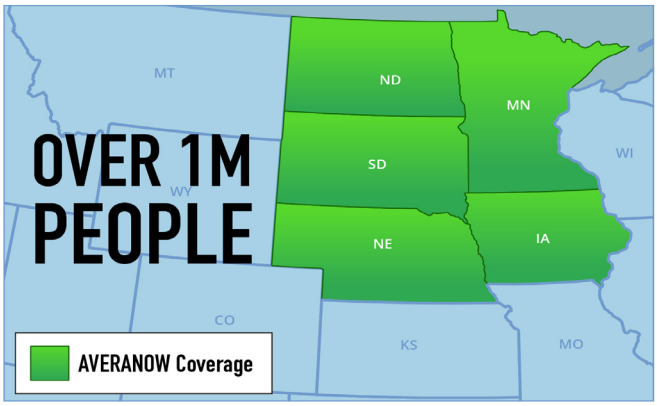
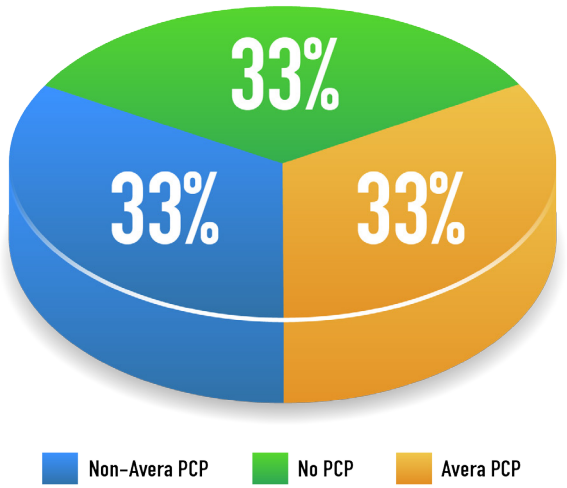


Figure 2: A third of Avera Health Plan members had no primary care physician



Consumer Health Goals

Avera had support from the highest levels of the organization to pursue this goal and Fred Slunecka, COO of Avera Health, worked with a team to identify the three key goals that AveraNow would address:

1. **Assist Avera Health Plan with diverting patients away from unnecessary office-based and emergency room care.** Avera sought to reduce the cost per unit of service for low-level encounters. By diagnosing and treating patients with urgent care conditions using telehealth and directing them away from more costly in-office care, the health system hoped to see substantial cost savings.

2. **Create a strong affiliation with Avera primary care providers.** The Avera Health system includes an insurance plan, hospitals and clinics. Among the insurance plan's policy holders, a third of patients had a primary care physician within the Avera system, a third had non-Avera-employed physicians, and a third had no PCP attribution at all. The goal was to build loyalty and evolve from more limited urgent care encounters into persistent, trust-based patient-physician relationships, in which the patient would select a primary care physician within Avera's network.

3. **Attract new patients.** Avera wanted to use telehealth to reach new members. These were consumers who did not belong to Avera's health plan and who were not currently in their health system database, but who fell within their geographical footprint.

Defining The Requirements For Consumer Telehealth

Avera Health was already a uniquely progressive health system within the telemedicine space, and now sought an equally progressive telehealth partner that could guarantee a solid and successful rollout for its consumer service.

For its point-to-point telemedicine network, Avera had deployed a traditional video conference technology (VCT)—yet a direct-to-consumer offering presented a whole new set of challenges, including how to reach consumers conveniently in their homes. The Avera Health team compiled a comprehensive list of operational, clinical, technical, marketing and health plan requirements and went searching for a partner to meet them.

> We're not necessarily looking at what is there today, but dreaming and scheming about what we can make it into in the future.
>
> Deanna Larson
> CEO, Avera eCARE

Operational Requirements

Deanna Larson, CEO of eCARE Services, and Tammy Hatting, Innovation Director for eCARE services, headed up Avera's Operational team and were committed to finding a solution that checked off four diverse boxes:

1. **Support for multiple use cases.** Deanna and Tammy knew Avera's initial focus for AveraNow was urgent care. But beyond this immediate consideration, the ultimate vision included utilizing the platform within hospitals and clinics, as well as within public facilities such as schools, grocery stores, and correctional facilities — where use cases like behavioral health, specialty visits, and coordinated chronic care could be supported. They weren't looking for a partner with aspirations of additional use cases, but one which had real experience deploying use cases beyond urgent care. Avera believed this is where the real ROI opportunities resided.

2. **Access via multiple end points.** Avera wanted to offer access to a single service through a consumer mobile and web application as well as telehealth kiosks. A mobile application would bring telehealth into the homes within Avera's geographic footprint, while telehealth kiosks in retail stores could reach consumers where they were already shopping to extend the value of the retail experience to include a connection to Avera.

3. **High quality online care experience.** Avera wanted to be able to offer patients a top quality experience as measured by patient satisfaction and accreditation by the American Telemedicine Association (ATA). So Avera sought a vendor partner that had already met the ATA Accreditation criteria including HIPAA compliance, transparency in pricing and operations, qualification and licensing of providers, provider training, and clinical practices and guidelines.

4. **Credibility and experience.** Avera was looking for a partner who understood what consumers were looking for out of a virtual visit experience. But more than that, Avera wanted an experienced partner who had worked with health systems, health plans and employers and understood what was necessary for successful implementation, configuration and eventual engagement.

Clinical Priorities

Dr. Tad Jacobs, Chief Medical Officer of Avera Medical Group, Dr. Jason Knutson, Lead Physician for AveraNow, and Dr. David Basel, Physician for AveraNow, directed the clinical team in establishing the medical requirements for AveraNow. Dr. Knutson was part of the Avera Medical Group McGreevy Primary Care Innovation Council, which had been discussing the need for primary care physicians and their patients to have healthcare access in the palm of their hand over the last several years. This group helped create buy-in from the physician side, and was able to look at what components would be critical to success from the physician's perspective. While many Avera physicians had experience advising other clinicians through the business-to-business telemedicine network, they hadn't been involved in direct-to-consumer telehealth. Dr. Jacobs and Dr. Knutson needed to ensure that each physician was properly trained and that protocols were available to guide them through a remote patient interaction to ensure the highest quality of care translated to this space.

As the two physicians began vetting solutions, they sought a partner who shared their values of antibiotic stewardship and delivering high-quality care. They were specifically looking for a platform that had experience embedding evidence-based protocols and could provide robust quality reporting.

Avera clinicians also had to consider how they would balance physician availability with patient demand. Avera wanted to use its Avera physician network to staff AveraNow. But since these physicians would not be practicing strictly online—at least initially while patient demand was still ramping—Avera needed a platform that allowed them to function in a clinical setting, yet be available on call as needed for online visits.

While the initial rollout would focus on physicians seeing patients on demand for urgent care conditions, Dr. Knutson envisioned AveraNow eventually being used by brick-and-mortar practices through the entire Avera system—allowing physicians to see their own patients. This strategy required the platform to have both provider and patient scheduling capabilities.

> "I would recommend choosing a vendor that's been in the space a long time and that's committed to being there. When you work with American Well, you know they're in it for the long-term and that's reassuring to everyone."
>
> Tad Jacobs
> Chief Medical Officer
> Avera Medical Group

> "We want to improve market share in the community, while also putting healthcare in the palm of your hand."
>
> Jason Knutson
> Lead Physician for AveraNow

Technical Requirements

Avera's 130-person IT team was responsible for supporting all technical requirements across the entire health system. AveraNow presented IT Vice President Jim Burkett with yet another task: how to get AveraNow up and running without creating a burden for his team. Jim was interested in working with a vendor that could remotely host AveraNow. A remotely hosted solution meant that AveraNow could be supported by the existing IT team and resources, and it also meant that Avera's network could remain closed to outside sources. Since Avera's existing infrastructure was sequestered, secure and dealt with sensitive patient information, this was especially important to Jim.

Marketing Considerations

Kendra Calhoun, Senior Vice President of Marketing, recognized the tremendous potential of a direct-to-consumer telehealth offering to showcase the Avera brand as innovative, tech savvy and integrated into patients' lifestyles. To execute on this opportunity, AveraNow required a branded mobile application that was customizable to their brand—including the look, colors and overall function of the service. The partnership also needed to emphasize post-enrollment engagement opportunities that encouraged visits long after the first touch.

Health Plan Must-Haves

Avera also had to consider how this new platform would complement Avera's existing health plan. Deb Muller, Chief Administrative Officer for Avera Health Plans, played a major role in determining how AveraNow would fit into the plan's benefits structure. Among her top requirements were: experience working with health plans on telehealth service launch both to members and consumers at large, a track record of handling automated eligibility and claims, best practices in visit pricing and co-pay strategy, and member communications skills.

Figure 3: The AveraNow launch required coordination from key Avera stakeholders

Bringing It Home: Implementing AveraNow

Avera ultimately selected American Well to power AveraNow because of its fit with the key criteria, including depth of experience, ability to implement use cases beyond urgent care, and efficiency in implementation. The two partners worked together to implement the setup, branding, rollout, and communications for the new consumer service.

> "From my point of view, I couldn't have expected [implementation] to go any better."
>
> Jim Burkett
> Vice President
> IT Services

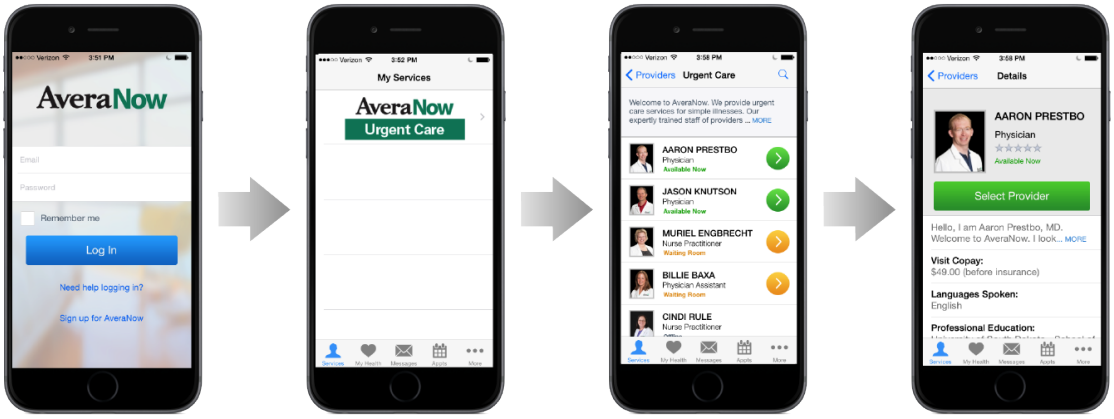
Setup

At Avera's request, American Well provided an externally hosted solution, using its own network, equipment and configurations to set up the platform. American Well's hosting team took responsibility for technical implementation and support, so as not to divert resources away from Avera's other critical needs within the health system. American Well was also responsible for building an AveraNow-branded mobile application that handled urgent care at launch but could add new use cases in the future.

Branding and Consumer Communications

The team chose the name AveraNow to build upon the recognition, loyalty and trust between Avera and its patients and members. This branding had several key elements: an AveraNow mobile app in iTunes and Google play; an AveraNow website, with patient information and FAQs; and branded communications via both traditional and digital media.

Figure 4: AveraNow on mobile



Avera marketed the service via an integrated campaign which included email marketing, online advertising, a robust remarketing program, local television ads and billboards and a public relations campaign which included print and television. Avera garnered media attention from local outlets such as NBC-affiliated KDLT News, ABC-affiliated KSFY, USA Today-affiliated Argus Leader, and the Spencer Daily Reporter. The marketing strategy reinforced the message of innovation within the Avera system at large, and participants in focus groups had high recall of the marketing points Avera wanted to drive home:

> I read about the AveraNow app which sounds like a good use of modern technology.
> Focus Group

> [Avera is] being more patient-centered.
> Focus Group

Avera had been pursuing a retail clinic strategy in local grocery stores. With the advent of AveraNow, Avera was able to add a telehealth kiosk to some of its HyVee grocery chain locations – giving consumers easier access to physicians. Having the AveraNow name and logo within their retail store clinics helped to drive awareness for AveraNow and introduce consumers to the concept in their daily lives. And for the retailer, the presence of the clinic and kiosk helped to drive greater traffic and position the store more effectively as a one stop shop for health.

Figure 5: Email and billboard marketing outreach

Figure 6: AveraNow branded kiosks

Physician Engagement and Clinical Protocol Development

In addition to engaging consumers, Avera needed to gain physician buy-in for AveraNow. Initially, there was a mixture of concern among some physicians that AveraNow would take patients away from their brick-and-mortar practices with excitement that patients could get simpler ways to access needed care. Avera engaged directly with its medical groups to define the AveraNow program and openly address these concerns in the months prior to launch. They held in-person meetings with each facility's physicians, creating informative write-ups for each regional hospital internal newsletter, and delivering AveraNow updates in a reoccurring medical group update from Avera's Chief Medical Officer.

Avera also conducted a preliminary launch specifically for employees and physicians to foster internal support. This internal launch consisted of an employee-only informational intranet page, along with coupons for two free visits on AveraNow.

These engagement initiatives helped Avera design a program that clinicians felt was medically sound, took their concerns into account, and encouraged many physicians to be excited about the launch of AveraNow as an urgent care option now – and as a potential tool for follow up care in the future.

Perhaps one of the most important aspects of gaining physician support was the development of telehealth specific clinical protocols. Since Avera used its existing network of providers on AveraNow, the development of clinical treatment guidelines was a key opportunity to engage clinicians in creating a service.

Example Antibiotic Stewardship Protocol for Telehealth: The Centor Criteria

Avera used the Centor protocol as the basis of remotely evaluating a patient via video for strep throat. The Centor criteria allotted one point each for the presence of certain symptoms. If the patient received:

0-1 Points
Unlikely the patient had strep throat or needed antibiotics.

2-3 Points
Unclear if the symptoms were associated with strep throat. The physician should direct the patient to an in-person clinic to get tested.

4-5 Points
High likelihood of strep throat. The patient could benefit from antibiotics.

AveraNow's telehealth clinical protocols came from several sources. Avera's clinics had been developing evidence-based clinical protocols over many years. Some of these were adapted for telehealth. In addition, Avera clinicians conducted extensive research, particularly in areas that touched on antibiotic stewardship -- with an emphasis on delivering quality care through telehealth. And finally, American Well was able to contribute an existing set of telehealth-specific clinical protocols from its affiliate, Online Care Group, as an additional point of reference for Avera's clinicians. Overall, Dr. Knutson and the clinical committee established protocols for every single condition a physician would encounter on the AveraNow platform.

Health Plan Implementation

Avera Health Plan decided to roll out the service to fully insured group and individual members first, as an added benefit at no charge. The idea was to gauge consumer interest in telehealth and encourage trial before rolling the service out to other books of business. Rather than charge separately for the addition of the telehealth service, Avera opted to offer AveraNow as a bundled, value-added service to the current plan benefits package at no additional premium charge. By gathering initial results without the complications of additional charges, Avera would be able to gain experience and data to inform their ultimate benefit structure as the team planned for a broader rollout in the future.

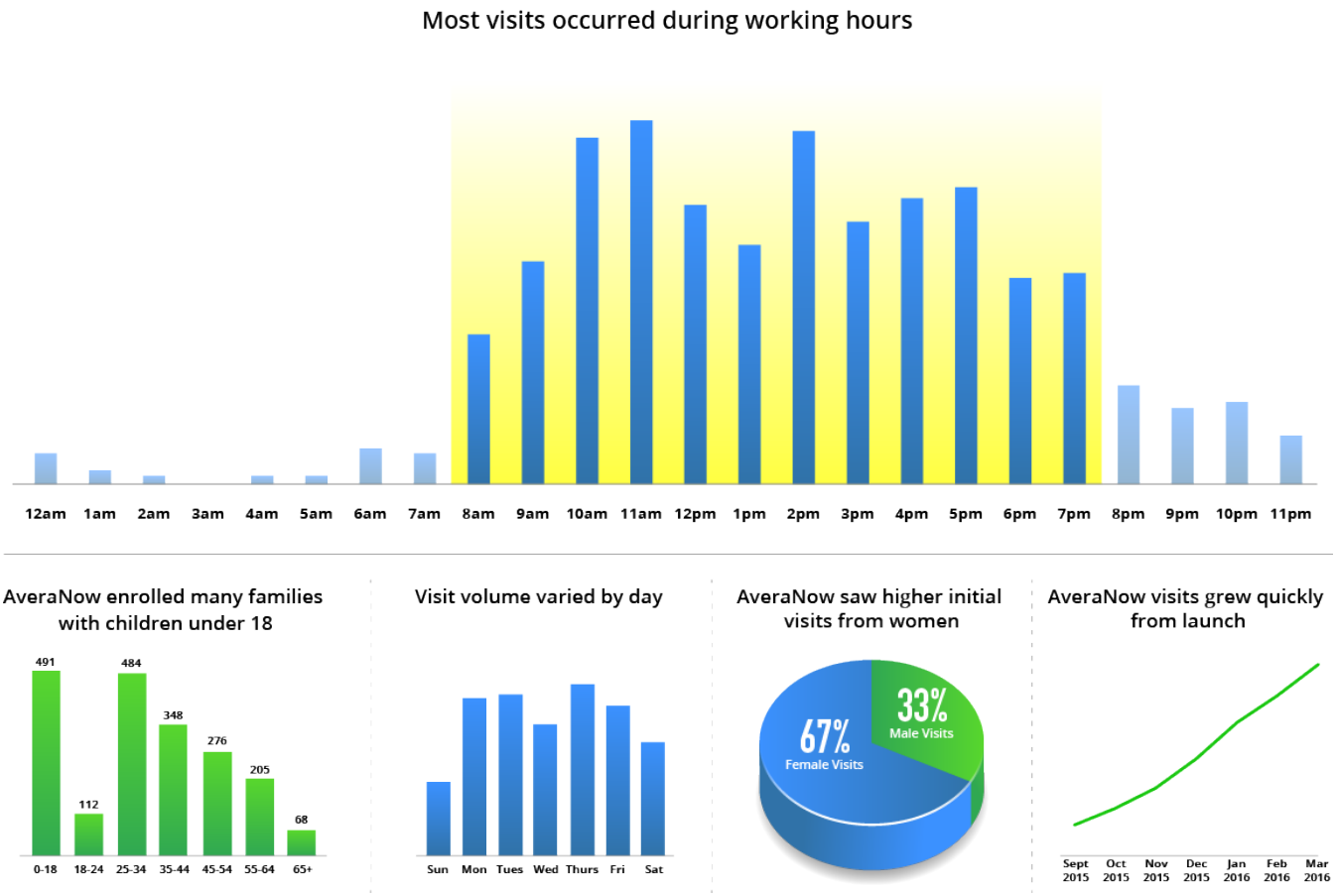
Early Results: Visits Growing Quickly

Avera utilized a two-phase launch marketing strategy. The first phase was aimed at creating awareness and getting consumers intrigued enough to enroll in AveraNow. The second phase was aimed at getting that consumer to have a visit on the system and gain confidence in the utility of a virtual visit. This carefully considered marketing strategy allowed Avera to focus on the right marketing tactics to first drive enrollment and to later drive visits.

Avera deployed the first phase of marketing in summer 2015. In September, as initial enrollments ramped up, Avera began email marketing and remarketing to enrolled members. Over the first 12 weeks of the program, AveraNow saw 372 of its 2,500 enrollees complete telehealth visits. The uptake pattern inside the initial period was very encouraging, with high email open rates and enrollments and visits doubling month over month. The remarketing campaign, which was aimed at enrolled AveraNow consumers, and positive patient word of mouth were key to driving visits. In November, Avera launched its AveraNow kiosks within its retail clinics and saw another jump in overall visits on the system.

Most AveraNow visits occurred within typical workday hours, with small clusters occurring in the off-peak early morning hours. Monday, Tuesday and Thursday were the most popular days for visits on the system, while weekends saw a slightly lower visit volume. Initial enrollments on AveraNow were predominately female and either teenagers or consumers between the ages of 25-34. Diagnoses mimicked the urgent care conditions typically seen in retail clinics and doctor's offices.

Figure 7:



Exceptionally High Patient Satisfaction

Consumer satisfaction with the AveraNow platform was "Excellent," with an average overall satisfaction rating of 4.71 based on a 5-point scale. Patients were equally pleased with the overall function and feel of the AveraNow platform, with 94% of patients giving it 5 stars. Patients were also highly pleased with the treatment and professionalism of the Avera physicians offering care on AveraNow: overall physicians rating averaged 4.7 based on a 5-point scale.

ATA Accreditation Achieved

This positive consumer experience was further solidified when Avera gained ATA accreditation in November 2015. The accreditation process was considerably expedited because American Well was already accredited by the ATA. Since Avera used the same platform, the technical protocols, standards and procedures were already in place for a smooth accreditation process. Earning ATA accreditation showcased Avera's ongoing commitment to the safe practice of telehealth, and assured consumers that they were receiving the highest quality of care with AveraNow.

Initial Results Show Cost Savings

Among Avera's goals were to divert patients away from unnecessary office and emergency room-based care, reduce the cost for low level encounters, and keep patients within the system so as to support persistent patient care based on primary care relationships. In the 12 weeks post launch:

After each visit, patients provided feedback on whether they would have sought care if they were not able to use AveraNow:

- 45% of AveraNow patients would have gone to an urgent care center – visits that could have potentially taken place outside the Avera system
- 35% would have gone to a doctor's office– AveraNow helped reduce the cost of a low level encounter
- 15% of patients said they would not have seen a doctor without the availability of the service – a clear sign that AveraNow was meeting an unmet access need within their rural catchment area
- 5% would have gone to the emergency room or retail health clinic. While not high as a percent of visits, these types of visits could prove most costly, particularly for fully insured members

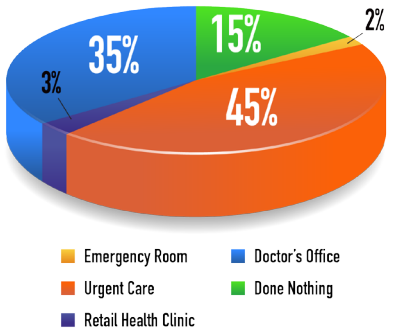
Taken all together, including the additional cost of visits where the patient would have "done nothing" if not able to use AveraNow, this feedback accounted for an estimated initial net savings of $48 per visit. As AveraNow grew, Avera expected to see further cost savings, particularly as the platform evolved to support additional use cases beyond urgent care.

Posititive Clinical Outcomes

Based on early results, it appears that AveraNow's clinical focus on antibiotic stewardship is having an impact. Overall, 49.8% of visits on AveraNow result in a prescription – a figure which is consistent with what American Well sees across its client base for prescribing rates – and certainly indicates that telehealth visits are not mere drug dispensing services, but real, clinical encounters. And when it comes to antibiotics, comparing prescribing rates on AveraNow for

Figure 8: AveraNow ranked high in patient satisfaction

Figure 9: Where patients would have gone if they had not done a video visit



three top complaints reveals that AveraNow's antibiotic prescribing rates are on the whole no higher than – and in some cases clearly better than – national in-office averages.

Looking Ahead: AveraNow's Roadmap

Immediate next steps for AveraNow include a roll out to brick-and-mortar practices within the Avera Health system, which will allow physicians to see their own patients. As part of this, the system is designing training and onboarding for all its primary care physicians.

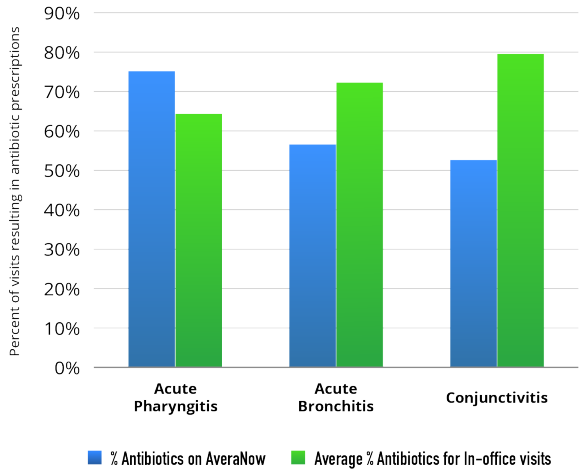
A fundamental longer-term objective is for AveraNow to create stronger patient relationships and increase referrals back to Avera primary care physicians. Before each visit, AveraNow urgent care providers are now able to see if a consumer has a Primary Care Provider attribution. If the patient has not selected a PCP, AveraNow physicians have a guide and training to assist them in beginning to build that relationship. To date, 12% of AveraNow patients are new to the Avera system, and so the presence of consumer telehealth is already having an impact on engaging new patients. Looking ahead, Avera plans to measure the effect of these efforts on increasing the number of primary care relationships within the system, as well as the penetration of Avera primary care provider attribution into the Avera Health Plan membership.

Avera is also looking to expand its offerings beyond urgent care. Avera has created a roadmap that positions AveraNow within the overall telemedicine infrastructure. New use cases slated for AveraNow include:

- Retail Health
- School Health
- Coordinated Chronic Care
- Readmissions Prevention
- Concierge Services
- Behavioral Health
- Oncology
- Pre-and Post-Surgical Follow-up
- Dermatology

Avera has made tremendous strides in expanding beyond the brick-and-mortar practice to patient homes since Avera began implementing AveraNow. Yet, this is just the beginning. Avera is poised to use consumer telehealth to further divert patients from unnecessary care, create more affiliations with Avera PCPs and attract even more patients to the health system.

Figure 10: AveraNow demonstrated good antibiotic stewardship[1]



[1] Sources:

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