The **ROI** of HIPAA Compliant Texting and Telemedicine

*Improve CMS Core Measures and Reduce Transfers*

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**Introduction**

Hospitals are under more scrutiny now than ever before. Strict regulations require facilities to hit goals in certain areas of patient care to avoid being fined and penalized. For example, if a patient is readmitted to a hospital within 30 days of discharge, the hospital receives a strike from the Centers for Medicare and Medicaid. After so many strikes within a given year, the hospital loses 3% percent of its annual income from Medicare. Additionally, any patient readmitted within the 30 day threshold results in a loss of income for the hospital from the first visit. ED throughput is similar to readmissions – hospitals are penalized an additional 2% of Medicare income if ED throughput times are over 175 minutes. The combination of these two core measures, and other factors, such as costly transfers ($25,000 per patient), can cost hospitals a significant amount of money if the requirements are not met.

Hospitals currently deploy numerous processes and solutions to help prevent readmissions and transfers, and to improve ED throughput. One option that should be explored is HIPAA compliant texting and telemedicine. In many cases, issues with readmissions and ED throughput arise from poor communication. This type of solution helps make collaboration and care coordination much easier by allowing doctors, nurses and other hospital staff to quickly communicate about patient records, share MRIs, CT scans, lab results and much more. By deploying a HIPAA compliant texting and telemedicine solution, hospitals could save hundreds of thousands of dollars by avoiding penalties on their annual income from Medicare, all while keeping patients healthier.
Reduce Readmission Rates

A main focus of many hospitals at the moment is to reduce readmission rates. The reason for this is that any patient readmitted within 30 days of discharge can lead to a penalty of 3% of a hospital’s income from Medicare. Also, hospitals aren’t paid for the patient’s visit if they return to the hospital within this timeframe.

Reducing readmission rates can be tackled in many ways including improved communication between doctors and their patients after discharge. Communication after discharge to ensure chronic disease management, compliance with medication and review of diagnostic tests can help reduce the rate at which patients are readmitted to your hospital. This type of communication can be facilitated by a HIPAA compliant texting and telemedicine solution, which allows doctors and patients to communicate via text and video calling in compliance with HIPAA. Using this type of solution, doctors are able to communicate with patients about protected health information (PHI), such as the medication the patient should be taking to ensure a successful recovery, without having to worry about violating HIPAA privacy rules.

Many hospitals could make good use of a HIPAA compliant texting and telemedicine solution, as a high percentage of facilities are being hit with penalties for readmissions despite their best efforts to prevent patients from returning within 30 days. According to Kaiser Health News, 65 percent of hospital facilities subject to the Hospital Readmissions Reductions Program (HRRP) were penalized in 2014\(^1\). Medicare estimated that readmission fines totaled $428 million in 2014.

It is clear that hospitals still have a lot of work to do in order to minimize readmission fines. Without a plan of attack, such as deploying a HIPAA compliant texting and telemedicine solution, the fines are going to continue to come and hospitals are going to have to keep paying up – the penalty for a high rate of readmissions continues to rise, with an increase to 3% of income from Medicare in, up from 2% in 2014.

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Improve ED Throughput

Hand-in-hand with reducing readmission rates at hospitals is improving ED throughput. Much like readmissions, CMS docks hospitals 2% of their income from Medicare if the treatment requirement isn’t met – patients must be treated (admitted or discharged) by the emergency room within 175 minutes of arrival. This is not a lot of time for most hospitals to treat a patient in the ER, and with such a high penalty for failing to meet the standard set by CMS, it is clear hospitals need a solution to help improve ED throughput times.

Better communication can also be part of the solution for faster ED throughput. A HIPAA compliant texting and telemedicine solution can help facilitate better communication within hospitals to speed up the process of discharging patients from the ER. In many cases, a lot of time is wasted trying to get a hold of a specialist or waiting for a response about lab results, an MRI, CT scan, etc. With a HIPAA compliant texting and telemedicine solution, time wasted can be reduced. Instead of waiting for a response to a phone call, email or page, doctors can simply send a text with an update or share an image of a CT scan via their phone or tablet. This cannot be done over regular texting due to HIPAA privacy rules, but with a HIPAA compliant texting solution this is not a worry.

With a solution deployed, a hospital can decrease the amount of time staff spend waiting for responses about lab results, x-rays and other matters, which, in turn, enables them to stay under the 175 minute CMS threshold for ED throughput. By treating patients in the ER within 175 minutes, hospitals are not penalized 2% of their income from Medicare, which leads to significant cost savings.
Decrease Transfers

CMS doesn’t penalize hospitals for high transfer rates, but that doesn’t mean having to move a patient to a different facility isn’t extremely costly for hospitals. If a small rural hospital has to transfer a patient to a stroke center in a major city, it could cost the hospital up to $25,000. According to the ASC Quality Collaboration Quality Report, 1.038 of every 1,000 admitted patients at hospitals were transferred. This means that for every 1,000 patients admitted, hospitals could pay $25,000 per transfer.

Preventing 100% of transfers is unlikely, as there are serious medical conditions that will require moving a patient to a different hospital, but with a HIPAA compliant texting and telemedicine solution, hospitals can decrease the number of transfers by facilitating collaboration and care coordination with doctors, specialists and other medical professionals outside hospitals. For example, a patient who has an unknown eye injury doesn’t need to be transferred immediately if a doctor is able to reach a specialist via a telemedicine call from their phone. If it is determined the injury is not serious, the doctor saved his or her hospital $25,000 by using a HIPAA compliant texting and telemedicine solution for a simple virtual consult with an eye specialist. On top of that, the eye specialist can be reimbursed for the telemedicine call, so he or she doesn’t miss out on business because the transfer was prevented.

Conclusion

Hospitals are being penalized left and right in today’s healthcare environment. If hospitals aren’t careful, a significant amount of penalties could be accumulated for readmissions and ED throughput, which can have a major impact on the bottom line. While it is unlikely that all readmissions and transfers can be prevented, and every single patient will be treated in the ER within 175 minutes, there is a simple solution to help improve core measures and save money in all three areas – HIPAA compliant texting and telemedicine. By enabling better communication, collaboration and care coordination, hospitals could see readmission rates drop, transfers decrease and ED throughput times improve.

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About Everbridge

Everbridge is the leading unified critical communications platform trusted by corporations and communities of all sizes that need to reach the right people for immediate action, collaboration, and decision-making. Connecting more than 100 million people and internet-connected devices, the company provides reassurance that secure, compliant messages are delivered, locally and globally, received and responded to, no matter the recipient’s location. Everbridge is based in Boston, Los Angeles, San Francisco, Beijing and London. For more information, visit www.everbridge.com, read the company blog, http://www.everbridge.com/blog, and follow on Twitter and Facebook.

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- **Mass Notification**: Use Mass Notification to reach clinicians and employees about emergency situations and mass casualty events – across smartphones, email, SMS, push notifications and other modalities.

- **IT Alerting**: Use IT Alerting to help you restore system outages and quickly keep internal and external stakeholders informed.

- **Incident Management**: Use Incident Management with pre-defined notification procedures to speed up STEMI alerts and notify necessary hospital personnel faster to ensure patients receive life-saving treatment in record time.

- **On-Call Scheduling**: Use On-Call Scheduling for real-time shift calendars and integrated on-call notifications to automate the tedious process of contacting off-duty staff.

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