



NEWSFLASH

The Continua Health Alliance: Will Remote Health Monitoring Create a Paradigm Shift in Healthcare?

Healthcare Provider IT Strategies
Healthcare Payer IT Strategies

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NEWS UPDATE

This Health Industry Insights NewsFlash looks at the impact of the newly formed Continua Health Alliance on various segments of the healthcare industry, including remote health monitoring. On Tuesday, June 6, 2006, at a press conference in San Francisco chaired by Louis J. Burns, vice president and general manager of Intel's Digital Health Group (DHG), the healthcare industry and the public at large were afforded a glimpse of what could be the dawning of a new, and fundamentally transforming, chapter in the evolution of healthcare service delivery not only in the United States, but around the world.

The press conference was held to announce the formation of the Continua Health Alliance, a consortium of 22 corporations, including two of the country's largest and most prestigious and innovative healthcare providers, that runs, quite literally, from A to Z. The founding members of the group are Avita, BodyMedia, Cisco Systems, GE Healthcare, IBM, Intel Corp., Kaiser Permanente, Medtronic, Motorola, Nonin, Omron Healthcare, Panasonic, Partners HealthCare, Polar Electro, Roche, Royal Philips Electronics, RMD Networks, Samsung Electronics, Sharp, The Tunstall Group, Welch Allyn, and Zensys.

Continua's stated goal is to establish itself as the vanguard of a global effort to market a wide range of interoperable health and wellness monitoring devices to facilitate the collection, storage, analysis, and transmission of physiological and other health-related data that will "empower people and organizations to better manage health and wellness" across various "continua" of care delivery — hence the name.

An ambitious goal, indeed, but what exactly does this mean, and can it really augur the profound change in healthcare delivery that the founders predict?



OUR VIEW

The Bottom Line

Continua's efforts will focus on three major categories: chronic disease management, monitoring the health and healthcare needs of aging people, and proactive health and fitness. Presenters cited several examples. Through a network of readily connected health and medical devices, people with diabetes, hypertension, or other chronic diseases could share glucose levels, blood pressure, and other vital-sign information with their doctors. Adult children could remotely monitor the daily activities of aging parents, such as adherence to medication regimens, to proactively help them to continue to live safely in their own homes. Individuals following a diet and fitness regimen could collect weight and exercise data to share with their trainers, therapists, or health plans. In each instance, this data could be collected in residential or even mobile settings, stored, and communicated to caregivers or fitness consultants via the Internet.

The consortium's design guidelines are focused not on the creation of new networking standards, but rather on the utilization of established connectivity standards, including Bluetooth, USB, WiFi, Z-Wave, and ZigBee, among others. The group plans to publish design guidelines within the next 18 months and also intends to establish a product certification program with a consumer-recognizable logo signifying the promise of interoperability with other certified products.

Elderly and chronically ill patients consume more than 75% of healthcare resources. Current models of healthcare delivery and reimbursement for healthcare services mandate that patients with chronic conditions who require regular monitoring receive that care in a physician's office, hospital, or comparable (costly) setting. What could the impact be on the patient's health and well-being, let alone the cost of care, if the patient's condition could be passively monitored during the course of his or her daily routine? Visits to caregivers could be reduced and perhaps only scheduled when conditions warrant, reducing the cost of care and, more importantly, enhancing the quality and timeliness of the care delivered, thereby improving outcomes.

For many families, distance or schedules may require costly supervised senior living, home health aids, or skilled nursing facilities as their only alternative, even if aging elders require only minimal supervision of drug regimens and monitoring of the activities of daily living. Using technology that could complement or obviate the need for more expensive supervision while improving quality would be a welcome, and popular, alternative for many.

But the potential, as great as it is, goes far beyond simply elder care. Care management programs are viewed by health plans, employers, and the government as essential components of an overall wellness

strategy designed to encourage and reinforce positive changes in lifestyle, such diet and exercise, to reduce the dependence on, and cost of, subsequent acute interventions. Here, too, routine monitoring of physiological data can serve as a powerful ally in the effort to make these programs more interactive, easier to maintain and, ultimately, more effective.

Essential Guidance

Certainly elements of Continua's vision can be found today in local neighborhood pharmacies, consumer electronics stores, and exercise equipment stores in the form of consumer-friendly blood pressure cuffs, glucose monitors, intelligent scales, wellness software programs, heart-rate monitors, and nanny cams. Continua's vision looks beyond this to integrate data collection and, ultimately, care delivery into a more seamless and efficient process. But several key questions must be answered before success is assured. The most important ones involve user and provider acceptance. Key to the former is cost; to the second, income protection.

Most fee-for-service-based reimbursement health plans, which dominate U.S. healthcare, do not reimburse for econsultations of any kind. Driven by consumer demands and government interest in more cost-effective delivery models, a number of innovative health plans around the country are evaluating, and a handful have approved, nominal reimbursement for evisits.

Health Industry Insights believes that these market forces, combined with pilot results that demonstrate economic and clinical benefit, will drive payers to reimburse for such services. For integrated payer/provider organizations, such as Kaiser Permanente, the value is self-evident, as there is a clear alignment of incentives to reduce service costs and improve outcomes. In other societies where the government is the sole or major payer — and often the provider as well — the decision to pursue such initiatives may also be a no-brainer.

Another key question is, who will provide monitoring services and alerts to caregivers? Obvious parallels can be made to home security and medical alert monitoring. Such services could represent a new revenue source for other organizations that grasp the value of this initiative and move quickly to stake out their footprint. Hospitals, perhaps? There are implications, as well, for those organizations developing and marketing electronic personal health record products and services, a nascent but potentially significant market.

Health Industry Insights' research is focusing on this issue this quarter and will publish the results of our first-ever survey assessing consumer readiness to adopt remote home health monitoring technology later this year.

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Related Research

- *Home Health Monitoring Devices and Their Potential Impact on Healthcare Delivery and Cost* (forthcoming)

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