Digital health solutions have the potential to transform patient care by improving outcomes and lowering costs—often in partnership with payers and providers. While there’s been a surge in these solutions hitting the market, even the best of them can get lost in the health tech hype without the right preparation and strategy. How can entrepreneurs better navigate these systems? It all starts with evidence, but as we learned at a recent event with Evudiation Health, there’s much more to proving value with payers and providers in a successful partnership. The second event in the Beyond the Health Tech Hype series brought together experts from Dignity Health, Humana, and Kaiser Permanente in a candid conversation led by Evudiation’s President, Christine Lemke. Here are some of the major learnings from the evening (full video here):

1. **Building trust is dependent upon multi-dimensional evidence.**

Increasingly, payers and providers are noticing traditional metrics of evidence (e.g., randomized trials, evidence-based reviews) don’t necessarily translate into the real world. So what does? “Seeing a product used under some stress or duress and how it’s received by caregivers, members, patients, and their families,” answers Dr. Scott Young, Executive Director and Senior Medical Director of Kaiser Permanente’s Care Management Institute. They’re looking for evidence in a variety of settings and areas—not just in one homogenous setting. “Numbers in different scenarios are more important to us than if you come to us and say, ‘Hey, I did a clinical trial with this many people in one setting,’” explains Dr. Manoja Lecamwasam, Executive Director of Intellectual Property and Strategic Innovation at Dignity Health. “We need to know that we can scale.” Panelists called out Augmedix, Propeller Health, and Omada Health as examples of companies doing it right when it comes to evidence in digital health.

2. **You’ll need more than just hard-hitting evidence to prove your product’s value.**

You’ve finally completed the very basic fundamental, rigorous, quantitative studies for your solution—you’re ready to seal the deal now, right? Not so fast. Such evidence is only one part of the bigger picture. Karen Lee, Innovation and Strategic Partnerships Leader at Humana, points to the importance of “softer feedback”—stories and testimonials directly from customers and users. “In this day and age, so many solutions claim to do the same thing. This softer feedback allows us to really get a feel for that experience and whether or not it’s effective,” says Lee.

3. **There’s more competition than you might think. Do your homework before showing up for the first day—or be the last in your class.**

There are a lot of consumer companies with 50+ years of experience trying to launch into healthcare, and then there are new digital health startups. “We’re trying to assess you against your competitors, and if you’re not looking at evidence the same way or presenting in a clinically significant manner, that makes it tough for us. And ultimately, we’ll pass,” admits Lee. “Do your research and really understand your area. When you come to providers and payers and are able to speak on that level, I think that will get you very far.” To that point, holding your own in a sea of thousands of digital health solutions requires you to really, truly know your product. Being clear on what your product is and which population you want to appeal to and solve problems for is critical before even coming to a payer or provider. “What component of
your product is going to affect outcomes?” asks Dr. Young. “If you can’t give an answer, that’s a problem. And if you can’t give an answer, there are a lot of people in line.”

4. It needs to be a tool that both meets their strategic objectives and fits their budget cycle.

As with any organization’s budget, those of payers and providers are set in advance and cannot be bent at a moment’s notice for your product, no matter how great it is. “Everything in our capital and operating budget is already allocated,” explains Dr. Lecamwasam. “If the service area has to come up with the money for a pilot or test, we’ll tell you to wait until the next fiscal year and ask you to show your outcomes in the meantime so we can justify our budget.”

5. Know the environment you’re trying to enter (and remember it’s not all about you).

These are large, political, complex organizations with current programs being deployed. “Even if we notice a new technology or pilot is going really well, we have to start planning out the longer term of how we’re going to shift current programs to a new program,” says Lee. “Which members will we offer this to? Beyond the evidence, a successful pilot, and research, there are some complexities that you have to be patient in working through.” Evidence is the foundation of everything, but it is by no means your golden ticket to a partnership with a payer or provider. “Digital health is a fast moving environment. Healthcare is a very slow, bureaucratic environment,” adds Dr. Lecamwasam. “You have to understand who you are dealing with, and know there are other stresses. We don’t mean to be slow to mess with you—we’re just slow.”

6. Payers and providers want you to stand in their shoes.

Keep in mind the questions these organizations are asking themselves when it comes to evaluating your product. “When we try to introduce something into our system, the biggest question always is: what is the value to us?” explains Dr. Lecamwasam. “It could be economic—but really, does it improve our quality, and does it help our physicians do something better, easier, and faster?” Being in a lot of risk-based bundled payments, ACOs, and value-based relationships, payers and providers are always thinking about how their next move will impact their whole organization. You’ll be one step ahead of the game if you can articulate your product’s place in that value chain.

7. Above all, never lose sight of the most important part of the equation: the patient.

Both you and your potential partner have the same end goal—substantially improving health outcomes and lowering the costs of care. Developing a strategy to approach a payer or provider may require a great deal of time, energy, and resources, but don’t forget about the human lives you set out to better with your product in the first place. “The patient needs to know how to use it, and should be using it. If you’re going to do training, you’re not only looking at the provider, but at the patient as well,” explains Dr. Lecamwasam. “You have to first build that foundation—look at it there, and a lot of people will want to talk to you. Once you’re in, then we can build the house.”

“I want our patients to have longer, healthier lives,” says Dr. Young. “So if someone has something I believe will do that—and has the evidence to back it up—I’ll do it in a heartbeat.”

To learn more about how digital health companies are using Evidation Health’s Real Life Study Platform to prove their value in the digital era of medicine, go to www.evidation.com
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