



How Can Healthcare Organizations Structure Payment When Services Are Digital?—video

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If you think about virtual healthcare in terms of things like one to many, so one doctor many patients or you think about technologies that can substitute maybe for some of the work that the clinician does. We've looked at conditions, care in a general practitioner's office and found that somewhere between 10 and 18% of a doctor's time is consumed by things that can be done either by someone other than the doctor, or by the patient or by a machine. But one of the challenges organizations have in making this transition is solving for how care get paid for. Because today, care really only gets paid for if you have services from a person. So what you're beginning to see provider organizations do is use either budget-based payment or population-based payments where there is an economic incentive to become productive as a way to invest.

The other things organizations are doing is their focusing on that part of healthcare that is paid for by a consumer out of pocket. Because in that case what a consumer really wants is a benefit. They're not locked into whether or not a physical service is received. So you begin to see innovations there. You're also seeing payers recognizing that productivity might be an objective. Ask the question, should we change the payment scheme in order to encourage more of this kind of innovation?