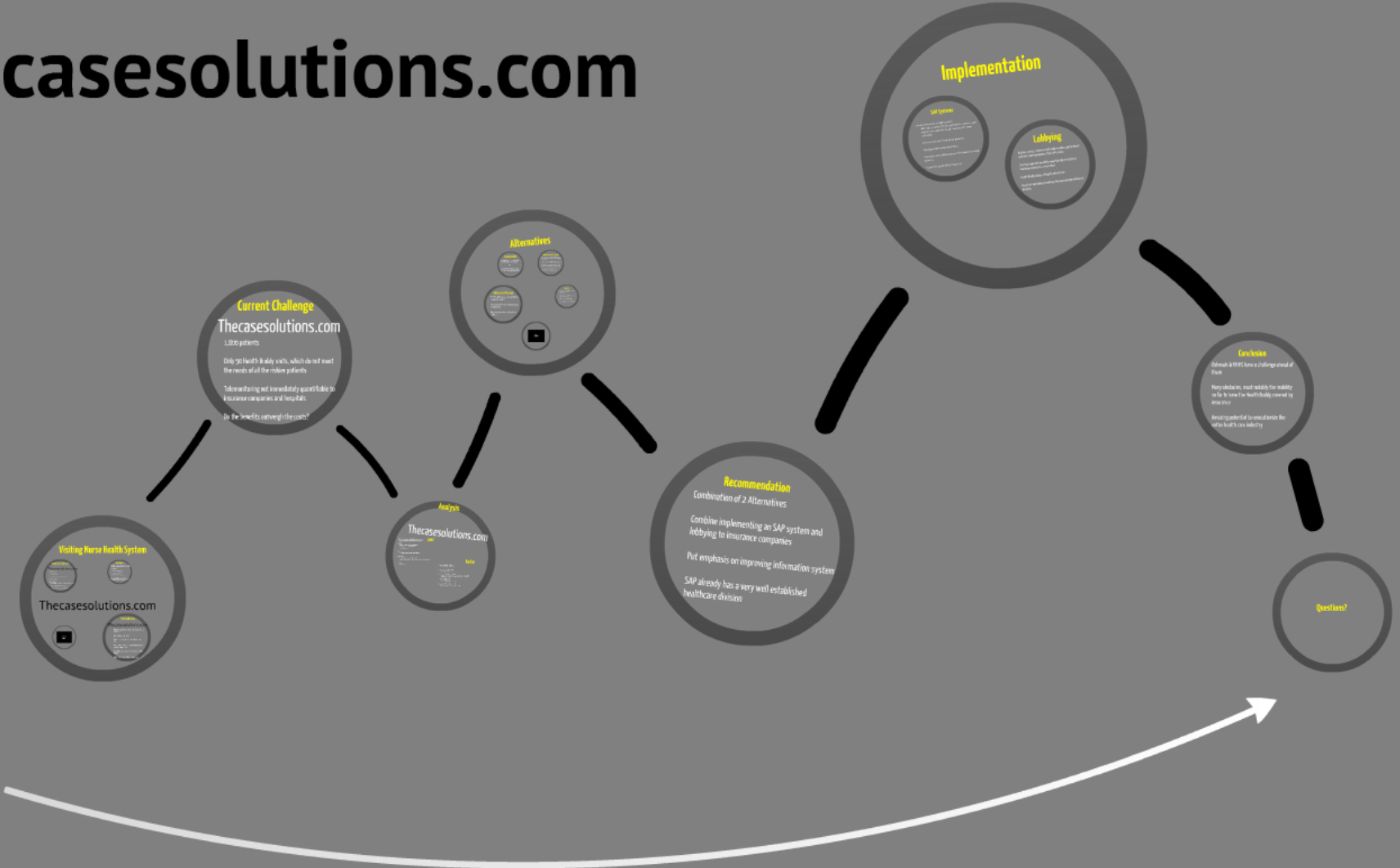


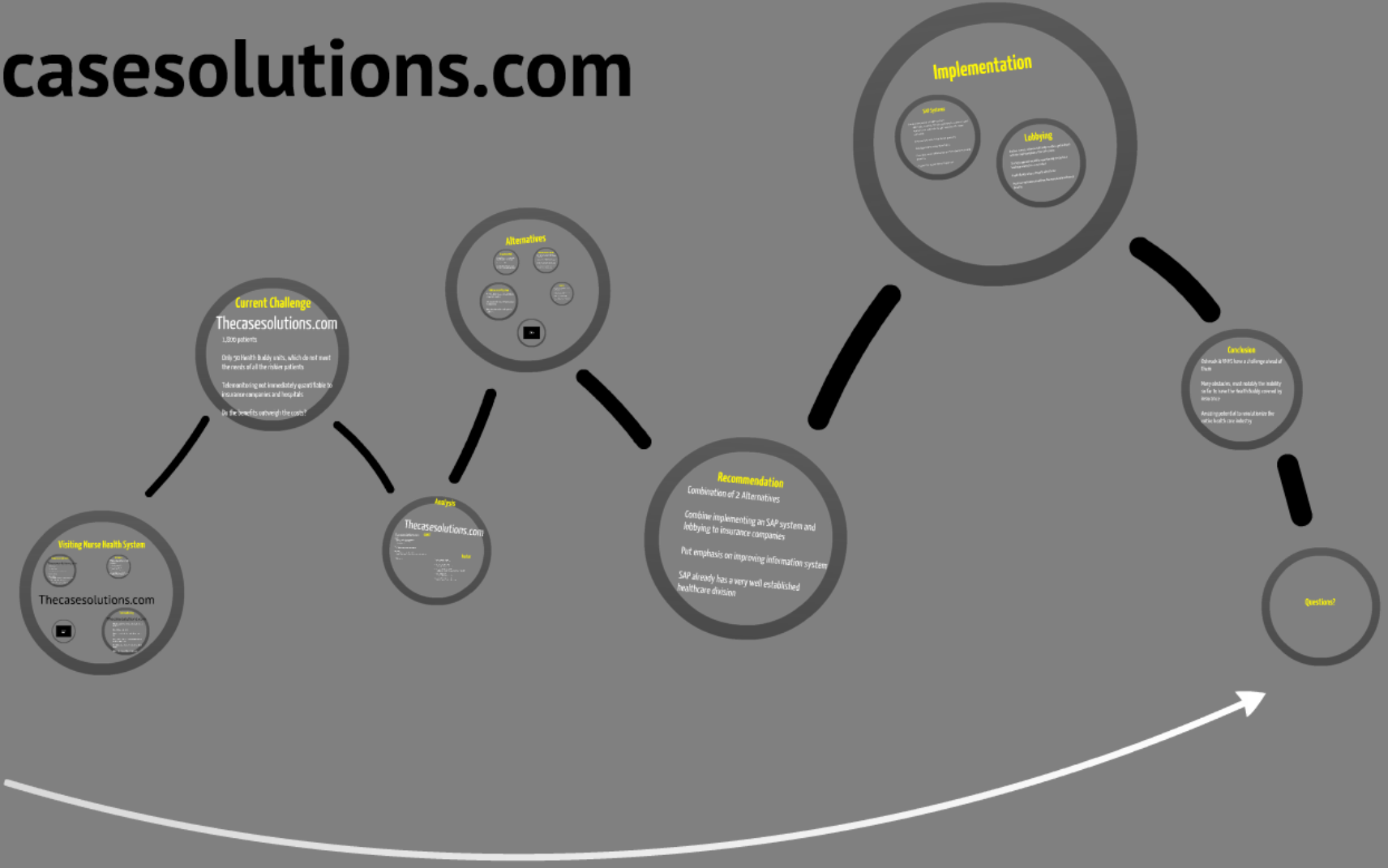
# Telemonitoring at Visiting Nurse Health System

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# Visiting Nurse Health System

## Visiting Nurse Health System

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Started in 1948 by 2 nurses

Based in Atlanta, Georgia

Providing home healthcare to more than 20,000 in 2009

Net revenue of \$50 million

WHS Home Healthcare  
2007 professionals that provide daily support to about 1,000 patients

60% are covered by federal healthcare programs

Average reimbursement is about \$2,500 per episode

## Health Industry

### Thecasesolutions.com

1,000+ employees in 1963

20,000+ individuals coming back to work in 2008

revenue per year is \$1 billion in 2008

Health care expenditures in 2008 exceed \$1.1 trillion

that was \$1.1 billion in 2007

Health care expenditures expected to be \$1.45 trillion in 2009

Health care expenditures expected to be \$1.45 trillion in 2009

70% of health care expenditures are used for acute and hospital care

10% of health care expenditures are used for home care and telemedicine

Source: 2008, Kaiser, High Impact Pressures, available at [www.kaiserfamily.net](http://www.kaiserfamily.net)

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## Telemonitoring

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Medical practice involving remotely monitoring patients who are at home

More widely used around 2000

Monitors deliver information to home health care providers daily

Convenient for avoiding travel and perform more basic work of healthcare professionals

Gives reminders and provides warning if patients condition worsens

Many different extents of telemonitoring systems

## Visiting Nurse Health System

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Started in 1948 by 2 nurses

Based in Atlanta, Georgia

Providing home healthcare to more than 20,000 in 2009

Net revenue of \$50 million

VHNS Home Healthcare

200 professionals that provide daily support to about 1,800 patients

60% are covered by federal healthcare programs

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# Telemonitoring

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## Health Industry

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1,100 establishments in 1963

20,000 establishments serving about 8 million in 2008  
expected to grow to 15 million in 2020

Health care expenditures in 2008 exceed \$2.3 trillion  
Up from \$714 billion in 1990

Health care expenditure expected to hit \$4.6 trillion in 2020

Health care costs are expected to increase at a rate of 8.4% annually  
70% of all healthcare expenditures were related to acute care hospitalization due to 5 chronic diseases – congestive heart failure, chronic obstructive pulmonary disease (COPD), diabetes, high blood pressure, and other chronic illnesses

# Current Challenge

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1,800 patients

Only 50 Health Buddy units, which do not meet the needs of all the riskier patients

Telemonitoring not immediately quantifiable to insurance companies and hospitals

Do the benefits outweigh the costs?

# Analysis

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## Thecasesolutions.com **SWOT**

### Strengths

- Better than state and federal performance
- Legitimate method of controlling costs
- Strong partnerships

### Weaknesses

- Limited availability of cash and Health Buddies

### Opportunities

- Population increase in home health services
- Health buddy is a legitimate way to decrease acute care hospitalizations

### Threats

- Porter Model

## **Porter**

Threat of new entrants - Moderate  
Industry is already very competitive

Bargaining Power of Suppliers - High  
70% of patients from hospital referrals

Bargaining Power of Customers - Moderate  
Significant amount of other home care service providers in Metro Atlanta

Threat of Substitutes - Low  
The Bosch health buddy is top of the line

Rivalry Among Existing Competitors - High  
20,000 establishments serving 8 million patients



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