

## INNOVATION AND IMPROVEMENT

# Improvement Happens: A Commercial IT Solution for Reviving Primary Care? An Interview with Hello Health CEO Nathaniel Findlay and Colleagues

Richard L. Kravitz, MD

Division of General Medicine, University of California, Davis, Sacramento, CA, USA.

J Gen Intern Med 28(2):310–4

DOI: 10.1007/s11606-012-2223-1

© Society of General Internal Medicine 2012

*The Supreme Court decision upholding health reform and the 2012 residency match results notwithstanding, primary care remains threatened. Expectations are high, reimbursement is low, and practice can be chaotic, making it difficult to sustain the long-term patient–physician relationships that many doctors (and patients) find so rewarding. Hello Health, Inc. is a for-profit company<sup>1</sup> that seeks to reverse some of the trends that have disrupted primary care practice in recent decades. The company develops, markets, and installs practice support software in primary care physicians' offices. Indeed, the software promises a remarkable range of functionality, from electronic health records to patient scheduling to support for doctor-patient videoconferencing. But the unique thing about this company is the financial model: they install the software for free and then support the physician in soliciting paid patient "subscribers." Does the model work and can it help save primary care? To find out, JGIM spoke with Hello Health executives Nathaniel Findlay (CEO), Stephen Armstrong (Vice President, Marketing), Steven Ferguson (Patient Management Officer), and Matt Beer (Director of Implementation). (Fig. 1).*

**JGIM:** Nat Findlay, you are an accountant and attorney. Your team has a background in exercise physiology and marketing. How did you become interested in quality of care and quality of life for independent primary care practitioners?

**Hello Health (NF):** Both Steven (Ferguson) and I were executives in the health care industry working in hospitals, and we saw a significant opportunity in the ambulatory care



**Figure 1.** Nathaniel Findlay, Hello Health CEO

market. We were looking at patients being discharged. We started to wonder about how doctors coordinate their care and how doctors communicate with these patients. And our initial thoughts were around building a communication system.

At first we didn't know what it was going to be. Maybe a videoconferencing system. Maybe a system of remote biosensors. We weren't sure. But we saw technology moving from mainframe to desktop to iPads, and we knew the world was changing, and realized that selling new healthcare ideas can be extremely costly and takes a long time. So we went out and built our own clinic.

**JGIM:** What was special about the clinic?

**Hello Health (NF):** There were a couple of goals. The first was to change the way patients and physicians interact. In the average practice, the vast majority of encounters are in person. In our practice, about 75 % of encounters were virtual visits, whether through secure videoconferencing or email. The second goal was to dramatically reduce overhead. If we could do that, we could make primary care financially viable. And we found that as virtual visits increased, overhead decreased. There was no need for a receptionist. There was the doctor and the patient. So the overhead in these practices was more like 20 %, rather than the usual 60 %.

<sup>1</sup>Disclosure: JGIM and JGIM editors have no conflicts of interest to declare with Hello Health.

**JGIM:** How did you go from being managers of a micropractice to founding Hello Health?

**Hello Health (NF):** After a while we started getting phone calls. Physicians were saying, “Wow, you guys are doing something really cool. How do I do this?” Eventually we realized we didn’t really want to become a health care practice, we wanted to help hundreds or maybe thousands of others transform care. Our model was that patients would pay a membership fee to have the convenience of both an in-person and electronic relationship with their physician. So we decided to close the clinics in New York and focus on being a health care information technology (IT) firm. That’s where you find us today.

**JGIM:** You are outsiders to medical practice who are now on the inside. As you surveyed the landscape of independent primary care practices, what was your impression of how these practices were organized?

**Hello Health (NF):** Looking inside their practices, I think it was Steven (Ferguson) who said “Wow, these places look like Frankenstein. “And I said, “What do you mean?” And he said, “Well, you know, this practice has got a credit card reader on one side of the office, a scanner on the other, and a fax machine down the hall. They’ve got a lab system and they’ve got a lot of paper charts. They might or might not have an electronic medical record (EMR), but oh, there’s this billing system over here, which is also a scheduling system. And it was just this hodgepodge of stuff that didn’t really come together. There was no interoperability anywhere.

**JGIM:** And yet on some level these practices were getting along fine.

**Hello Health (NF):** On some level, maybe, but the doctors weren’t practicing efficiently. So we said, why don’t we design the ultimate electronic medical record? We’ll call it a patient management system. And so it will be a patient portal. It will be a video conferencing system with full telemedicine capabilities. It’ll be an e-mail system. It’ll be a lab system, a prescribing system, a billing system. It will be everything that both the doctors and patients need to facilitate a better experience.

**JGIM:** That sounds like a tall order, especially since you were competing with some much larger companies. What made you think you could succeed against the likes of Epic and Cerner?

**Hello Health (NF):** What we were finding was that the Epics and Cerners of the world hadn’t come downstream to the small practices. And the small practices, the one to five doctor practices, found that the Epic and Cerner products were more than they could afford and more than they needed. These products looked really complicated to use. You needed to have a server. You needed IT support. And ultimately, the typical EMR developed by the big guys was only a general ledger. It was really just a transaction machine. It wasn’t a communication machine.

**JGIM:** How does a practice sign up for Hello Health®? What does the physician commit to, and what does he or she get in return?

**Hello Health (NF):** Our contract identifies the terms of the agreement. In exchange for receiving a free EMR-based patient management platform with training, implementation services, and ongoing support, the physician agrees to use commercially reasonable efforts to encourage all patients to subscribe, and to personally advocate the benefits. The patient subscription fee starts at \$3 per month per patient, of which the physician keeps \$1. Many practices are adopting a higher price point, which must be mutually agreed upon with Hello Health. Online consultations conducted through the platform, including video visits, are directly billed to the patient’s credit card and the physician retains all revenue with no delay in collection.

**JGIM:** What features of the Hello Health system do doctors and patients say are most valuable to them?

**Hello Health (NF):** Patients really appreciate the ability to schedule online. They are using the scheduling system a lot. It’s just what they do in life. They buy books or electronics on Amazon, and they buy airline tickets on Expedia, and they use OpenTable to get restaurant reservations. And now their doctor is also online. Then there’re the labs. Once the doctor has reviewed the labs, the patient has immediate access to the results and the interpretation. There’s no need for the patient to phone the office, no need to come into the office just to get results. And of course there’s the added confidence and assurance that comes from timely follow-up.

**JGIM:** Allowing patients to schedule their own visits sounds very modern, but also very scary. What about the 54-year-old man with acute chest pain and shortness of breath who schedules himself for a “quick drop-in visit?”

**Hello Health (SF):** When patients self-schedule, the practice can really control what visit type is available and what length of time that will take. And you can even divide it by patient group if you like. But on top of that, you’re right. So there is a triage tool in the platform where the front office people see what patients are scheduling. So there’s a feed that shows it; you know, Mr. Jones scheduled a follow-up for [acute chest pain] tomorrow at 10 am, and that will pop that right on their dashboard. So they can plan for those things ahead of time. Or even take proactive action ahead of time, if need be.(Fig. 2).

**JGIM:** When you say “triage,” it sounds like front office staff members are making medical decisions. Surely you don’t mean that?

**Hello Health:** The term “triage” was meant in an office flow administrative context, not a medical one. The online scheduling provides a complementary medium for appointments to be scheduled with the practice, in addition to traditional phone calls. When patients self-schedule, they are stating the reason for their visit. If the front office staff sees a reason stated that suggests a potential concern or

Welcome to Hello Health 4.1

hellohealth PANEL TEAM 4 MESSAGES 4 REQUESTS LABS MY PROFILE HELP LOG OUT

OVERVIEW SCHEDULING

ADD EVENT EXPORT Today Thursday, October 27 View: Agenda Day Week Month

October 2011

Appointments (14)

Time	Duration	Patient	Reason for Visit	Category	Type/Status
10:00 AM	15 m	Martha Blakely	Urinary Tract Infection Office: NY Family Medicine with Eric Troy	Follow up	👤 ⌘
10:30 AM	30 m	Brent Smith	Knee pain Office: NY Family Medicine with Eric Troy	No Category	👤 ⌘
11:00 AM	15 m	Steve Underwood	Blood pressure check Office: NY Family Medicine with Eric Troy	Follow up	👤 ⌘
11:30 AM	30 m	Lynn Sommer	Skin rash and thyroid recheck Office: NY Family Medicine with Eric Troy	No Category	👤 ⌘
11:30 AM	30 m	Elizabeth Tyson	9/26/09 Office: NY Family Medicine with Eric Troy	No Category	👤 ⌘
11:45 AM	20 m	Calob Miller	2 year well child visit Office: NY Family Medicine with Eric Troy	No Category	👤 ⌘
12:00 PM	30 m	Olivia Campbell	Ear pain Office: NY Family Medicine with Eric Troy	No Category	👤 ⌘
12:00 PM	30 m	Lindsay Adams	Headstf Office: NY Family Medicine with Eric Troy	No Category	👤 ⌘
1:00 PM	60 m	Anthony Lewis	Full Physical and follow-up hospitalization Office: NY Family Medicine with Eric Troy	No Category	👤 ⌘
2:00 PM	30 m	Alice Lawrence	Fertility discussion and neck soreness Office: NY Family Medicine with Eric Troy	No Category	👤 ⌘
2:30 PM	30 m	Jim Gradson	Blood pressure and cholesterol check Office: NY Family Medicine with Eric Troy	No Category	👤 ⌘
3:30 PM	15 m	Frank Jones	Discuss a new rash in my amplit. I wonder if I am reacting to this new deodoran... with Eric Troy	No Category	👤 ⌘
4:00 PM	45 m	Jared Benson	Headaches, fatigue Office: NY Family Medicine with Eric Troy	No Category	👤 ⌘
4:45 PM	30 m	Sarah Miller	Hello Doctor Troy, I wanted to see you about...	General Exam	👤 ⌘

Search

Patient  
Please type patient name here

Status

Finished

No show

Pending

Started

Cancelled

Categories

Follow up

General Exam

Annual Physical Exam

Immunization

Clear SEARCH

Figure 2. Hello Health patient scheduling module. (Patient names and personal health information are fictitious)

need for more immediate attention, they will contact the patient to clarify, just as they would if the patient stated the reason for the visit over the phone.

**JGIM:** What's your business model?

**Hello Health (NF):** We give everything to the physician. I mean, this is a zero-cost out-of-pocket proposition to the physician. It's free software. It's free implementation. It's free consultation. It's free follow-up support. It's free upgrades. It's free. And that freaks out a lot of physicians. As you can imagine, they're always saying, well, what's the catch?

**JGIM:** Well?

**Hello Health (NF):** There is no catch. The physician talks to his patients about being a Hello Health subscriber. Except that's not what we call it. The patient becomes a subscriber to the Patient Portal of Dr. Fitzgerald or Dr. Smith or whatever. From the patient perspective, they are gaining access to a suite of personalized services offered by their doctor. And on the physician side, we work to transform his practice clinically and transform his or her commercial relationship with patients. We do a revenue split with the physician. We take in the subscription revenue from those patients, which can be as low as \$36 a year or \$3 per month. And we share a significant portion with the doctor.

**JGIM:** What percentage of patients in a practice have to take up the Hello Health platform to make it worthwhile, both clinically and economically?

**Hello Health (MB):** The more patients that are signed up, the better the ability to look at cohorts within the panel—those with diabetes or hypertension or some other chronic condition. The doc can communicate with those patients and even implement clinical decision support rules.

**Hello Health (NF):** From the economic side, if a practice typically has 1,700 patients in the panel, we want to see upwards of 600 or more patients as paid subscribers. That's more money for us and for the practice—every time someone subscribes, that's more revenue for the practice through our revenue sharing model.

**JGIM:** So if 600 patients in a practice sign up under the basic plan, that's \$1,200 to Hello Health and \$600 a month to the practice. Nothing to sneeze at, but enough to save primary care?

**Hello Health (NF):** The opportunities for additional revenue don't end there. We have all of the patients' credit cards. So when Mr. Ferguson phones up and says, "Oh Doctor I can't come in this afternoon. But can I talk to you on the phone and ask a question?" You know, one of those 15 questions that he didn't ask when he was there in the office. Now the

doctor can charge for those telephone visits, for videoconference visits, for care coordination. I guess our whole business model is predicated around helping physicians earn additional revenue with no initial investment, bringing their practices into the 21st century. Changing physician lifestyles is our business model.

**JGIM:** Can you say more about how doctors can charge for care coordination?

**Hello Health:** We are developing tools within our platform to streamline care coordination between primary and specialist that will reduce the workflow for the doctor and monetize the access to the electronic transfer so that they will be compensated for this work. This also applies to requests for medical records from insurance companies, law firms, and others, which are a time drain for primary care doctors and often done without any compensation.

**JGIM:** One way the model seems to reduce overhead is by shifting work back to the physician. You no longer need a medical assistant or nurse calling in refills—but that’s only because the physician is doing it by email. You no longer need a receptionist, because the doctor is responsible for her own online appointment keeping. Is this another one of those time-saving devices that doesn’t actually save time?

**Hello Health (MB):** You’re right. The e-prescriptions can only be sent through by the physician, but because of fewer random phone calls, because a lot of patients start e-messaging rather than calling, the staff can take on other work that they were not taking on before. So there is a shift in responsibilities. But I think it evens out overall, and I would argue that the offices are much, much better organized, which in the long run not only saves time, but improves patient safety. There’s just less stuff falling through the cracks because of the patient management system.

**JGIM:** Sounds good, but do you have any evidence yet that your model actually improves patient safety?

**Hello Health:** We do not have any evidence on patient safety impact other than anecdotal patient testimonials attesting to having more access to their primary care doctors and to their own health information wherever they are, at any time.

**JGIM:** How do patients react when they’re asked to pay for something that they’ve previously been getting for free, such as telephone access to their doctor?

**Hello Health (SA):** Once patients understand the idea of paying for a platform, they get excited about the ability to be more connected with their doctor. They see this as a customer service add-on. And that it can free them up to ask their questions, to call, to email, and have that kind of connectivity with the practice. That said, there’s plenty of folks who believe people shouldn’t have to pay for anything for healthcare. But what we’re finding as we talk with patients is that when you show them the combination of communication, convenience, and the ability to enter their health information into the portal, all for our standard price

of \$3 per month, then they say, “This is almost too good to be true.”

**JGIM:** Do patients worry that if they don’t sign up, they’ll lose access to services they have come to appreciate? In other words, is the message, “don’t sign up if you don’t want to,” but be prepared to spend a lot of time on “hold?”

**Hello Health (NF):** We clarify that the Hello Health platform is complementary to the current way patients connect with the practice. Should patients prefer to pick up the phone, that’s always available. It’s just that there will be more conveniences available to them if they do adopt the platform. As just one example, both subscribers and non-subscribers can call in to make an appointment, but only subscribers can schedule their own appointments online.

**JGIM:** The Hello Health model bears a certain resemblance to concierge or retainer care. And that model has been roundly criticized for excluding the poor and working class. Let’s say I work in the local non-union factory or “Big Box” store. Can I afford to use Hello Health?

**Hello Health (NF):** We do occasionally hear from doctors whose patients have payment concerns. But frankly, at \$3 a month, the barrier to entry is very low. And the prices can represent a cost saving to the patient based on not having to travel to the practice and incur the associated costs, or spend time away from work.

**JGIM:** But there must be additional charges for additional services like on-line consultations?

**Hello Health:** The minimum cost of entry is \$36 per year for a patient, but again, there is a free scenario where the patient can receive messages only. Typically, the usage of the online consultations is low, and so the average cost to a patient is the annual subscription fee. The typical cost for an online consultation is \$50–\$60, which is based on the doctor’s hourly rate. There is a value, and a cost savings too (in dollars and time), to the patient with each consultation.

**JGIM:** Is the platform available to patients whose first language is not English? What about older patients who may not be as computer literate?

**Hello Health:** At this time, Hello Health is only available in English, but the architecture of the interface is such that it could be translated to other languages. This has not been a need from our customers yet. Patient subscribers are older, with 61 % over the age of 50, and interestingly, 6 % over the age of 80. We believe this service holds value for patients who are older and/or have chronic health needs.

**JGIM:** One of the more futuristic features of Hello Health is the ability to conduct visits via secure videoconferencing. (Readers can see a video of a mock visit on [www.hellohealth.com](http://www.hellohealth.com).) Are there any legal barriers to charging patients directly for these services? What about medico-legal risks that might accrue as a result of not laying eyes and hands upon the patient?

**Hello Health (NF):** Virtual visits are legal in every state. However, we rely on physicians’ discretion to communicate

with their patients in a manner that's clinically appropriate. And patients are told that if they ever have an emergent condition that they should not hesitate to go to the emergency department or call 911.

**JGIM:** You've developed Hello Health primarily for the benefit of small practices in fee-for-service environments. Yet the trend is for more and more physicians to organize into larger and larger groups. In addition, some health policy analysts believe that capitation's second coming is just around the corner. What happens then?

**Hello Health (SA):** Have you been to the airport lately? Security lines are longer and seats are closer together, but

there are plenty of people willing to pay a little more to move through the line faster and to retain circulation in their legs. The same is true for health care. Our goal at Hello Health is to improve the clinical care experience for patients, improve quality of life for doctors, and help make primary care financially viable once again.

**JGIM:** Your own version of a triple aim.

**Hello Health:** Exactly.

---

**Corresponding Author:** Richard L. Kravitz, MD; Division of General Medicine, University of California, Davis, Sacramento, CA, USA (e-mail: rkravitz@ucdavis.edu).