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The Voice of Georgia's Digital Health Ecosystem

ADDRESSING THE NEEDS OF DIGITAL HEALTH MAKERS AND HEALTHCARE PROVIDERS

Sponsored by IHIT



Georgia's digital health makers and healthcare providers collaborate on creative ways to maintain Georgia's leadership position in digital healthcare economy and innovative care services for our citizens

For many years, the State of Georgia has been recognized as a beacon for healthcare related software and services companies. But as the healthcare industry undergoes dramatic changes, due to new regulations and new value-based care payment models, the national leadership stage for digital health has become crowded, and the state finds itself competing with other areas: Nashville, TN; Austin, TX; Boston, MA; and Silicon Valley in CA. These states are heavily invested in programs that are attracting some of the most promising digital healthcare companies and are implementing innovative healthcare policies that benefit their constituents.

As 2020 draws near, now is the time for Georgia state lawmakers, private industry leaders and communities to work together toward the common goal of maintaining Georgia's national leadership position for the next decade.

Why is the leadership position in digital health important to Georgia?

- 1. Our economy:** The majority of healthcare-related jobs require highly skilled, highly paid employees, from software engineers and technology experts to physicians and clinically trained staff members. Attracting these types of resources to our state is desirable for supporting a robust economy. In addition, healthcare facilities are often the largest employers in rural communities, offering new jobs for citizens in these areas. These jobs feed the economy, which in turn allows state officials to invest back into the communities; and the cycle continues.

570K+ full-time employees in GA depend on a strong healthcare ecosystem, Georgia Hospital Association

- 2. Our citizens:** Today, Georgia's healthcare system ranks near the bottom (47th), according to the June 2019 Commonwealth Fund Annual Report. This is perhaps due partially to the vast number of care-deserts that exist in our rural communities: 64 out Georgia's 159 counties do not have a pediatrician and nine do not have a doctor. Also, Georgia's rural hospitals are closing at an alarming rate (seven in the past four years). Modernizing the infrastructure and regulatory environment that supports greater access to higher quality care, for all Georgia citizens, is an urgent issue that must be addressed.

“Several key states are vying for that national leadership position and all of the economic and health benefits that come along with it. The winners will be those states who work together to ensure their communities have access to the care they need while their businesses have access to growth opportunities to contribute to a strong digital health economy.”
– Pat Williams, IHIT Board Chair



The State of the State

Georgia has many of the components of a great digital health ecosystem, including forward thinking healthcare systems, leading edge health insurance providers and an excellent network of higher education facilities that offer healthcare-related courses and degrees. But based on the input received in a series of roundtable discussions hosted by the Institute for Healthcare IT (IHIT), with support from the Metro Atlanta Chamber, there are several limitations that are impacting Georgia's ability to remain competitive:

- Vendor-provider collaboration opportunities
- Ample funding resources
- Advanced workforce development programs
- Regulatory and infrastructure support for expansion

Similar to how state policymakers and private industry leaders came together in the film industry to make Georgia the nation's top location for feature film production, Georgia digital health makers and healthcare providers are working together to address these limitations and help the state maintain its leadership position on the national stage of digital health ecosystems.

Coming Together

To ensure the State of Georgia continues to compete effectively with other states vying for the attention of digital healthcare companies, IHIT brought business leaders of prominent digital health makers (software and service vendors) and healthcare providers (hospitals and physicians).

The expectation of the digital healthcare makers and healthcare providers who participated in these sessions is that this paper will spur more purposeful collaboration between all parties that have the opportunity to play a role in helping Georgia secure its leadership position on the national 2020 digital healthcare stage.



Digital Health Makers
SOFTWARE AND SERVICE VENDORS



Healthcare Providers
HOSPITALS, PHYSICIAN GROUPS AND CLINICAL PROFESSIONALS



The goal
To facilitate an interactive exchange among peers in Georgia to document the most common challenges and capture the ideas that they believe would help our state build a stronger healthcare ecosystem for the greater good of their businesses, employees and citizens.



The outcome
This white paper articulates those common challenges and ideas and presents thoughtful requests to state and local lawmakers, private industry and community leaders.



1 Greater Collaboration Opportunities

Collaboration is centered on the concept of sharing information that can be useful to move the collective group toward a common goal.

To increase the opportunity for Georgia-based digital health makers and healthcare providers to work together and exchange ideas, both sides are seeking support when it comes to creating structured programs and environments that facilitate collaboration and awareness of the resources available right here in Georgia.



In the absence of collaborative forums, the digital health makers feel that their opportunities to exchange ideas and discuss new developments with healthcare providers are often confined to sales meetings with busy executives who are skeptical of new approaches and therefore, are not able to engage in a meaningful way.



Healthcare providers feel indifferent about where the solutions are developed and are unaware of the many great solution providers located in Georgia. In the absence of any incentives, hospitals and physician groups are looking for the right solution at the right price with good customer service.

The Ask:

1. Create “home-field advantage” programs that may include financial incentives for Georgia-based digital health makers and healthcare providers to purchase from each other.

If financially incentivized to select a Georgia-based company that offers the same capabilities as a non-Georgia-based company, the decision would most likely go toward the home state.

2. Establish state-funded “think tanks” that are designed to facilitate more open, collaborative environments, where Georgia-based digital health makers and healthcare providers can tackle top issues together.

For a good example of where this concept is being utilized successfully, look at the Atrium-Navicent Health Center for Disruption and Innovation in Macon, GA. According to Simeon Sessley, Executive Director of the Center, “Approximately 70% of the companies coming through our program are based in Georgia. We work closely with ATDC to identify startup companies that can help us solve the real-world problems we are facing. We benefit from getting access to the latest technology developments; and our partners, the startups, get the benefit of proving their value in a ‘living laboratory’ while earning the right to replicate their solution across a growing system of care.”

3. Establish regional and state-wide competitions and feature events for digital healthcare startup organizations.

By challenging organizations to compete, the bar is set higher and everyone is typically giving it their all. There are several examples of these types of events, from hack-a-thons to university-funded programs. However, these occur in pockets. Broader, state-wide competitions that directly engage healthcare providers in Georgia with entrepreneurs in Georgia would have a much more profound impact.



2 Building a Stronger Funding Community

\$23B funding market for digital health companies nationally.

– CB Insights 2019

Access to growth capital and resources are critical building blocks to creating a vibrant digital healthcare ecosystem of both startup/early-stage companies and large corporations.

At the national level, digital health is one of the fastest-growing industries, with industry analyst firm Rock Health reporting the market to be on pace for record funding this year with digital health companies receiving more than \$5.5B in the first three quarters of 2019. Despite having 20+ venture capital, private equity firms and angel investor groups in Georgia, the funding resources for Georgia-grown digital health companies have been somewhat limited.



Digital health makers reported a lack of understanding among investment groups as to the significant opportunities for digital health providers. Particularly challenged for fund raising are those early-stage, pre-revenue tech companies emerging from the massive changes occurring in healthcare payment models and the consumerization of healthcare. Other regions, such as Silicon Valley, are known for being less conservative than east coast investors, and many Georgia companies are required to look elsewhere for the capital they need to support growth.



Healthcare providers are eager to work with startup and early stage companies but were often hesitant to do so if they did not feel the company was properly funded and would be able to mature into a commercially viable solution provider. A stronger funding community would give healthcare providers greater confidence in the longevity of the companies with which they choose to do business.



From a funder's perspective, the limited number of seasoned, healthcare business leaders in Georgia tends to be a limiting factor, as does the fragmented vendor space that appears to work in silos – such as biotech, pharma, life sciences, medical devices, artificial intelligence, cybersecurity and other software solutions.

The Ask:

1. Establish a state-wide funding mechanism that is specifically designed to support the development and commercialization of digital health companies.
2. Explore legislative and regulatory moves that are designed to encourage Georgia-based investors to invest in Georgia-based companies, such as expanding Georgia's existing Investment Tax Credits.
3. Form a coalition or task force of healthcare industry leaders (both vendors and providers) to establish relevant educational programs with lawmakers, funders and community leaders.



3

Improved Workforce Development and Education Opportunities

19+% CAGR growth expected in digital health over the next five years.

– Zion Market Research

Expansion of educational opportunities for both aspiring young talent and seasoned executives fuel the availability of qualified resources necessary to grow Georgia's digital health ecosystem.

Fueling the awareness and interest in digital health technology and the careers associated with it has been an uphill battle for the State of Georgia for years, as evidenced in the 2015 IHIT Workforce Preparedness report. Many people perceive healthcare careers to be solely focused on hospitals, nurses, doctors and other clinical workers. But in fact, there is an entire healthcare related industry of seasoned technical experts, software developers, network analysts, cybersecurity specialists and IT generalists. These are some of the highest paying jobs in the country.



Digital health makers reported significant challenges in finding qualified resources from within Georgia's universities and technical colleges. They also reported challenges in attracting seasoned healthcare talent to Georgia due to increased competition from other cities coupled with Atlanta's reputation for lengthy commutes.



Healthcare providers focused on the state's need to take a more active role in educating citizens regarding healthy living practices, in addition to the challenges of finding qualified talent to support their ever-growing digital infrastructures.

The Ask:

1. Conduct an updated workforce study.

Nearly five years ago, IHIT conducted a Georgia Workforce assessment in conjunction with state health IT business leaders, the Georgia Board of Regents and the Technical College System of Georgia. The results of this study generated interest among education leaders to grow their healthcare programs, and today, many of Georgia's secondary schools, universities and technical colleges offer some healthcare-specific courses, degrees and certifications. But the state cannot stop there. A new workforce assessment should be funded and conducted to help Georgia meet the growing demand for healthcare-related jobs.

2. Fund proactive health education programs.

As the healthcare industry attempts to move from sick-care to preventative-care, it will take a significant investment to educate our citizens. Cultural shifts like this take time but facilitating and funding consumer education on health and wellness is critical. Revisiting our curriculum to integrate more healthy habits and sponsoring educational programs is a great place to start. Also, working closely with consumer advocacy groups in these efforts is extremely important.



4

Modernize the Infrastructure and Regulatory Environment to Support Greater Access to Care

Enabling Georgia citizens access to the right care is a fundamental responsibility that is not be addressed in all areas of the state.

As stated above, 42% of Georgia's counties do not have a pediatrician and nine do not even have doctors. Georgia's rural communities are rapidly losing access to healthcare facilities, as hospitals are shutting down at an alarming rate. To continue to support citizens, state leaders must address some of the regulatory and infrastructure issues that prevent citizens in these areas from having access to proper healthcare.



Digital health makers and healthcare providers reported that certain state regulations place heavy burdens on hospitals and health systems trying to leverage modern technology such as telehealth, big data and electronic data exchange.



Also, both groups acknowledged that the many gaps in infrastructure, such as high-speed internet access, prohibit some rural communities from using these technologies to provide critical healthcare services to some of Georgia's most vulnerable citizens.

The Ask:

- 1. Educate legislators on the implications of regulatory barriers that require patients to drive to certified facilities to have telehealth sessions with specialists or licensed clinical experts.**

According to Sherrie Williams, COO, Global Partnership for Telehealth, "There are two Georgias – Atlanta and the rest of us. Technology is the answer to helping us stitch the two together in an effort to give all Georgians access to the care they need. Regulatory issues, such as requiring providers that wish to offer telehealth services in Georgia to have a brick-and-mortar presence, is too limiting, especially in areas of psychiatric services where Georgia is so lacking. The promise of additional tax revenue creates unnecessary challenges in providing access to healthcare services that are already in short supply."

- 2. Make patient-centric data more accessible to the right people at the right time.**

The state should make bold moves to grow programs, such as the Georgia Health Information Network (GaHIN), that connects hospitals and providers across the state. GaHIN Executive Director Denise Hines, DHA, PMP, FHIMSS, shared that GaHIN has indexed almost 35 million patient records and is used by close to nearly 20,000 providers for data queries and secure email messaging. By investing in these programs that help healthcare providers gain access to the medical information they need, the state is investing in improving the health outcomes of our citizens.



“Digital health companies represent a growing portion of our state’s employment population and make a significant contribution to our economy. As Georgia attempts to expand its leadership position on the national stage of digital healthcare, it is important that we listen to the collective needs of these organizations so that we can attract the most innovative and impactful organizations here to our great state. When lawmakers and private industry collaborate to break down barriers such as we did on The State of Cybersecurity in Georgia Hospitals, everyone wins – hospitals, physicians, vendors and patients alike.”

– Senator Bruce Thompson (R) Georgia, District 14

Calling All Players

With such a diverse group of people representing both the digital health makers and healthcare providers, the dedicated team of IHIT Roundtable participants are poised to work together to help Georgia continue to grow its national leadership position in digital health into the next decade. But they need the involvement of more players in the healthcare industry, along with financial support from state legislators, policymakers, private and commercial investors and community leaders.

Other states recognize the many benefits that come from having a strong digital health ecosystem, and they aggressively pursue the talent, employers and funders to fuel their growth. Now is the time for all Georgia stakeholders to work together to build a winning combination for the greater good of our economy and our citizens.

To learn more about how you can contribute ideas and resources to building a stronger digital healthcare ecosystem in Georgia, visit instituteforhealthcareIT.org.