

MarketWatch

Remote Monitoring System Allows Seniors to Live in Their Homes Longer AND Reduces Total Medical Expense By \$687 Per Member Per Month

By

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Fallon Health Becomes First Healthcare Insurer to Offer Revolutionary Technology Designed to Allow Seniors to Live in Their Homes Safely While Reducing Cost of Care

WORCESTER, Mass., Aug. 1, 2016 /PRNewswire/ -- Fallon Health, a Massachusetts-based health insurer and care provider, has partnered with Minneapolis-based Healthsense to become the first health plan in the U.S. to provide passive, remote monitoring for its NaviCare members. Fallon Health decided to expand the passive remote monitoring based on the results of a recent 12-month study. The study found that using Healthsense's remote monitoring services in connection with its model of care for seniors reduced total medical expense by \$687 per member per month (\$8,244 per member per year) – a nearly 16 percent reduction in expenses for pilot members compared to a control group. This has favorable implications in a health care climate where the management of complex, frail and high-cost populations is significant and the Affordable Care Act (ACA) is dictating a transition to value-based payment models.

Healthsense provides organizations with insight to start conversations and ask specific questions about an individual's health. Using wireless sensors in the home, Healthsense monitors everyday living activities – such as eating, sleeping, toileting and movement – and gathers information to establish individual patterns. The proprietary technology evaluates data, compares current activity to past trends and updates users with relevant, timely information so caregivers can act proactively when they spot the early onset of a health event. For example, sensors in the bedroom measure if an individual has gotten out of bed more than usual or, if he/she has not left bed today. Monitoring sleep patterns is one way to help caregivers ask the right questions when patterns change and then act accordingly.

Fallon offers the Healthsense service to those in its NaviCare program — a Medicare Advantage Special Needs Plan and a Senior Care Options (SCO) program for adults age 65 and older, which has a current enrollment of more than 4,800 members.

"The early results are encouraging and we believe remote monitoring is a new and promising tool we can use to meet our clinical objective to keep our frail dual-eligible members safer and in the community for as long as possible," said Dr. Thomas Ebert, Fallon Health's Chief Medical Officer. "I look forward to when the study is published in a peer reviewed journal to confirm the preliminary findings."

Fallon's 12-month Healthsense study set out to confirm and quantify the value of passive remote monitoring in a managed care setting. Designed and supervised by Al Lewis of the Care Innovations (CI) Validation Institute and Dr. Michael Finch, a renowned healthcare economist from the University of Minnesota's Carlson School of Management, the study included 139 participants: an experimental group of 74 members with the Healthsense system installed in their homes and a control group of 65 members. The control and experimental groups were actuarially similar, and measurement was done using actual claims paid on both groups.

The Fallon population using Healthsense demonstrated a reduction in total medical expense of \$687 PMPM with the following highlights:

- Inpatient / Hospital: 32.2% reduction in fees vs. the control
- Emergency Department: 39.4% reduction in costs vs. the control
- Long Term Care: 67.7% reduction in expense vs. the control

"As Fallon showed from their results, the Healthsense passive remote monitoring system can have a significant, positive impact for seniors, their caregivers and their families," said A.R. Weiler, Healthsense CEO and President. "By delivering proactive care in a doctor's office or outpatient clinic rather than expensive inpatient, emergency room and institutional care, Fallon is further enhancing their reputation as an innovator dedicated to providing the very best care for their members while containing costs."

Weiler added, "In addition, 94% of those surveyed believe Healthsense allows them to securely age-in-place in their home longer. This also reflected well on the plan, with one member stating: '[Fallon] is trying to give me a better life.' Delivering on this mission is very gratifying for everyone involved."

About Fallon Health

Founded in 1977, Fallon Health is a leading health care services organization that supports the diverse and changing needs of those we serve. In addition to offering innovative health insurance solutions and a variety of Medicaid and Medicare products, we excel in creating unique health care programs and services that provide coordinated, integrated care for seniors and individuals with complex health needs. Fallon has consistently ranked among the nation's top health plans, and is accredited by the National Committee for Quality Assurance for its HMO, Medicare Advantage, and Medicaid products. For more information, visit www.fallonhealth.org.

About Healthsense

Healthsense is the leading provider of passive remote monitoring services that enable our partners to deliver the very best care for the frail elderly and chronically ill. With a full range of health and safety monitoring capabilities, Healthsense helps reduce costs, increase independence, and enhance the quality of life for seniors by providing their caregivers with the right information at the right time. To learn more, please visit www.healthsense.com.

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