



MedicalHome



“We were already large telemarketers before going into the medical side. One time when I was sick, I managed to get a doctor on the phone and it turns out that the doctor was in India. I thought, ‘Hmm, this is pretty neat.’ We already knew telemarketing very well and we thought we could use it to deliver medicine efficiently. The product sounded like a solid proposition, to have phone consultation for a fixed fee. But it is one thing to develop your business concept and another thing to communicate it. Our biggest challenge was learning how to commercialize it.”

—Pedro Yriogyen, Co-Founder



Characteristics

<i>Country</i>	Mexico
<i>Target Population</i>	General population
<i>Geographical Reach</i>	National Urban Suburban/peri-urban Rural
<i>Organization Type</i>	Private for-profit
<i>Form of Care</i>	Primary care Secondary/tertiary care Urgent care Emergency care Mobile health (mHealth) Electronic health records (eHealth)
<i>Innovation Type</i>	Align with patients’ locations and behaviors Use proven technologies disruptively Standardize operating procedures Leverage others’ networks and assets
<i>Website</i>	www.medicalhome.com

Description of Innovation

MedicallHome was launched in Mexico in 1999 to bring 24/7 access to medical advice by phone for paying subscribers. Through a partnership with telecommunications provider Telmex, MedicallHome offers over-the-phone triage to 1.2 million families (over 4 million individuals). For the cost of USD \$5 per month, subscribers have immediate access by phone to qualified doctors who use Cleveland Clinic protocols to diagnose and make treatment recommendations. Subscribers can also access the MedicallHome network of 6,000 doctors and 3,200 health care delivery sites or can request an in-home doctor visit, all at reduced prices.

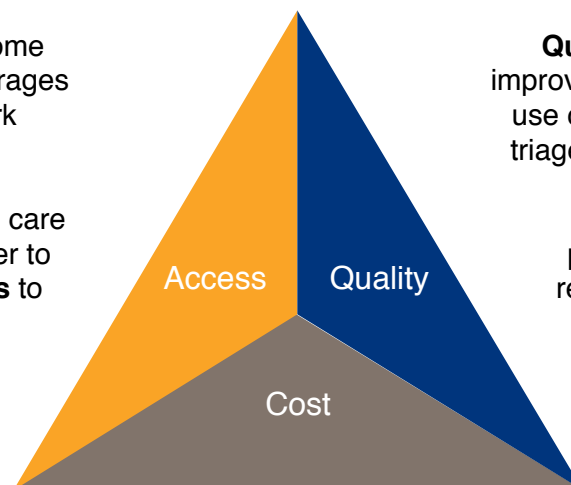
MedicallHome’s founders have also created two mobile applications for smartphones and are currently working on a third. In addition, they are launching a Medicall portal market, through which non-members can buy discounted medical services.

The MedicallHome model is currently being launched in Colombia and Peru with local telecommunications companies and the founders are working toward replicating it in Ecuador as well. They are also working with large employers in Mexico to implement the model as an employee benefit, which could reduce absenteeism for employers.

The Iron Triangle of Health Care

The MedicallHome innovation leverages a strong network (telephones) to support a weak network (health care delivery) in order to improve **access** to health care.

Quality of care is improved through the use of standardized triage protocols and the verification of high-quality providers in the referral network.



By reducing unnecessary office, clinic, and hospital visits, the telemedicine system also reduces **costs** both to the patient and to the health system.



MedicallHome

Providing Value to the Patient, Community, and Health System

MedicallHome addresses three primary challenges in the health care system in Mexico. First, access to medical care is a problem, especially in rural areas. There are too few doctors and nurses and rural patients must often travel long distances to access care. Second, the cost of seeing a doctor (typically about USD \$30) places a burden on low-income individuals, who may avoid seeking care because of the cost. Third, there is high variation in quality among care providers and it is difficult for patients to identify the best physicians.

The MedicallHome system uses an existing resource (telephone network) in order to increase patients' access to medical advice and to eliminate unnecessary travel to and payment for doctor visits.

Nearly two-thirds of the calls are resolved over the phone, increasing the efficiency of the care delivery system and saving patients both travel and money. For the calls that merit referral, patients can choose a doctor or clinic based on location, price, or specialty, and receive a discounted rate for the visit. The system provides consistent quality of care, verifying clinicians in the referral network and using triage protocols from the Cleveland Clinic for the phone service.

“The national insurance scheme called Popular Insurance means that basically everyone has access to universal coverage. This is not good for our business but is good for the country. We are now emphasizing that MedicallHome is a compliment to this insurance, to help you at 1:00 in the morning and adding convenience for minor medical issues.”

Pedro Yriogyen, Co-Founder

Health System and Policy Context

The health system in Mexico is comprised of both public and private providers, insurance schemes, and subsidies. Universal coverage is provided through Seguro Popular (Popular Insurance), a new publicly subsidized health insurance program. Participation fees for Seguro Popular depend on income and most participants pay nothing. Mexicans employed in the private sector are also eligible for the Instituto Mexicano del Seguro Social (IMSS) health care program, which is funded by employees, private employers, and the federal government. Public sector employees have access to the Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado (ISSSTE) health care program. In addition, most Mexican state governments have their own free or subsidized public health care programs. Private providers and private insurance are also available for people willing to pay out-of-pocket for private health care. Access and quality are major challenges facing the public health care delivery systems in Mexico. Particularly in rural areas, health facilities and providers are scarce.

MedicallHome's phone service has increased access to health care, particularly for residents of rural areas. It has also reduced burden on the health care



MedicallHome

“Scaling raises a complex set of issues. At the medical level, doctors’ unions are saying, ‘No you have to have a physical exam.’ I have presented to government officials so many times and every time people love it. But to move to actual implementation is another ball game. At its nature, it is political. Everybody loves the idea but it somehow gets lost within the system.”

Pedro Yriogyen, Co-Founder

“It was very difficult to figure out how to collect a small monthly fee efficiently. Our big breakthrough was to go through the phone company and add it to the phone bill.”

Pedro Yriogyen, Co-Founder

delivery system by reducing office visits, emergency visits, and ambulance rides. Subscribers make about 90,000 calls per month. In nearly two-thirds of these cases, the patient’s concern is addressed over the phone, avoiding both the cost and time of an office visit. In addition, emergency visits have been reduced from 6% to 1%, eliminating over 1,000 ambulance trips.

MedicallHome is currently in discussion with both Federal and State governments in Mexico over ways to create more widespread healthcare cost saving. Medicall believes that pre-screening primary care contacts by phone could significantly reduce the costs of the national health system. Navigating the political realm of the established stakeholders in the public health delivery system has been challenging and they have encountered resistance to innovation in this area. Because the social security program for health has a very high political and popular profile, Medicall believes that change will require the support of federal leaders.

Operating Model

MedicallHome uses a sustainable model of resource leveraging. The organization identified an existing telephone network provider (Telmex) that could enable access to potential users and an easy billing model. MedicallHome leverages their phone network (fixed line and mobile) as well as their billing system. The subscription fee is added to each user’s monthly phone bill.

The operating model is asset-light with a single national call center. The call center is staffed by primary care doctors who answer each initial call, as well as specialists including gynecologists and pediatricians. Calls are answered within 20 seconds. Medical records come up on the screen as soon as a customer calls. The system then automatically generates a follow-up outbound call within 6 to 8 hours from the customer’s initial call.

The phone triage system optimizes patient flow, ensuring that users receive the right level of care within appropriate timeframes. Clinical protocols are standardized, using Cleveland Clinic triage protocols, and the network providers are verified by MedicallHome to ensure consistent quality. Referred patients are directed to the clinic nearest them, increasing efficiency of service delivery. Medical providers are recruited and retained with competitive salaries.



MedicallHome

Business Model

Using a subscription model, users pay USD \$5 per month for access to MedicallHome’s services. Subscription payments spread service costs among a broad base of users throughout the year. This model uses a highly efficient method of payment collection, billing through subscribers’ phone service, ensuring a high rate of accounts paid in full. The business has been profitable for the past 10 years.

MedicallHome is currently considering increasing their revenue through provision of services for diabetic patients (12 million in Mexico), such as reminder services, uploading lab results, detection of high-risk results in a call center, and specialized triage services.

Impact Metrics

Quality

- Average answer time
- Average time to get initial diagnosis, and referrals

Access and utilization

- Number of calls placed
- Referrals to hospital, doctor, or clinic
- Visits made to network providers

User satisfaction

- Follow-up call (6 to 7 hours after initial call) collects information about customer satisfaction

Achievement of positive health outcomes

- Follow-up call (6 to 7 hours after initial call) collects information about immediate health outcomes and remaining needs

Cost and sustainability

- Sales
- Client churn and retention
- Life expectancy of customers

Sales and service quality data are reviewed daily. Client churn and retention data are reviewed weekly. Life expectancy of customers is projected monthly by actuaries to aid in business forecasting.

“We are customer service freaks. We are obsessed with quality. This is a very low-margin business and you have to be very sharp at managing your outputs.”

Pedro Yriogyen, Co-Founder



MedicallHome

Goals for Scaling and Replication

1. Target the growing mobile phone market in Mexico (100 million users) to scale the service.
2. Advocate for federal and state governments to incorporate phone triage as part of the public health system.
3. Expand focus to include remote chronic care management for patients with diabetes and other chronic diseases.
4. International expansion, partnering with phone networks and/or credit card issuers.
5. Sell model to large groups through employers, as part of employee benefit.

External Support Required for Scaling and Replication

Support for networking and lobbying with government social security (public health program) agencies, mobile phone operators, and consumer goods/pharma companies to increase awareness of the benefits of MedicallHome's simple, low-tech and easily replicated model.

Media Attention

The Times (June 5, 2012). The NHS navel-gazes. The world moves on.
<http://www.thetimes.co.uk/tto/opinion/columnists/article3435680.ece>
www.thetimes.co.uk/tto/opinion/columnists/article3435680.ece

The Economist (June 2, 2012). Squeezing out the doctor: The role of physicians at the center of health care is under pressure.
<http://www.economist.com/node/21556227>

GSMA Report (May 30, 2012). Health Hotline Services in Emerging Markets.
www.gsma.com/developmentfund/wp-content/uploads/2012/05/Health-Hotline-MHS_V8.pdf

The Economist (June 23, 2011). The bottom of the pyramid: Businesses are learning to serve the growing number of hard-up Americans.
<http://www.economist.com/node/18863898>

Last updated September 29, 2012

MedicallHome provided the source data for this document and is responsible for the accuracy of the content.