

# Are your point solutions delivering value or a headache?

## NAVIGATING THE POINT SOLUTIONS LANDSCAPE

### BACKGROUND

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The patient care continuum is constantly evolving and expanding to both ensure that patient needs are met as well as to provide innovative cost containment strategies. In recent years, and especially during the COVID-19 pandemic, there has been explosive growth in healthcare point solution technologies. Services provided through electronic and digital communication apps have afforded targeted solutions to specific populations and specific health or well-being concerns. The advent of stay at home and remote working during the pandemic gave rise to thousands of third-party vendors offering newly developed tailored solutions to address not only diabetes and hypertension, but sleep, diet and exercise, mental health, low back pain, infertility, physical therapy, pelvic floor disorders, and many more. Some employers are offering up to [nine point solutions](#) at any given time.

Below is a high-level summary of the prevalent terminology in this space:

1. **Virtual care:** is a broad term that encompasses a wide range of healthcare services delivered through digital channels including: **telehealth, digital health**, online appointments, remote patient monitoring, and virtual visits with doctors or other healthcare providers. Virtual care can be provided synchronously or asynchronously.<sup>i</sup>
2. **Telemedicine or Telehealth:** generally refers to the use of technology to provide remote clinical health care services, including medical consultations, diagnosis, and treatment, using electronic communication tools like videoconferencing, phone calls, or secure messaging. Data show that in 2021, 37% of adults used telemedicine.<sup>ii</sup>
3. **Digital Health:** refers to the use of digital technologies, such as mobile apps, wearables, ePrescribing capabilities, and electronic health records, to monitor patients remotely, provide health education, track health data, and improve health outcomes and patient care. In 2021 [digital health startups raised over \\$29.1 billion dollars](#).<sup>iii</sup>
4. **Point solutions:** digital programs narrow in scope, that tackle a single health condition, such as diabetes, congestive heart failure, musculoskeletal, behavioral health, and many others.<sup>iv</sup>

### WHAT IT MEANS FOR YOU

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Whether you are in the early stages of exploring point solutions, or have already implemented one or more, the central question is: Does the point solution deliver a return on your investment in either elevating the patient care experience, favorably impacting medical spend or increasing employee productivity?

For example, if you have a population that suffers from musculoskeletal pain perhaps you have already implemented a MSK solution which provides targeted exercises through a digital platform. After an initial post implementation uptake period, are you seeing fewer visits with physical therapists billed through your health insurance vendor, fewer complaints of pain, and increased productivity?

## WHAT IT MEANS FOR YOU (Cont.)

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If yes, then this solution is clearly working for your population, and you made the right choice to offer it to your employees. If no, then you have an opportunity to evaluate the efficacy of the program and review potential reasons why the ROI is not what you expected.

## QUESTIONS TO ASK ABOUT THE EFFICACY OF POINT SOLUTIONS

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- 1. What is the current utilization and trend since implementation of the targeted condition?**
- 2. If the utilization is lower than expected:**
  - a. Has your promotion of the program been effective?
  - b. Do employees have the right technology to utilize the offering?
  - c. Are you offering multiple solutions simultaneously and employees are getting confused and frustrated?
  - d. Is the data flowing through to your healthcare carrier correctly?
- 3. If utilization is high:**
  - a. Review the synchronization with your health plan to ensure there is no double billing.

## HOW OPTIMUM CAN HELP

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To receive your intended ROI from digital point solutions, you need to conduct the proper due diligence prior to implementation, ensure that you have the right SLAs and PGs in place, track the progress and performance of the solution, review the data flow with your carrier, and market the offering to your employees.

As a vendor management firm focused exclusively on HR vendors, processes, policies and systems, Optimum supports your efforts to realize the expected ROI through current state analysis, realignment into an optimal state and ongoing monitoring to ensure compliance.

Please contact us for more information whether you are considering implementing or have already implemented a digital point solution.

## ABOUT OPTIMUM

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Optimum is a vendor management firm that focuses exclusively on the HR supply chain with turnkey solutions that improve the financial, operating performance, transparency and accountability of HR Benefit programs while still maintaining existing vendor relationships.

Our support of the HR workstream during the M&A lifecycle encompasses operational due diligence, day-one readiness and post day-one synergies. We assist sponsors in leveraging the aggregate purchasing power of their portfolio to capture value and drive margin expansion.

### SOURCES:

- i. <https://www.dosespot.com/blog/the-difference-between-virtual-care-telemedicine-and-digital-healthcare>
- ii. <https://www.dosespot.com/blog/the-difference-between-virtual-care-telemedicine-and-digital-healthcare>
- iii. <https://www.dosespot.com/blog/the-difference-between-virtual-care-telemedicine-and-digital-healthcare>
- iv. <https://medcitynews.com/2023/06/health-plans-and-employers-are-suffering-an-onslaught-of-point-solutions-heres-how-digital-health-companies-can-ease-their-pain/>