

Sales Strategy for the MedStar Telehealth System

**EXCLUSIVE for
MED Dealers**

Basic Steps

In order to effectively sell the MedStar system you will need to understand these things:

1. Who you are selling to.
2. Why they need the MedStar.
3. How the MedStar is the solution to their needs.
4. How to get the MedStar message across.

1. Who You Are Selling To

The first potential clients that the MedStar dealer should solicit are both the Visiting Nurse Association (VNA) and Home Health Agencies (HHA) companies. Usually there will be one VNA and several HHAs in most communities. If there is a hospital in the area, there is usually a hospital-affiliated HHA.

We suggest you focus on the VNAs and HHAs since their usage model for telehealth is very similar to the oxygen services model which you may already be familiar with, and have the infrastructure to support.

The people you will be meeting at their offices are mainly registered nurses; they also have many excellent Licensed Practical Nurses (LPNs) and technicians on staff who make visits to patients.

2. Why They Need the MedStar

Both VNA and HHA organizations basically face the same problem, funding. They receive a stipend as part of the Prospective Payer Program. The reimbursements they receive do not cover more than a minimum number of visits to a patient, and if a patient is admitted to the hospital for a condition for which the VNA or HHA is actively caring for, those reimbursements can be reduced resulting in lower revenues on higher cost patients.

Because currently they might only be able to make a few visits per 60 or 120 day monitoring period, a VNA or HHA is very unlikely to discover the simple vitals signs events that can rapidly develop (over the course of 2-5 days) and send a patient to an Emergency Room.

3. How the MedStar is the Solution to their Needs

What the MedStar System gives to a VNA or HHA is the ability to monitor their patients without having to make an in-person visit. Once a MedStar is installed in the patient's home (by the DME), and after careful instruction, most of their patients will be able to perform telehealth visits themselves. This can be daily, or as often as required. This monitoring is carefully recorded and presents the VNA or HHA with the ability to detect any changes that may occur which might affect their patient's condition.

The business benefit is that by using a MedStar they can prevent one, two or more nursing visits each month to a patient (a tremendous benefit in travel and time savings alone), and still collect vital signs every day – enabling them to catch developing health problems and prevent them. What the saving of any unnecessary costs (visits) means is that they can have someone see a patient who may require an additional visit. It also prevents spending all of their reimbursement; it allows a percent to remain behind as profit.

Monitoring the patient via the MedStar also may prevent unnecessary trips to the ER, reducing unnecessary visits by up to 80%. By monitoring daily and having visible vital signs trends readily available, a build-up to a critical event can be detected early, allowing a change in medication or lifestyle and increasing the probability that the critical event can be avoided.

Both physicians and nurses will be excited by the fact that emergency room (ER) visits can be reduced by close to 80%. This is something they want – both to keep their reimbursements high and to keep the health of their patients high. As a side effect to improved patient physical health, some studies have shown improved mental health (improved quality of life) for patients under monitoring.

The physician should be reminded that they can check their patients vital signs as often as needed, and that this does not have to be done by the physician personally. Their nurse or in-house technician can obtain the report automatically – the MedStar System can send report faxes on the HHAs behalf without HHA involvement. The physician can monitor the reports for any changes and store them in each patient's file. This is an excellent instrument for the physician to add to their tool chest.

Also, since all the MedStar data is available on the Web (through a very secure FDA and HIPAA compliant website), patients can be checked up on at anytime, from almost anywhere.

The VNA or HHA has a great deal more to gain than just obtaining these reports. The addition of the MedStar System also provides them with a means of saving money. This is accomplished by minimizing the number of personal visits they have to make to obtain each patient's vital signs and other information. The cost of either an outright purchase or a lease program will be considerably less than they currently spend making these visits. We have spoken with home health agencies that told us by utilizing home telehealth they have been able to earn additional profits.

4. How to get the MedStar Message Across

After you have identified your leads (see “How to Generate Leads for the MedStar Telehealth System,”) you need to get the MedStar message to them.

Send to everyone on your newly developed list an announcement that your company now is providing the latest in home telehealth, the MedStar System, developed by Cybernet Medical of Ann Arbor, MI. (Ann Arbor, MI, is important because the MedStar is a domestic American product). Include with your announcement one of the handouts showing the MedStar System. Be sure to affix your contact information sticker to it.

A few days after the mailing has gone out, your outside team now can begin visiting the physicians identified as well as the VNAs and the HHAs involved. They must carry with them the demo MedStar Patient unit and then watch the reaction of the physician or the nurse when they recognize the benefit this is for their patient. A good demo will generate excitement and earn your company excellent goodwill.

Invite key leads to come to your office (or you go to theirs) and meet your home telehealth team (encourage them to bring their nursing director). Introduce who will be their contact and who is the person in charge of equipment maintenance in your office. This builds confidence with that guest and brings your company up to the level that they can respect.

Be sure you have several different configurations of the MedStar units to demonstrate for CHF, diabetics, COPD, hypertension (and weight control can be another big opportunity). When they can touch the equipment, and see how simple it is to utilize, the readouts produced, and the ease of operation, they will become a customer. Make that information visible and available when they are in your office. Be sure your technician or salesperson is present to help to supervise while they try the MedStar. Let them do it, not you. Watch and see to it that they are doing everything correctly. The first impression is always the lasting one.

Do not invite more than one VNA or HHA team at a time. After you have spoken with personnel from each organization identified, then you can prepare a seminar. That will be outlined further down.

When your guest from the VNA or HHA has been shown how much money they will save by reducing the number of nursing visits made and reducing ER trips by their patients, they will start considering the use of home telehealth. Then when you show them how the MedStar System can help them treat patients more efficiently and more effectively, they will see how this gives them the opportunity to take on more patients, and thus generate more revenue for them (and more sales of MedStar for you). Now is the time to explain the rental or purchase program you have with the MedStar.

There is one more key piece for the HHA – they will not have to worry about any of the technical aspects of the MedStar System. Installation, patient training, troubleshooting, and recovery will all be done by you – just as you would for oxygen patients. These are all services that you can charge for.

Closing The Sale

Do this very slowly. Ask them how many patients they feel will benefit by utilizing the MedStar. They will downplay the number because they are hesitant about the cost, or because they think it is only appropriate for their 'frequent fliers'. Offer to provide them one or two units to try on a patient for a short period of time, one week to ten days. When you go to recover the units, that is when you should walk out with a purchase order to either set up a lease or make an outright purchase. Your salesperson should set up a cycle of personal visits, weekly, to discuss with the association other patients who will require this service. You will also be able to become the provider of all the supplies they purchase (such as diabetes testing strips).

In a reasonably short period of time, every patient for the HHA or VNA who requires the use of a MedStar should have one.

You can also tell them that you will offer to rent or sell the units directly to their patients on their request with their doctor's prescription. They know which clients can afford it or if there is a family caregiver who will gladly pick up the cost.

A cardinal rule is to ask for the sale!

Organizing A Seminar

After you have contacted all of the VNA and HHA associations, and arranged for most of them to be using MedStar units, you must proceed to the next step: preparing a seminar. This is for all your potential clients and will include inviting physicians and any other people that can be referral sources.

Once the VNA and HHA people have started their MedStar programs, every physician will be aware of what your company is doing. Now is the time to offer a seminar. These have been successful if run at a school auditorium (college or university), or at a hotel. Where ever you choose there must be the capability to provide lunch, and a coffee break.

Most professionals will attend one on a Saturday to run from 9:30 a.m. through lunch. You will require two speakers and they must be offered a royalty. What is usually effective is to tell them you will send a sum to their favorite charity in their name. An RN and an ER physician should be scheduled around a demonstration of the effectiveness of the MedStar.

The registered nurse should speak about how the patients using the MedStar have favorably responded, the ease of application and the dollars saved. The ER physician can talk about how unnecessary emergency room trips are prevented and the benefits everyone receives.

After this, a call on the physician and other practitioners is much more easily accomplished.

Note – you should also read “How to Generate Leads for the MedStar Telehealth System,” the companion piece to this strategy guide.