

Evaluation of the KOTH/NORTH Network Expansion Project: Economic Model

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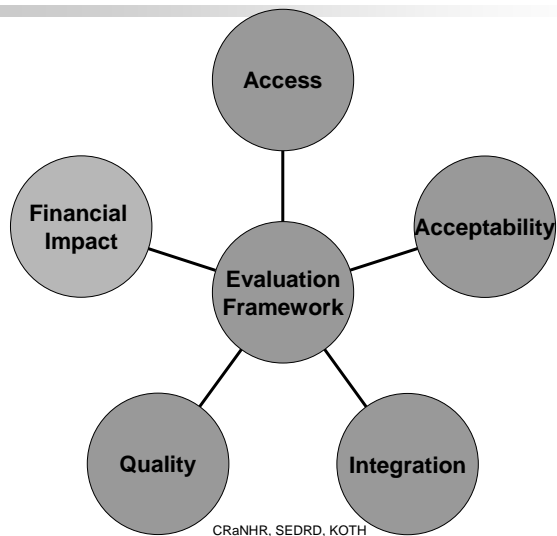
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Presentation Outline

- Place the economic evaluation within the context of the Evaluation Framework
- Describe the economic model
- Share major findings

Evaluation Framework & Themes

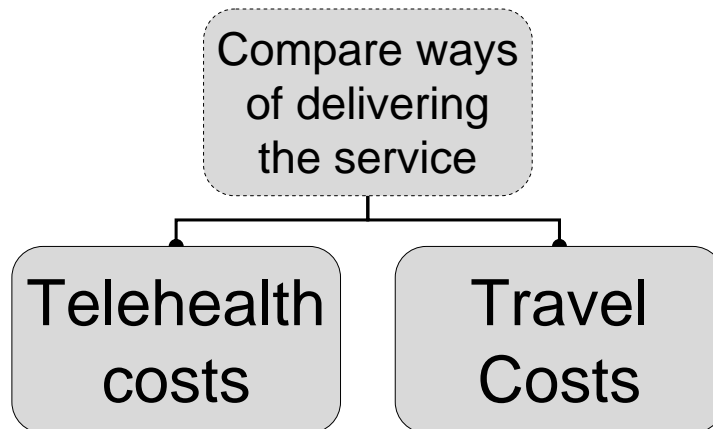


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Financial Impact

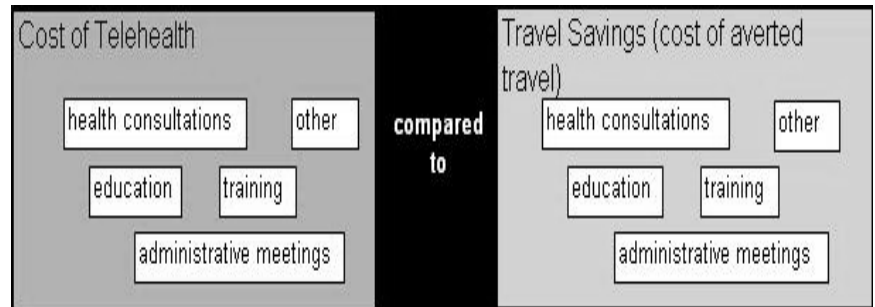


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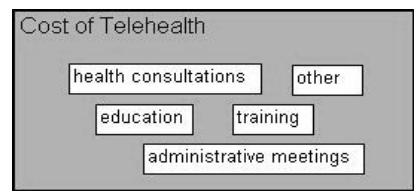
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[Model Components]



• Cost Avoidance

[Telehealth Cost]



Operational Program: 24 First Nations communities

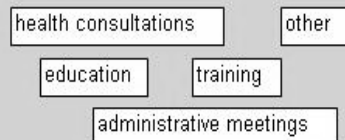
- Personnel costs (\$1,950 K)
- Communication costs (\$480 K)
- Some equipment costs (\$240 K)
- Misc. Costs (\$140 K)
- Estimated from:
 - Grant applications
 - KOTH budget
 - Vendor invoices
 - Market values

Travel Savings (averted costs)

Operational Program

- TH that averts travel
- TH that represents a new service
- Estimated from:
 - Agency values
 - Per diem allowances
 - Market values

Travel Savings (cost of averted travel)



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Averted Travel Vs. "New" Telehealth

- Some telehealth sessions will avert a trip
- Other telehealth sessions would **not** have needed a trip in the past and are "new" telehealth
- Averted and "new" telehealth were valued differently
- Values for averted and "new" telehealth also depend on type of use (clinical, educational, etc.)

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Model Assumptions

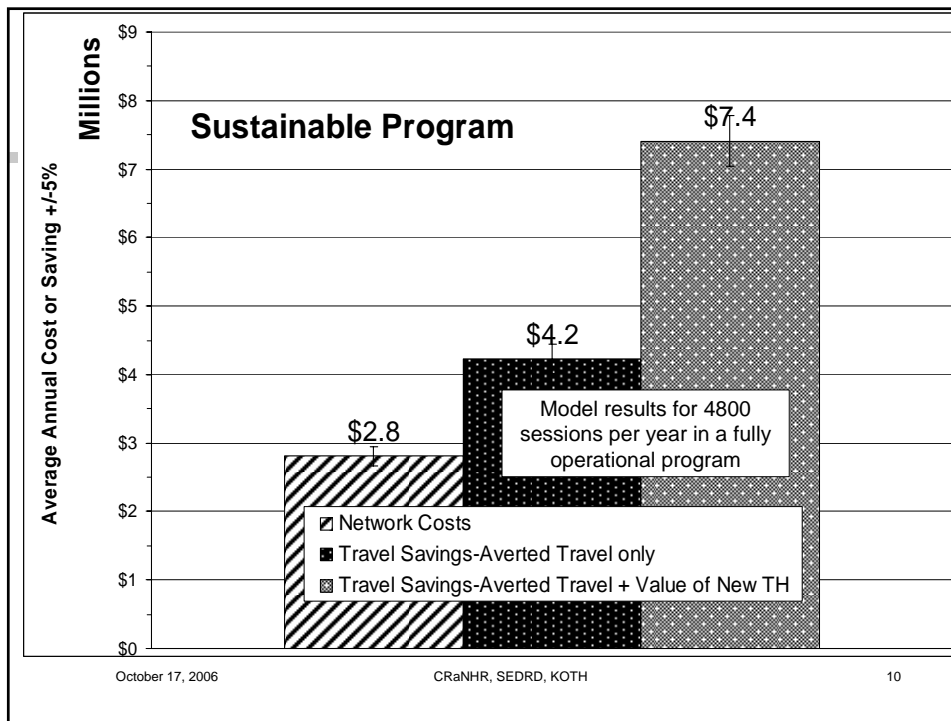
Type of Use	Frequency of Use	Averted Travel	Value of Averted Travel*	Value of new Telehealth*
Clinical	38%	60%	100%	50%
Education	21%	10%	100%	30%
Training	18%	1%	5%	5%
Meetings	15%	10%	100%	5%
Other	8%	1%	1%	1%

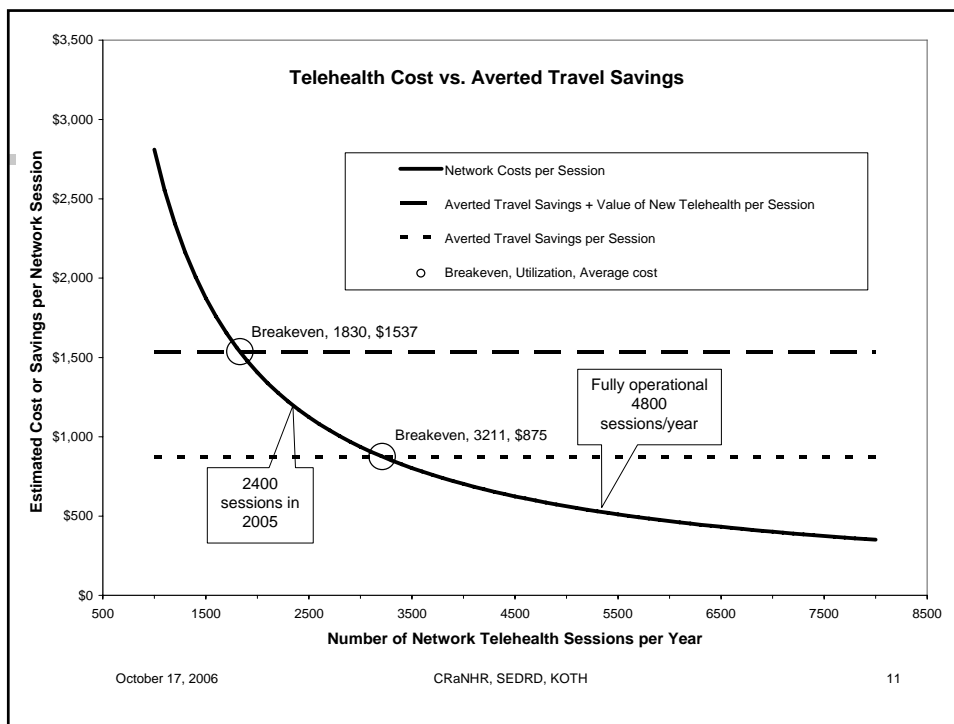
*Value is % of travel cost

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[Financial Impact]

"[We]...have more people staying in the community and that saves us all this time of [having to worry about] travel, planes that get cancelled, re-bookings, all that kind of thing"

-Community Health Nurse

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[Financial Impact]

"[...] Education is very convenient now, because [we] have a chance to learn new skills, not like before, because we don't have any funds to travel to educational sessions and there are now mental health and all that, so whenever it is available we can now attend"

-CHW – Most exposure

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[Model Improvements]

- Include variable & fixed costs for telehealth sessions
- Vary amortization period and rate
- Future models may wish to include *changes* in:
 - Lost earnings or lost leisure time of patient & escort
 - Productivity or efficiency of provider & administrator
 - Health status, anxiety, quality of life or well-being
 - Risks associated with less/more travel
 - Other costs or benefits

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Conclusions

- Expansion Project has successfully improved access to services (health care, education & information services)
- Sustainable Program has the ability to become a financial success in the near future
- Feedback from many stakeholders in the communities and in support centres attest to the emerging benefits and significant potential for the future

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Acknowledgements

We gratefully acknowledge the support and advice of KO, KOTH, KORI & K-Net personnel, providers, educators, and the members of First Nations communities, government agencies and health care organizations.

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