

Friday, July 17, 2009

## Finding cost savings in unnecessary ER visits

My Health Direct sees growth potential out of health reform

The Business Journal of Milwaukee - by [Peg Masterson Edquist](#) Special to The Business Journal

### Sponsored Links

#### Do YOU have Yellow Teeth?

Learn a mom's trick to getting white teeth from home for under \$10.  
KatiesTeeth.com

#### #1 Celebrity Skin Secret

Anti-Aging Secrets Revealed. TOP 3 WRINKLE Creams for 2009!  
www.beautyuser.com

[Buy a link here](#)

The federal economic stimulus law could become a key component in the growth of **My Health Direct Inc.**, a software service company used to reduce unnecessary visits to hospital emergency rooms.

"I think it's a golden time right now for the realignment of the health care system and My Health Direct is a good tool," said Jim Woodburn, vice president at UnitedHealth Group in Minnetonka, Minn., and a board member of My Health Direct, which is based in Delafield.

According to the **National Association of Community Health Centers** in Bethesda, Md., the annual cost of unnecessary trips to emergency rooms is more

than \$18 billion.

"We want to take care of the first big problem, which is unnecessary utilization," said Jay Mason, 51, founder and chief executive of My Health Direct.

Using software designed for hospitals, managed care plans and state agencies, the service finds alternative locations and makes appointments for people who enter emergency departments with non life-threatening conditions.

Mason said it also addresses the needs of underinsured and uninsured patients who can be redirected to federally funded neighborhood clinics or nonprofit clinics that are designed to handle this kind of population.

"There is a lot of hidden health care capacity in communities, but they don't have the knowledge to find it," he said.

Part of the \$787 billion American Recovery and Reinvestment Act signed by President Barack Obama in January directs money to federally funded clinics. Mason said the clinics could potentially use the money to upgrade online services to connect with hospitals that use My Health Direct.

Founded in 2005 under the name of Global Health Direct with an investment of \$500,000 by Mason, the service is now used by area hospital systems **Aurora Health Care**, **Columbia St. Mary's Inc.**, **Froedtert Hospital** and the **Medical College of Wisconsin**, as well as hospitals in Phoenix and four cities in Connecticut. The company changed its name to My Health Direct in January.

In Houston, the company services community call centers that direct, find and reserve appointments for the general population.

Dr. Paul Coogan, medical director for the emergency room at Aurora Sinai Medical Center, Milwaukee, said the department has used My Health Direct since 2006 when the hospital was a pilot test site.

"It allows us to make appointments for these patients, many of whom have never before been assigned to a clinic or physician," he said. "This allows the clinics that get funded federally to capture more patients and helps us decompress our ER."

Clinics such as **Milwaukee Health Services Inc.**, Milwaukee, give participating hospitals slots for upcoming appointments. Emergency department nurses and/or doctors then input a patients' profile into the software and are given an appointment to hand to the patient immediately.

Mason, an entrepreneur who sold a successful business that managed a network of chiropractors, received \$1.2 million from local investors in 2006 to launch the pilot. Last year, the product was expanded to three hospitals in the Aurora network as well as Columbia St. Mary's and Froedtert, which uses the software for inpatient discharge planning. Since 2006, the company has made more than 24,000 referrals from the ER to one of 25 clinics in its network. Sales for 2009 are expected to top \$3 million, in what Mason said could be a tenfold increase from the year before.

The company employs four full-time people and a part-time assistant, but that number is expected to grow to 10 by the end of the year.

The company is currently seeking an additional \$2.5 million from venture capitalists to expand to 20 markets in Wisconsin by the end of the year and 100 of the largest cities in the country by 2012. Mason hopes eventually consumers can use the software to find health care options in their communities.

"We think we can play a vital role in health care reform," Mason said. [Finding cost savings in unnecessary ER visits - The Business Journal of ...](#)

### MEDIA



### **LESSONS LEARNED By Jay Mason**

**What is your greatest business challenge?** “Managing the delicate balance between being pragmatic and strategic.”

**What is the best way to keep your competitive edge?** “Staying connecting to trends and developments in my industry as well as in new fields that may play a future role.”

**What do you consider your first success?** “The honor of becoming a Kemper Scholar that provided me with a full, four-year college scholarship plus three significant summer internships in Boston, Seattle and Chicago.”

**What is the most important lesson you’ve learned?** “Swim upstream. If everybody is doing it one way, there’s a good chance you can find your success by going exactly in the opposite direction.”