An Interview with Mr. Stephen Norcup: 412 Mobile Integrated Healthcare

At the first Business of Humanity® Project New Venture Competition in November 2017, Stephen Norcup won second place for his Mobile Integrated Healthcare concept. Since a year has passed, we reached out to discuss the progress that he has made since the competition and what he envisions for the future of healthcare. Stephen graduated with an MBA from the inaugural class of the Katz Graduate School of Business Executive MBA - Healthcare program in December of 2018.

The opportunity to both participate and place in the New Venture Competition gave Stephen the initial funding to move his project forward. The funds helped him invest in technology and build relationships with additional contacts that have provided valuable feedback to him and his network as they continue to build and refine their business model.

One evolution to the project was deciding on a proper name for the company, which has now become 412 Mobile Integrated Healthcare. Stephen was excited to share that, “Earlier this year, I formed 412 Mobile Integrated Healthcare, and continued to build relationships with potential providers, and we have reached out to some local primary care groups to assess the feasibility of the concept within their existing practices. Some of the key feedback received during this assessment was that without updated reimbursement models it would be difficult to implement the telemedicine model. Our current posture is that establishing the infrastructure to aggressively pursue potential partnerships and begin offering services when the reimbursement methods allow for it.”

Reimbursement rates and methods in the commercial insurance market often mirror or trend with those established by CMS for the Medicare program currently in use. The Senate Bill 780 of 2017 proposed changes which would have mandated parity of payment regardless of the mechanism for delivery, which would then allow synchronous telemedicine consults to be billed at the same rate as a traditional office visit. In October of 2018 the Pennsylvania Legislature failed to pass the Telehealth Parity bill resulting in the need to pivot from the original revenue model (https://mhealthintelligence.com/news/pennsylvania-legislature-fails-to-pass-telehealth-parity-bill). While CMS dictates industry standards, commercial healthcare insurance providers can still elect to
provide parity reimbursements. Additionally, boutique care practices have emerged providing care in a concierge model as well as membership-based models, both of which rely on increased efficiency of physician level providers and delivery of care.

While validating alternate revenue models and looking for new legislative developments, Stephen and his network have been forging relationships with independent medical providers and stakeholders. In the event that a health insurance payor is able to offer comparable and sustainable reimbursement for telemedicine consultations, “412” can ramp up their plan and be operational in a relatively short amount of time. In a city where it feels that two capable healthcare systems appear to be in a constant battle for patients over which facility offers a superior level of care, Stephen believes that “412” can distinguish themselves by offering healthcare delivery organizations guidance in establishing a community paramedic based telemedicine solution, or by providing that solution to the organization through a service agreement model. Therefore, when developing the business plan for “412,” Stephen applied the Business of Humanity® principals to his model which guided his path forward and helped him to demonstrate how to create a company that stands apart from the crowded healthcare field. Stephen strongly believes in the BoH principals and feels that if people listen, care and do the right thing for their customers and these practices are built into their business model, commercial and business success will follow.

During the past year, a pilot program was performed where “412” evaluated few preselected patients. This pilot program helped with the research process and with reaffirming Stephen’s belief that the primary focus of clinical care should be the patient and how to best accommodate their needs. One core trait of the “412” model is to replace visits to the doctor’s office and hospital, with primary care services provided at the homes of patients. Stephen believes that everyone can benefit from having a good relationship with a primary care physician. There is also strong evidence to suggest better patient outcomes for individuals who are able to receive high quality care within their homes and communities. Prehospital care providers such as Paramedics and EMT’s are equipped for the clinical aspects of this
care, and are also experts in the non-clinical aspects which often inhibit access to quality primary care.

Stephen predicts that in the next ten years or so, there will be a shift in healthcare delivery with an increased focus on providing medicine to the patient where they are. “While there is a significant amount of ambiguity concerning the future of healthcare payment models in the United States, most experts agree that the fee for service model is going away. As we see this shift in the industry, providing care more efficiently will become a vital strategy utilized by organizations to remain solvent.” By all accounts, Stephen has done the necessary research and is taking the proper legal steps to ensure his company’s success. We look forward to following Stephen’s company and witnessing how much it will grow in the years to come.