

CALIFORNIA TELEHEALTH RESOURCE CENTER Rural Hospital Digital Health Optimization to Drive Sustainability, Improved Outcomes, and Access

3.5.2025

CTRC's Strategic Initiative: Digital Health Optimization for Rural Hospital Sustainability

The California Telehealth Resource Center (CTRC) has launched a statewide initiative to address the rural hospital crisis through digital health optimization—a strategy designed to improve financial sustainability, enhance patient outcomes, and expand access to care. Across California, rural hospitals are struggling to stay afloat, with many operating at a loss or facing closure. However, when properly implemented, digital health tools—including telehealth, Remote Patient Management (RPM & RTM), eConsults, and AI-enabled services—can serve as critical drivers of financial sustainability.

For these solutions to be effective, rural hospitals need more than just new technology—they require investment in modernized technology infrastructure, digital health service technical assistance to integrate new care models, and workforce capacity-building to ensure successful adoption. CTRC's overarching goal is to develop and scale a digital transformation blueprint that will help rural hospitals leverage technology for financial viability and long-term sustainability.

To advance this mission, CTRC is undertaking an intensive technical assistance project with a rural hospital California currently operating at a significant financial loss. While the hospital initially sought support to optimize Remote Physiological Monitoring (RPM), Remote Therapeutic Monitoring (RTM), and telehealth, CTRC is expanding the scope to include AI-driven efficiencies and eConsult solutions, which have been shown to reduce costs, prevent unnecessary hospital visits, and maximize workforce capacity.

The hospital will serve as a case study that will allow CTRC to gain deeper insights into the specific financial and operational challenges rural hospitals face, while developing best practices that can be replicated statewide. This effort includes expert consultation with hospitalists specializing in health IT and digital health and collaboration with HRSA's Telehealth Centers of Excellence, ensuring a high-impact, data-driven approach.

Through this initiative, CTRC is laying the groundwork for a sustainable future for rural hospitals, demonstrating that strategic investments in digital health infrastructure and implementation support can transform struggling hospitals into financially stable, tech-enabled care centers. This work is not only about keeping hospitals open—it's about ensuring they are thriving, resilient institutions that can deliver better care with efficiently.

Request for proposal on next page.

Request for Proposals (RFP)

Issued by: California Telehealth Resource Center (CTRC) under the California Telehealth Network Submission Deadline: March 13, 2025 Contract Duration: 2 months Funding Range: We anticipate proposals in the range of \$5,000 to \$10,000, but we encourage competitive pricing proposals that align with the scope of the deliverables. Release Date: March 5, 2025

I. Introduction

The **California Telehealth Resource Center (CTRC)**, operating under the **California Telehealth Network**, is seeking proposals from qualified **consultants or subject matter experts** to conduct an analysis of a northern California health system's **current telehealth and remote patient management services** for **outpatient and ambulatory care**.

This assessment will focus on **payment optimization under commercial payers, Medi-Cal, and Medicare,** identifying gaps in service delivery and **opportunities for expansion based on regional demographics and market factors.**

The engagement will last approximately six weeks, resulting in a comprehensive report and an executive-level slide deck with actionable recommendations for leadership.

The funding range for this engagement is **\$5,000 – \$10,000**, and responses to this RFP must be submitted within **one week** of posting.

II. Scope of Work

The consultant(s) will conduct a **comprehensive assessment** of the health system's current telehealth and RPM services, focusing on:

1. Current Utilization and Infrastructure

- Evaluate the existing telehealth and RPM payer mix, payment policies, workflows, technology infrastructure, and clinical integration.
- Assess staffing capacity.
- Identify patient adoption trends based on coverage.

2. Commercial and Government Health Program Payment and Impact on Digital Health Financial Viability of Various Options

- Analyze payment models (coding, coverage, and reimbursement) under **Medi-Cal, Medicare, and** commercial payers in the region related to digital health for hospital outpatient services.
- Identify payments gaps and opportunities that would financial sustainability.

3. Gap Analysis

- Identify organization's **clinical**, **operational**, **and policy barriers** affecting the effectiveness of telehealth and RPM and/or ability to adopt new options.
- Evaluate regulatory, technology, and staffing challenges specific to rural and regional providers.

4. Market Opportunities & Regional Demographics

- Conduct a **regional analysis** of telehealth, remote patient management, and eConsult demand, patient demographics, and key **chronic disease indicators.**
- Identify **opportunities for service expansion** based on competitive landscape and payer trends.

5. Deliverables

- **Comprehensive written report** outlining current state, reimbursement feasibility, and strategic recommendations.
- Executive-level slide deck with concrete, actionable next steps for leadership.

III. Proposal Submission Requirements

Interested parties must submit a proposal that includes the following:

1. Statement of Qualifications

- Overview of the consultant or organization.
- Demonstrated expertise in **rural hospital telehealth, digital health, and remote patient management.**
- Prior experience with California health care payer market analysis, particularly northern and regional healthcare systems.
- 2. Approach and Methodology
 - Clear methodology for conducting gap analysis, market research, and payment/reimbursement assessment.
 - Proposed data sources, stakeholder engagement, and analytical approach.
- 3. Project Timeline & Milestones
 - o Detailed **six-week work plan** with key deliverables.
- 4. Budget & Pricing Proposal
 - Itemized pricing within the **\$5,000 \$10,000 funding range.**
- 5. References
 - At least **two references** from previous consulting engagements in telehealth or healthcare market analysis.

IV. Proposal Evaluation Criteria

Proposals will be evaluated based on the following criteria:

Criteria	Weight
Expertise & Experience in rural health, digital health services (telehealth and RPM), and reimbursement	35%
Approach & Methodology for analysis and recommendations	30%
Regional Knowledge of northern California healthcare insurer markets	20%
Budget & Cost-Effectiveness within funding range	15%

V. Project Plan & Timeline

The selected consultant(s) will adhere to the following **six-week** timeline:

Phase	Tasks	Timeline
Kickoff & Data Gathering	Initial meeting, data request, and stakeholder engagement	Week 1
Current State Assessment	Review of telehealth/RPM utilization and reimbursement	Week 2-3
Gap Analysis & Market Research	Identify barriers, payer trends, and regional demographics	Week 4-5
Report & Slide Deck Drafting	Develop findings, recommendations, and executive presentation	Week 6
Final Review & Submission	Refinement based on feedback, final report delivery	Week 7

VI. Expected Consultant Fees & Market Rate Analysis

Given the **funding range of \$5,000 – \$10,000**, proposals should demonstrate a **focused approach to efficiently deliver high-quality insights** within the budget.

VII. Submission Deadline & Contact Information

Proposals must be submitted by March 13, 2025, to <u>caltrc@ochin.org</u> and must include the Subject Line: Response to Rural Hospital Digital Health Services Optimization.

For any questions regarding this RFP, please contact <u>caltrc@ochin.org</u> and include in the Subject Line: URGENT QUESTION Rural Hospital Digital Health Services Optimization to ensure timely response.