

# Framework for Evaluating Feasibility of a Digital Dermatopathology Platform

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## BACKGROUND



The dermatopathology service at University of Utah Health (UUh) uses a traditional light microscopy platform to read cases and render diagnoses.



Innovative start-ups are gaining market share using digital platforms with whole slide imaging and artificial intelligence (AI)-assisted diagnosis.



A digital platform has the potential to transform the clinical, research, and educational opportunities within dermatopathology and anatomic pathology.



The short- and long-term implications of investing in the infrastructure are uncertain.

## OBJECTIVES

**1** Develop a framework for evaluating the feasibility of developing a digital dermatopathology platform

**2** Create phased process to meet the short and long term clinical and innovation needs of our department and institution

## METHODS: FRAMEWORK

OBJECTIVES	Working group formation to execute model, define and refine objectives and priorities
STAKEHOLDERS	Dermatologists/dermatopathologists/clients, IT, technology/commercialization, leadership
KNOWLEDGE	Interviewing stakeholders Consultation with private sector
CHOICES	Expand/refine models Brainstorming sessions
EVALUATION	Assess short and long-term trade-offs Consensus in working group and stakeholders
EXECUTION	Proforma Phased implementation
DECISION	Who decides Execute

## IMPACT

**1** Framework for AMC to evaluate strategy for digital pathology

**2** Model for short- and long-term projections on financial and operational impact

**3** Potential improvement in diagnosis, workflow efficiency, innovation, and educational enhancement

## RESULTS



**Investment: to achieve at private sector level is tens of millions of dollars**

Less expensive whole slide imaging = less acceptable, still > \$1M investment



**Clinical reimbursements alone do not justify the investment**

Future payer networks may substantially disrupt small laboratories



**Technical expertise: unlikely to compete with private sector (we're behind)**

Frist priority is to establish interfaces between electronic health record systems



**ROI for platform development, R&D investment is uncertain**

Will require synergizing partnerships within institution (informatics, computer engineering)

**Consultation with private sector startups is essential**

Partnership will require trust and contractual agreements

**R&D collaborations may be best opportunity for academic pathologists**

Public-private partnerships should be considered to leverage AI, payer contracts



### **ABSTRACT: 2022 ELAM Institutional Action Project**

**Project Title:** Framework for Evaluating Feasibility of a Digital Dermatopathology Platform

**Name and Institution:** Kristina Callis Duffin, MD, MS, University of Utah

**Collaborators and Mentors:** Amy Boyack, Michael Bird, Aaron Secrest, and John Zone MD

**Topic Category:** Clinical

**Background/Significance of Project:** The dermatopathology service at the University of Utah Health (UUH) uses a traditional light microscopy platform to read cases and render diagnoses. Innovative start-ups are gaining market share using digital platforms with whole slide imaging and AI-enabled diagnosis. A digital platform has the potential to transform the clinical, research, and educational opportunities within dermatopathology and anatomic pathology, but the short and long-term implications of investing in the infrastructure are uncertain.

**Objectives:** The objective of this project was 1) to develop a framework for evaluating the feasibility of developing a digital dermatopathology platform and 2) establish a phased process to meet the short and long term clinical and innovation needs of our department and institution.

#### **Methods/Approach/Evaluation Strategy:**

A working group made up of departmental administrative and laboratory leadership was formed to develop and execute a 7-attribute model to inform decisions on transitioning to a digital dermatopathology platform.

- **OBJECTIVES:** develop and iterate objectives of the project
- **STAKEHOLDERS:** Engage dermatologists, dermatopathologists, referring clients (community dermatologists), IT and institutional leadership. identify key consultants to develop final business modeling (technology and commercialization office)
- **KNOWLEDGE:** conduct series of meetings and brainstorming sessions determine what we know/what we do not know, including consultation with outside collaborator(s) to further expand understanding of possible models and partnerships.
- **CHOICES:** based on above findings, revise an informed set of possible choices for evaluation.
- **EVALUATION:** establish questions to assess short and long-term financial and operational trade-offs.
- **EXECUTION:** identify project phases and create proforma to present to final decision makers, including financial analysis, modeling, and timelines. (in progress)
- **FINAL DECISION:** identify who will make final decisions.

#### **Results**

In applying the model, we identified important factors that impact decisions around developing or partnering with collaborators on a digital platform:

- Start-up costs to develop a digital platform comparable to those established already in the private sector are exceptionally high (estimated in the millions of dollars).
- The technical expertise needed to develop an institutional digital platform would require substantial partnerships with other departments.
- Clinical reimbursements alone do not justify the investment. ROI for research and development is uncertain.
- Partial laboratory integration with an external partner is technically challenging and not feasible.
- Partnership with an external startup will require trust and clear formal agreements.
- Public-private partnerships, and research engagement with industry, may be the best opportunity for academic pathologists to engage with start-ups in the AI space.

#### **Discussion/Impact**

Digital pathology may ultimately improve the efficiency of clinical-pathologic correlation and enhance educational and research opportunities using AI. However, it is very important for AMCs to carefully consider the short and long-term financial and operational impact. The findings of this project may serve as a framework to facilitate decision around development and implementation of a digital pathology infrastructure.