

## Tipping Points as Value Points

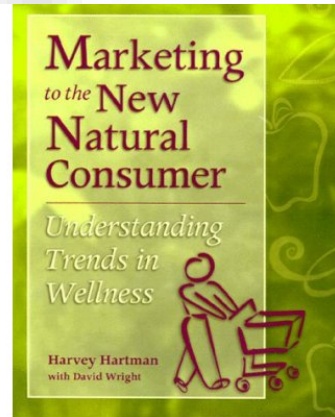
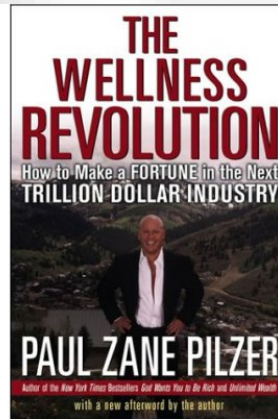
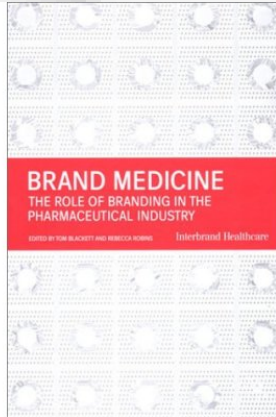
Business strategies to transact "liquidity", bridge stakeholder interests and grow market demand

Rob Dhoble  
President, DAS Healthcare/Omnicom Group

### *Healthcare as a Client Base*

<b>Medical Diagnostics</b>	<b>Food &amp; Herbal Supplements</b>
<b>Healthcare Systems (private)</b>	<b>Healthcare Systems (public)</b>
<b>Hospitals</b>	<b>Insurance</b>
<b>Medical Device (capital equipment)</b>	<b>Medical Devices (individual use)</b>
<b>Nutrition/Food</b>	<b>OTC Medicines</b>
<b>Public Health</b>	<b>Rx Medicines (biotechnology)</b>
<b>Rx Medicines (traditional)</b>	<b>Wellness/Disease Prevention</b>

# Tipping Points as Value Points



Nutrition,  
Wellness,  
Alternative  
Medicine.....

physicians not  
generally trusted or  
knowledgeable  
resource in these  
areas

### *Healthcare as a Communications Discipline*

Healthcare communications is an expertise in understanding interrelated stakeholder insights so that appropriate strategies can be developed and executed to elicit desired behaviors.

Alternative Med. Practitioners  
Families and Caregivers  
Government – Regulatory  
Government – Reimbursement  
Health plans – Private  
Health plans – Public  
Hospital Pharmacy  
Medical Societies  
Patient Advocacy Groups  
Patients/Consumers  
Primary Care Physicians  
Retail Pharmacy  
Specialist Physicians

“If you don’t know where you’re going,  
you’ll end up somewhere else.”

Yogi Berra

### Where we really are today

- ❑ **Waiting** for groundswells and tipping points to emerge
- ❑ A social, economic, technological and perhaps political convergence
- ❑ Healthcare practitioners and healthcare consumers already experiencing information “overload”
- ❑ A healthcare system that largely treats and gets paid “in the moment”
- ❑ Few incentives to maintain health or thwart disease progression (Dr & Patient)
- ❑ Few common information “currencies”, even fewer common “tools” to derive insight, value and facilitate communication

### Where we really are today (cont.)

- ❑ Contrasting information needs between hospital practice (acute) and community practice (longitudinal)
- ❑ Anxiety over “transparency” influencing accountability (Dr & Patient)
- ❑ A general mistrust of those charged with safeguarding healthcare information
- ❑ Few current examples of how healthcare information liquidity will drive value creation (lower cost, higher quality care, faster clinical research, etc)
- ❑ A largely economic motivation by the private sector to accelerate health information liquidity

### What is likely to happen next?

As healthcare stakeholders experience anxieties and confusion in the earliest periods of healthcare information liquidity, the market may likely respond with products and services that manifest as **brands**, representing consistent definitions of *trust, security and value*.

### Why are brands likely to be so important?

**Brands** facilitate communication and taxonomy, convey specific expectations of quality and trust, and promote standards, comparisons, preferences and competition.

**Brands** may better connect the economic interests of indirect customers, serving to consolidate value, needs, wants, expectations and opportunities across diverse market interests.

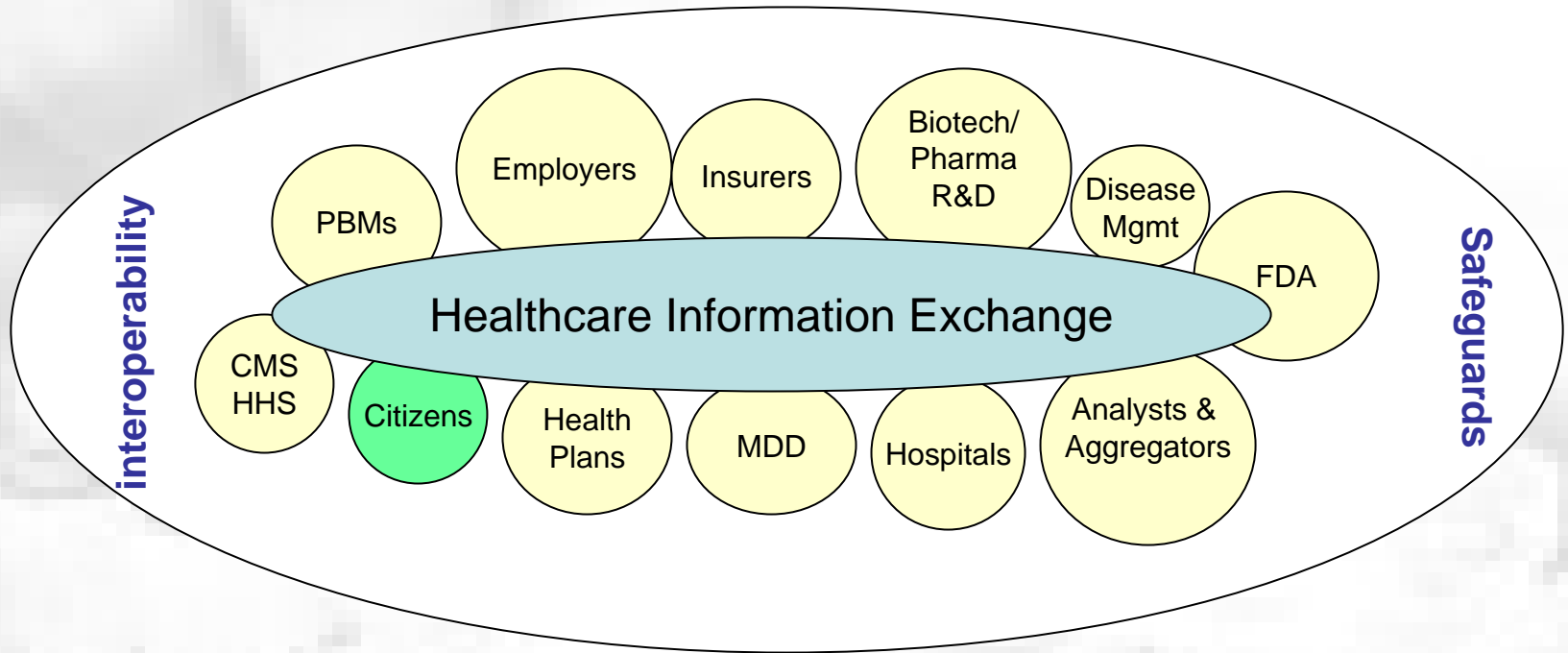
**Brands** can be more easily demanded from healthcare intermediaries by their customers

**Brands** (corporate, product, service) already drive significant value creation in the healthcare industry

### Transacting “liquidity” to bridge stakeholder interests

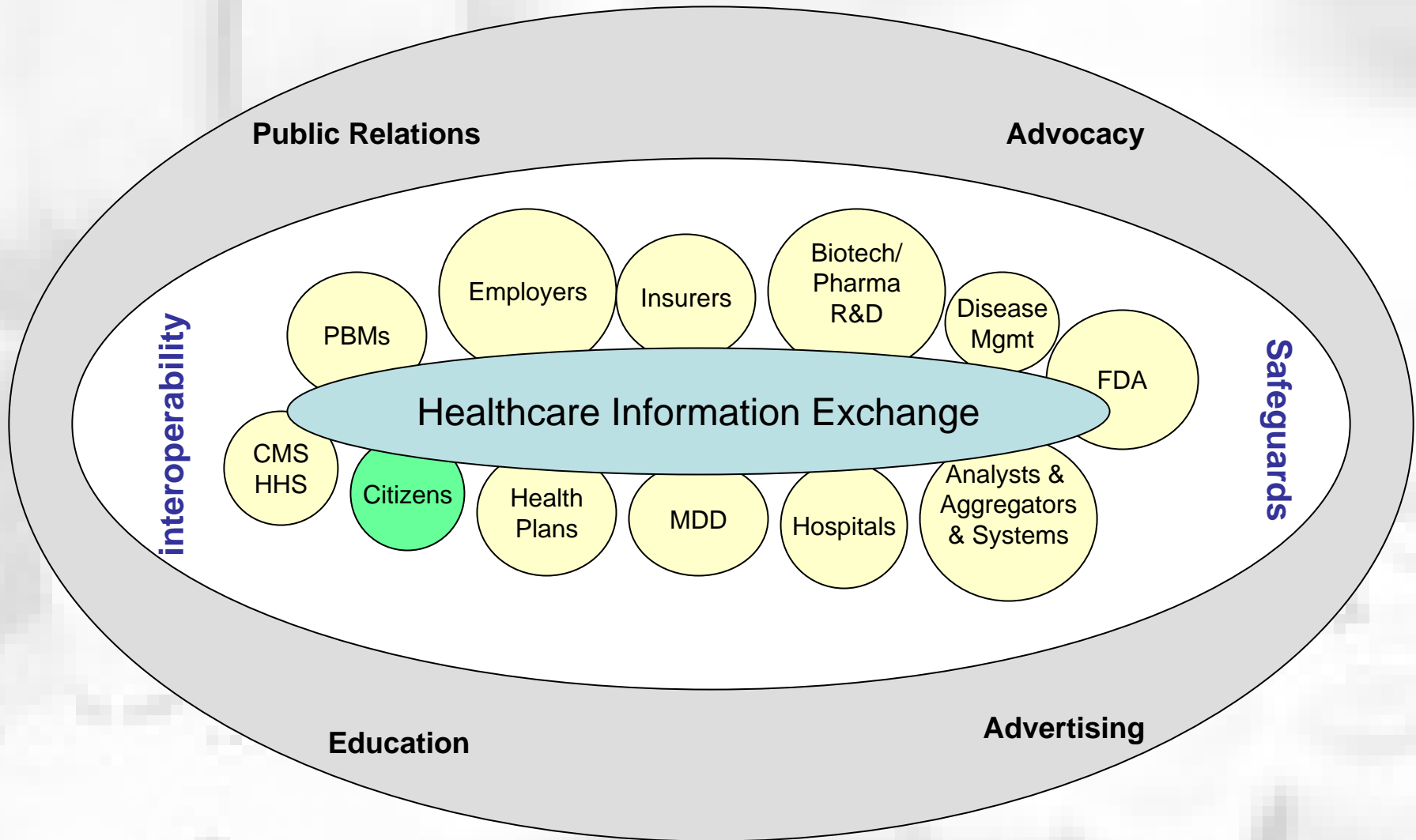
- ❑ Healthcare innovations can be somewhat compromised, often able to offer robust value to the system, while still representing diseconomies to stakeholders that only manage their financial turf
- ❑ Can interoperability and safeguards between stakeholders diminish the degree of financial turf, allowing for a freer exchange of value? At lower total cost?

## Transacting “liquidity” to bridge stakeholder interests



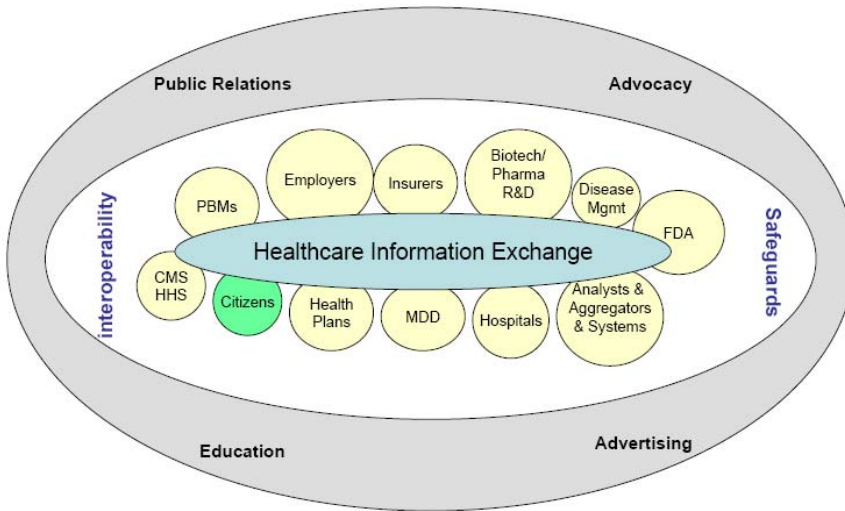
# Tipping Points as Value Points

Transacting “liquidity” to bridge stakeholder interests



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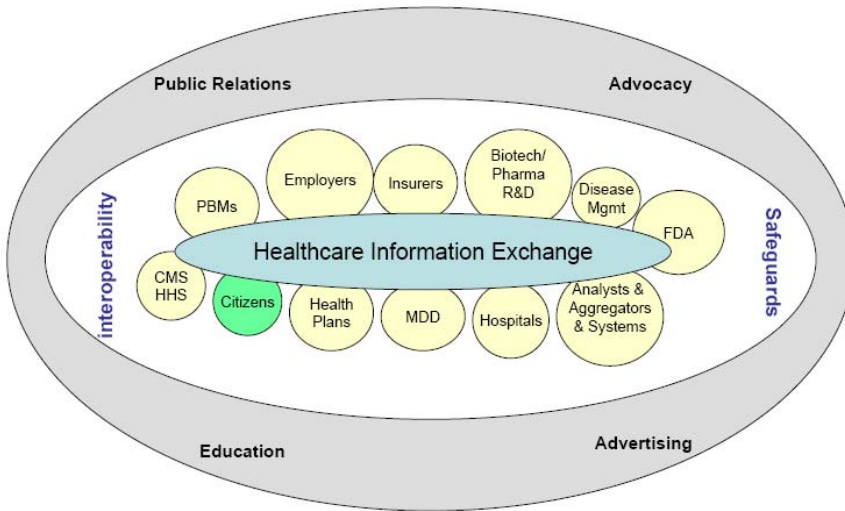
Transacting “liquidity” to bridge stakeholder interests



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# Tipping Points as Value Points

Transacting “liquidity” to bridge stakeholder interests



**Q.** As transparency increases, could physicians and patients become the key drivers of data-enabled healthcare improvements?

**Q.** Could well-known and *trusted brands* allow healthcare information currency to become optimized, in the best interests of public and private healthcare systems?

### Strategic implications for business strategy

- Information flow by itself won't solve all problems
- Consumer education requisites to ensure appropriate partnering of data
- Unknown role of aggregators, analysts and systems providers
- Unexpected insights: finding natural experiments in the system, NCE monitoring value?
- Federal policy, CCI and opportunity to lead by example
- Enormous drive by pharma/biotech to lower R&D costs/time to market
- Enormous drive by FDA to monitor, manage and predict treatment risks

### Strategic implications for business strategy (cont.)

- ❑ Enormous power of employers to drive down costs
- ❑ Consolidation, Strategic Alliances and Price Bidding
- ❑ Value of Scale – may not need the scale that most think
- ❑ The customer's power to influence the supplier's suppliers and customers
- ❑ The impact of branding, advertising, public relations, education and advocacy over the short and long term
- ❑ Citizens/Patients are not data points, they differ attitudinally and behaviorally over time
- ❑ From Healthcare to Well-Care – despite \$\$ upside, not current medical practice

**Business strategy: Some “real value” point examples**



## Pharmacogenomics-Therapeutics

### AmpliChip (Roche)

first FDA-approved DNA diagnostic chip  
helps physicians assess patient sensitivities to  
many commonly prescribed drugs  
challenges risk/cost of trial and error approach

Test cost: approx. **\$520**

ADRs impact: **\$136 billion & 100,000 deaths**



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"Physicians usually don't know what to do  
with this information."

*Heino von Prondzynski,  
Roche Diagnostics."*

### Power of Advertising and Public Relations



#### Diabetes Care Coalition [knowyourA1C.com](http://www.knowyourA1C.com)

- Abbott Diabetes Care;
- LifeScan, Inc.;
- Medtronic Diabetes;
- Novo Nordisk Inc.;
- Roche Diagnostics;
- sanofi-aventis Group\*.

[http://www.knowyoura1c.com/images/60\\_second.mov](http://www.knowyoura1c.com/images/60_second.mov)



**If you don't take diabetes seriously, you should meet Carlos. He's the first person you'll see after your heart attack.**

Carlos is a paramedic. If you ignore your diabetes, odds are you'll see him. Because two out of three people with diabetes have heart attacks or strokes. You can do something about it. Ask your doctor about your A1C number. People who manage their A1C significantly reduce their risk of heart attacks or strokes.

Please contact  
**knowyourA1C.com**  
or **800-555-5555** for  
more information.

**A1C**

## Power of Patient Self-Management

theDailyApple

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*The first health site that actually delivers results.*

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Only TheDailyApple offers you all this:

Secure, personalized online access to **Lab test results**.

Key facts about your **medications**.

**Tools and programs** customized for you.

**Health news** and information focused on your interests.



**MyDailyApple:** The first Web site completely customized to reflect your health concerns, your conditions and your personal interests.



**Lab Services:** Get immediate, PIN-protected access to lab test results with clear, concise and clinically accurate explanations.



**Medications:** Learn about your medications, how to use them and when, and how medicines interact with each other.

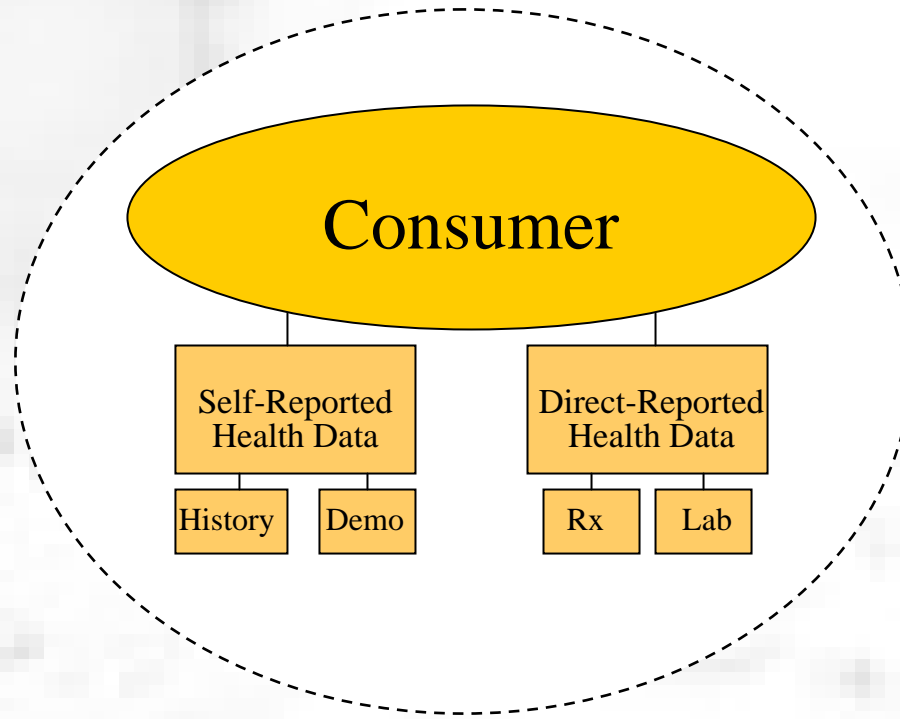


**Health Checkup:** Easily assess your overall health condition and get a personalized plan to improve your health.



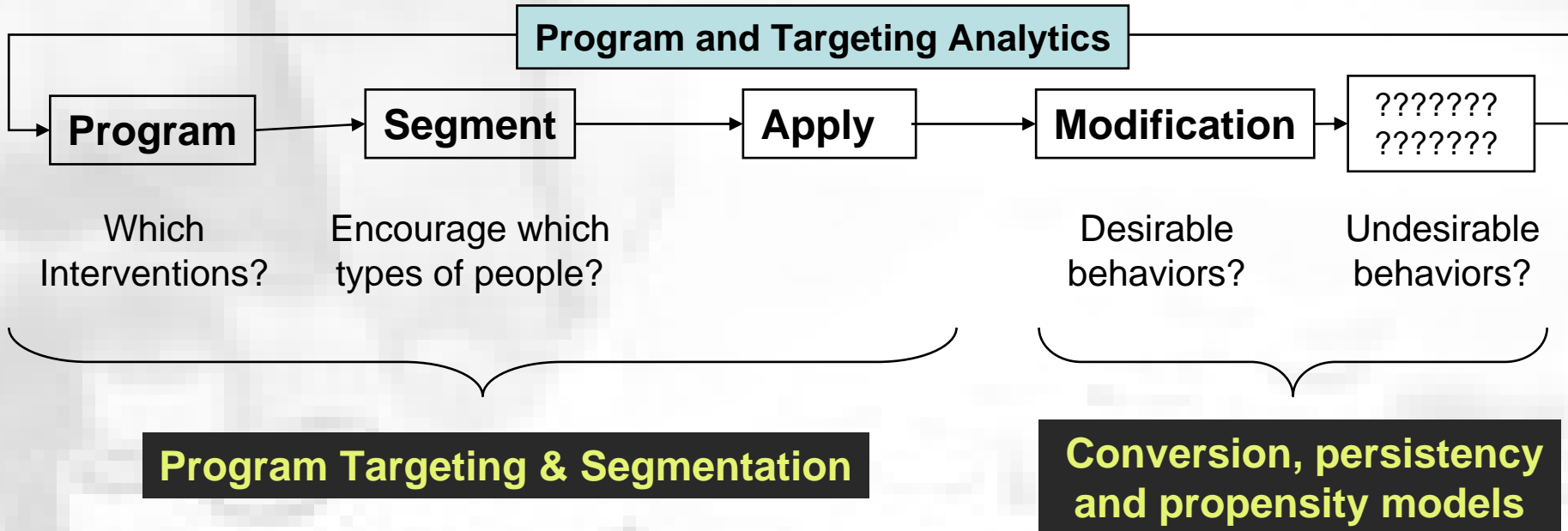
**News and Tools:** Get immediate access to thousands of health-related articles and studies. Plus, you'll get specialized tools and information to empower you to determine conditions and make informed decisions.

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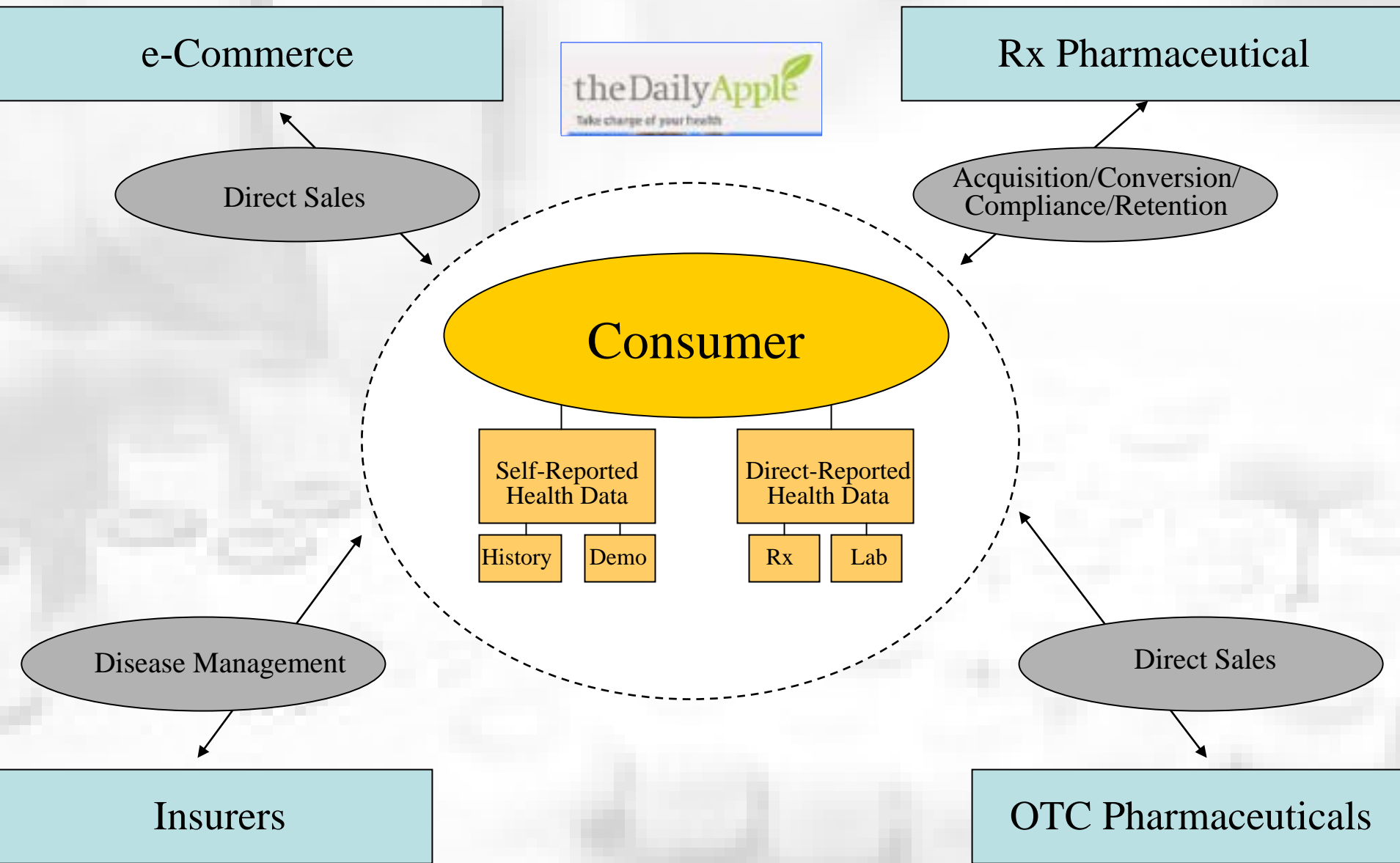


# Tipping Points as Value Points

## Direct Marketing Principles



# Tipping Points as Value Points



### Clinical Trial Patient Recruiting

"The list of eligibility and exclusion criteria is getting longer and longer, making it so difficult to find the right patient, ...  
"You sometimes wonder: Do these patients exist?"

Egilius Spierings,  
Associate Clinical Professor  
Harvard Medical School.

The pharmacogenetic requirements of targeted drugs such as the breast cancer drug Herceptin, are making recruitment trickier, too. "Out of a random population of patients who present at your clinical door, you have to test all of them to find the subset of people suitable for the study,"

Reichert Janice Reichert,  
Co-chair of the Clinical Trials  
Committee for the Massachusetts Biotechnology Council

*The Scientist* April 11, 2005

### Altient Corp



ALTIENT

a HIPAA-safe technology bundle for each practice that includes four primary Point-Of-Care interfaces:

- **WaitingPatient™**: an interactive patient education terminal
- **CareReach Network<sup>SM</sup>**: turnkey applications platform for the Physician practice
- **RescueMed™**: interactive medical office portal
- **CCRhub™** (Collaborative Clinical Research Hub) automates chart review for patient recruitment into clinical trials

### Connectivity and Scale

- 100,000+ patients a month interacting (waiting room kiosk)
- **300+ physicians**
- 2,000+ staff
- 1 million patient records
- Eliminates 6,000+ telephone calls a month to payors



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400+ new clinical trial candidates/month

## Power of Remote Monitoring

### Personal Healthcare Via Mobile Network

Mobile Healthcare with Diabetes Phone



**HealthPia**  
Global Healthcare Network

## Power of Remote Monitoring

**LG puts out Health Care Battery Pack for cellphones**  
Posted Apr 25, 2005



## Power of Remote Monitoring



**iMetrikus<sup>®</sup>**


Connecting Healthcare Consumers and Professionals

Confidential and Proprietary




## Power of Remote Monitoring


**Biometric Monitoring Tools**



**MediCompass® – an internet based Health & Chronic Care Management System**



*Confidential and Proprietary*



## Power of Remote Monitoring

### Diabetes Management

#### Blood Glucose Monitors:

- Accu-Chek™ Active
- Accu-Chek™ Advantage
- Accu-Chek™ Compact
- Accu-Chek™ Complete
- Ascensia® Breeze™
- Ascensia® Contour™
- Ascensia Elite XL®
- Bayer Glucometer® DEX
- Bayer Glucometer® DEX2
- Bayer Glucometer® Elite XL
- BD Logic™
- BD Paradigm Link™
- In Duo™
- One Touch® Basic
- One Touch® II
- One Touch® Profile
- One Touch® Ultra
- One Touch® UltraSmart
- One Touch® Sure Step
- Precision Q-I-D®
- Precision XTRA™
- Prestige Smart System™
- TrueTrack Smart System™
- TheraSense FreeStyle®

#### Insulin Pumps:

D-TRON Plus



### Respiratory Management

#### Digital Spirometry:

AirWatch



### Cardiac Management

#### Blood Pressure Cuffs:

A&D LifeSource UA-767PC (Arm)  
OMRON HEM-637 (Wrist)  
OMRON HEM-757 (Arm)



#### Digital Scales:

A&D LifeSource UC-321H\*

#### Lipid Testing:

CardioChek PA\*  
(cholesterol, triglycerides, glucose, & ketones)

\*pending - currently in development

Confidential and Proprietary



# Tipping Points as Value Points

Enormous Value...but accruing to who?



Confidential and Proprietary



“In theory there is no difference between theory and practice. In practice there is ‘

Yogi Berra

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