

Consumer health innovation and the window of opportunity for pharma

DTC Perspectives

In the Fall 2013 issue of *DTC Perspectives*, I suggested that the real innovations in improving the physician-patient experience were no longer coming from the healthcare industry but from entrepreneurs, many of them new to healthcare. I argued that pharma in particular is essentially acquiescing to tech newcomers despite the fact that arguably there is no other industry player who is so integrally linked to innovations in the delivery of healthcare.

In the last few months, it has become clear that the leadership in consumer health innovation is in the hands of the large consumer electronics companies like Google, Apple, Qualcomm and Samsung and mobile phone carriers such as Verizon and AT&T. While their focus is initially in the largely unregulated health and wellness sector, there is nothing inherently limiting them from moving into the clinical realm.

In fact, Samsung has already declared they are making a \$2 billion investment in building a pharmaceutical company. Early-stage startups such as Trial Fusion are building the capacity to manage the regulatory approval process for digital health products.

The business rationale is obvious. Healthcare is a growth sector with enormous inefficiencies. What's there not to like about it if you're an entrepreneur or an investor?

Digital health is one of the fastest growing segments for investor dollars. By mid-2014, \$2.4 billion had already been invested in digital health, more than in all of 2013. The typical reticence by investors to taking positions in startup healthcare companies has evaporated. According to Rock Health, there are at least 11 late-stage venture-backed health companies ready to IPO, which will bring in a flush of new public money to fund additional growth among these health tech firms.

With market momentum shifting to consumer health technology and its ecosystem of venture capital and investment banks, is there still a role for pharma? How are these changes in consumer health technology impacting the physician's office?

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Technology in the physician's office

The adoption of technology in the physician's office has followed a predictable path of efficiency and automation. Early applications automated the billing, payroll and payer reimbursement functions. They included accounting systems, treatment codes and fax machines. The last ten years have seen the emergence of EMR platforms, e-prescribing and patient portals. These tools used Internet technologies and systems integration services.

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The next wave of innovation will see a more comprehensive digitization of the provider landscape. An important aspect will be patient-centric digital health tools. These applications will fall into three functional categories:

1. **Content apps** will provide disease information, wellness apps, Rx information, social media platforms for discussing symptoms and remedies, etc.
2. **Digital health tools** will provide symptom and activity tracking, remote patient monitoring and adherence support.
3. **Rx integration** will move technology into a direct support role for prescription drugs. These technologies will include companion digital diagnostic tools, decision-support tools for providers and titration monitors.

Pharma was not a contributor to the early applications of practice management technology,

but there is a strategy for pharma to play an important role in the next wave of digital health tools.

Impact of digital health in the doctor's office

Innovation brings both opportunity and change, and this is true with emerging consumer and patient point-of-care technology in the physician's office.

Among the many challenges facing physicians today is the pending deluge of consumer and patient health data. There is an assumption that the various personal health trackers and clinical data sources can be monitored and triaged by primary care physicians, but there are not yet adequate tools to help patients and physicians use consumer health data at the point of care.

If you discuss this consumer health data trend with primary care physicians, many will even challenge the basic assumption that raw data generated by consumer devices will be meaningful in the first place. Physiological data is personal and must be assessed in the context of individual and family medical history. In addition, most primary care physicians are already overworked. In the case of new consumer health tools, innovation is not creating efficiency, it's adding to the workflow.

If digital health hopes to find a home in the doctor's office, it must find a way to overcome the bandwidth limitations of physicians, or better yet, create more efficiency at the point of care.

How can industry help doctors overcome the constraints of what might otherwise be seen as a breakthrough in real-time reporting of consumer and patient health conditions? How can technology help extend the definition of “point of care” beyond the physical boundaries of the exam room without burdening the physician with additional workflow and reporting demands?

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I believe there is a unique role for pharma in the specific arena of consumer health innovation. There is a pressing need for help in the translation of consumer health data to clinical practice in the three critical areas of Prevention, Diagnosis and Monitoring.

The “jobs” that clinicians perform

There are three primary clinical jobs, Prevention, Diagnosis and Monitoring that primary care physicians perform. The first, Prevention, is a long-term commitment with the patient to avoid illness in the first place. During the annual physical, the internist and patient have a frank and open conversation about health and lifestyle choices, and often the physician will make behavior change suggestions to promote health.

The second job of the doctor is Diagnosis. When a patient presents with a litany of symptoms, the physician will combine a thorough medical history, physical exam and diagnostic tests to determine a diagnosis and present a treatment plan.

In their third job, Monitoring, clinicians follow up with patients, monitor treatment and encourage medication and behavior change to promote recovery in the acute setting and optimize management and quality of life in those with chronic illness.

To provide value, the promise of point-of-care innovation must address at least one of these jobs.

Digital monitoring

Digital health tools can support a range of use cases, from wellness (weight loss, exercise, behavior change, education, tracking) to elite athlete performance management (sports, exercise, rehabilitation, nutrition) to clinical (remote patient monitoring, post-discharge tracking of key clinical markers and titration monitoring).

Promising applications already exist to set personal health goals, track symptoms, encourage behavior changes and nudge medication compliance. Patients receive real-time feedback on their progress towards recommended lifestyle changes. With some applications, the healthcare professional receives an alert when there is a significant aberration from personal baselines already established between the physician and the patient.

At this stage in the development of technology, the likelihood that a consumer activity monitor or mobile health device will provide unique data that is more valuable to a physician than a medical history is still remote. However, digital patient monitoring devices for chronically ill patients with diabetes, CHF, asthma or heart disease will soon be able to capture data on vital signs or clinical parameters that will be a helpful decision support tool in avoiding re-hospitalization.

The traditional, pre-EMR doctor-patient relationship didn't empower the patient with the ability to track and monitor personal health data. This has already begun to change with the emergence of patient portals and consumer access to medical records, and patient engagement will accelerate as the difference between health and wellness and clinical digital applications fades and the lines between regulated and unregulated devices blur. The physician-patient relationship is in flux and in need of fresh ideas and relevant innovation.

Getting started

There are two primary brand strategies that pharma can use to participate in digital health at the point of care. The first strategy is to make an unbranded commitment to the physician's office. To maximize physician use, content apps and tools generally should be unbranded. Pharma's reputation has not engendered enough trust with

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physicians to offer branded content for use in the physician–patient conversation. The goal of offering convenient and useful unbranded content is to build trust with doctors.

There are also opportunities to take a branded approach to digital health offerings, but there must be significant value in the integration of digital health into the pharmaceutical drug regimen itself. If providers see value in a custom digital app for remote patient monitoring, titration feedback or as a source for diagnostic data, it is more likely that it will be adopted.

The same thinking that goes into a successful drug launch should go into a successful digital point of care tool. The most effective approach will maximize benefits for the patient at the least cost—workflow and financial—to the physician and the payer.

A successful digital health tool needs to offer a differentiated experience. The pharma marketing team should examine point of care needs and opportunities from the perspective of its own unique disease and treatment expertise.

Much more than the large consumer technology companies, pharma has a number of key assets—science, technology, data—that can be used to fund, design, develop and support both single and integrated solutions to help improve the physician–patient relationship at the point of care.

Given the historical role that pharma has played in developing innovative pharmaceutical products that are prescribed at the point of care, there is a very real but narrow window of opportunity for pharma to reprise its leadership role, this time in consumer digital health. The time to act is now.

David Ormesher, CEO



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Since founding the company in 1987, Ormesher has created a rich, cohesive culture at closerlook by maintaining a hands-on approach to building client success and sustaining lasting account relationships. He has guided the growth and evolution of the firm, attracting a world-class team of account strategy, user experience, design, technology and relationship marketing services experts.

Ormesher is a frequent speaker at marketing conferences and is a recognized thought leader in the areas of interactive and relationship marketing for healthcare.

In addition to his entrepreneurial leadership, Ormesher is also active on several non-profit boards. He serves on the boards of the Lyric Opera of Chicago; i.c.stars, an innovative business and leadership training program for inner-city youth; and Global Relief and Development Partners, building the capacity of entrepreneurs in emerging economies. He is also an adjunct professor at the Illinois Institute of Technology Stuart Graduate School of Business, where he teaches Customer Relationship Management.

**Want to continue this discussion?
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