CONSUMER-FACING HEALTH TECH: EXPANDING TO THE HEALTH CARE MARKET

Skybrude Consulting, LLC

Elizabeth Matsui, MD MHS
Roger Peng, PhD
Corinne Keet, MD PhD

SKYBRUDE

The Consumer Market

Rapidly growing number of consumer products and services capture data

- "wearables" that track activity, heart rate, sleep, etc.
- apps that support health, well being, lifestyle
- platforms and portals to manage personal health records, deliver health advice

SKYBRUDE

The Health Care Market

- **Health insurance companies, health systems, and employers are sizable market opportunity**
  - **Subsidize or pay for products/services**
  - **Have large populations**
- **But health care market remains untapped**

SKYBRUDE

The Potential of the Healthcare Market

"If you took all the fitness bracelets and smart watches sold in 2014 and multiplied that retail number by six, it still wouldn't match the $6.3 billion US market for blood glucose test strips."

-Wired Magazine November 2014

"...wearables' potential in the $2.8 trillion US healthcare system will only be realized if companies engage consumers, turn data into insights and focus on improving consumer health."

-http://www.pwc.com/us/en/press-releases/2014/wearable-technology-future.jhtml

NUMBER OF PEOPLE IN US WITH CHRONIC CONDITIONS	
ADULTS	
Obesity	>70 million
Hypertension	67 million
Smokers	>42 million
Heart disease	26.6 million
Diabetes	19.6 milion
Asthma	18.7 million
COPD	6.8 million
CHILDREN	
Obesity	12.7 million
Asthma	6.8 million
Data from CDC	

SKYBRUDE

"Wearables Are Totally Failing the People Who Need Them Most"

Wired Magazine, November 2014:

"..... there is a very real—and potentially lucrative—potential to shake up the healthcare system and frack the $2 trillion annual cost of chronic disease"

"I would move away from fitness and go hardcore into health. That's where the money is." -Kabir Kasagood, Director of Business Development, Qualcomm Life

SKYBRUDE

A health insurer, system or employer would purchase a product/service that...

- **Improves health care processes and outcomes**
  - Improves adherence
  - Reduces emergency department visits, hospitalizations
  - Prevents deaths
  - Prevents complications of chronic diseases
- **Reduces costs for the insurer, health system, or employer**

SKYBRUDE

Problems

- I don't know how to evaluate the health care potential of my product/service
- We don't have the expertise to study the health impacts of our product/service

The Solution: Rely on the Experts

Skybrude has expertise in:

- Medicine
- Public health
- Epidemiology
- Data science and biostatistics

- Observational studies
- Clinical trials
- Publicly available data
- Claims data (Medicare, Medicaid)

SKYBRUDE

The Process

First, critically assess health care potential of product/service.

For products/services with strong health care potential:

1. Identify key health-related outcomes
2. Plan data collection & management strategy early (before deployment)
3. Build dataset for analysis
4. Analyze data
5. Critically appraise strengths and limitations of findings to inform
   1. Refinement of product/service
   2. Refinement of steps 1-5 above

SKYBRUDE

Myth #1

We're just developing our product/service, so it seems best to wait until we start thinking about the health care market.

Reality

It's never too early. A small investment in expert advice can inform refinements to the development process that will have big pay offs.

SKYBRUDE

Myth #2

My product/service is aimed at the consumer; I don't think the health care sector would be interested.

Reality

Ask the experts. Some products and services may not seem to have immediate health applications, when in fact, they do.

SKYBRUDE

Myth #3

The regulatory burden of entering the health care market is too high

Reality

- FDA approval isn't needed to evaluate the health potential of your product or service or to begin to develop a data strategy.

- FDA has stated that it will not regulate many apps, including those that track heart rate, blood pressure, blood glucose and others. (http://1.usa.gov/Px0cpU)

- However, if the health care market seems promising & your product/service is regulated by FDA, we have partners with regulatory expertise who can help.

SKYBRUDE

Take Home Messages

- **Large untapped market in the health care and employee health sectors**

- **Many health tech products/services have great potential to be highly attractive to the health care and employee health sectors**

- **Get started by assessing the health care potential of your product/service**
  - **Skybrude is happy to advise and can provide initial consultative services at no cost.**

  For more information: http://skybrudeconsulting.com/

SKYBRUDE