All About Digital Therapeutics

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Sadhna Paralkar, MD MPH, MBA
SVP, National Medical Director

Joanna Balogh-Reynolds, DNP, MSN, RN-BC
Director of Clinical Consulting and Senior Consultant

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Agenda

History and the Evolution of the Current Marketplace

Benefits of Access to Digital Health

Key Areas of Focus and Notable Vendors

How Segal Can Help
What’s Digital?

From Merriam-Webster Dictionary:

Definition of *digital*

4: composed of data in the form of especially binary digits (expressed as series of the digits 0 and 1)

7: ELECTRONIC
   // digital devices/technology
   also: characterized by electronic and especially computerized technology
   // the digital age
What’s Therapeutic?

From Merriam-Webster Dictionary:

Definition of therapeutic

1: of or relating to the treatment of disease or disorders by remedial agents or methods

2: having a beneficial effect on the body or mind
What are Digital Therapeutics?

- Digital therapeutics, also known as virtual therapeutics, use software and smartphones, tablets and computers to help patients manage their health conditions virtually.

- They aim to deliver favorable clinical outcomes by addressing three of the **Social Determinants of Health**:
  - Access to primary healthcare
  - Access to quality of healthcare
  - Health literacy
What are Digital Therapeutics?

- They address factors that can have an impact on a patient’s health, such as lack of transportation.
- Digital therapeutics have a broader reach and are more sophisticated than mostly information-centric consumer wellness apps.
- They are frequently used with devices such as glucometers or wearables that collect vital signs to help patients better manage their health conditions.
WHO LED THE DIGITAL TRANSFORMATION OF YOUR COMPANY?

A) THE CEO  
B) THE CTO  
C) COVID-19
Impact of COVID-19 on Virtual Care

- 81% of consumers believe the pandemic has fundamentally changed the way they receive healthcare.
- 59% of patients who had a video visit during COVID-19 were first-time users.

Numbers Paint the Picture:

- 80% of physicians provided virtual care during the pandemic (up from 22% pre-pandemic).
- 92% of physicians plan to incorporate telehealth into care post-COVID.
- 76% of consumers intend to use telehealth post-COVID.

Sources:
- “The 2020 Healthcare Consumer Experience Index.” Study conducted by The Harris Poll and Change Healthcare. 551,045.
It’s Basically Disease Management 2.0

- Data on vital signs transmitted from Wi-Fi enabled wearables to apps, leading to customized messaging and health coaching.
- Potential to achieve desirable behavior changes via real time virtual health coaching — compare this with disease management in the 1990s.
- Health and wellness plans are now focusing on prevention through behavior change practices to impact or reduce the risk of lifestyle related diseases.
- Social media – too many distractions and too much information – contribute to reduced attention span in younger generations. Gamified physical and mental wellness platforms can provide well-being support in a sustainable format.
How Many Digital Therapeutics Are There?

- The marketplace has many products covering several disease conditions, including (but not limited to):
  - Diabetes
  - Hypertension
  - Obesity Management
  - Cardiovascular conditions
  - Musculoskeletal conditions
  - Cancer
  - Skin conditions
  - COPD/asthma
  - Behavioral health, including substance use disorders and pediatric behavioral health
  - ADHD
  - Sleep disorders
  - Neurologic disease or injury
  - Digestive Health
Today’s Poll
How Do We Keep up With This?

Accolade
Advance Medical
Amazon Care
American Well
Amino
Analyte
Aspire Health
Avizia
Axial Exchange
Best Doctors
Bright Horizons
Burnalong
Call9
Canary Health
Carrum Health
Castlight
ClearCare
Compass
Curaspan
DoseCentRx
DoubleNet Pay
Evolent Health
Flexwage
Forward Health Group
Ginger.io
GoodRx
Happify
Health Loop
Healthsparq
Health Qx
HelloWallet
Humana Vitality
Jiff
Keas
Kurbo
Livongo
Lumeris
Lyra
Mango Health
Maven
MDLive
Medicast
Optum
Oration
Omada
PatientPing
Pokitdok
Rally
Redbrick Health
Rubicon MD
RxAnte
Shape Up
Silver Vue
SimplifiHC
Sleepio Clinic
SoFi
Spruce
Teladoc
Twine Health
Virgin Pulse
Virta
Vsee
WebMD
Welkin Health
Wellbe
Zebit
Zipdrug
Zipdrug
ZocDoc
So Many Point Solutions to Consider
What is Right for You?

Plan sponsors are exposed to an ever growing array of solutions:

- Which ones really work?
- What are the trade-offs?
- Which vendors will be in business in 3 – 5 years?
- What 1 – 2 areas can you focus on?
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Advantages of Digital Therapeutics

COVID-19 has brought the advantages of digital therapeutics to the forefront:

- Meet access needs of the population — With a shortage of clinicians in all specialties and primary care, virtual care can reach a wider audience.

- Provide customized therapy — Messaging can be individualized and customized based on demographics and user preferences.

- Increase patient engagement — Patients are interested in using digital therapeutics because they provide relevant assistance and customized messages.
Advantages of Digital Therapeutics

**COVID-19 has brought the advantages of digital therapeutics to the forefront:**

- **Improve outcomes** — More patient engagement results in better outcomes.
- **Share new medical knowledge and therapies** — As treatments and protocols evolve, digital therapeutics can quickly incorporate them into their workflows.
- **Reduce the cost of care** — The scalability of digital platforms allows wider patient outreach at lower costs.
- **Enhance well-being** - Virtual health is a core component in helping consumers proactively improve or maintain well-being.
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How Segal Can Help
Primary Care: Virtual First?

- Digital-first healthcare
  - Teladoc/Livongo
  - Amwell
  - MDLive (Bought by Cigna)
  - DoctorOnDemand (Merged with Grand Rounds)
  - Amazon Care
  - Others
Virtual Primary Care: Technology is Making it Easier

- Proponents of telehealth have long argued that 50-70% of visits to the doctor’s office could be replaced by remote monitoring and check-ups.

- Online visits can be enhanced by secure cloud connected devices that collect patient data at home and then send it to a doctor, which link up with a phone and make it possible to perform at least part of an annual wellness check on yourself.

- These include:
  - Fitness trackers
  - Blood-pressure cuffs
  - Pulse oximeters
  - Smart thermometer
  - Self-examination kits

Sources: The New Yorker: The Promise and the Peril of Virtual Health Care, John Seabrook, June 22, 2020
The Doctor Will “See” You Now!

Tyto Device with Exam Camera and Thermometer

Otoscope adaptor for examining the ears

Tongue depressor adaptor for the throat

Stethoscope adaptor for heart and lung sounds

TytoApp for conducting guided exams with your doctor (iOS and Android)

Source: TytoCare
More and More Remote Monitoring Devices Getting FDA Approval

Butterfly TeleGuidance for Remote Ultrasound Exams During COVID Pandemic

Telemedicine has been around for over a decade in various forms, but the COVID-19 epidemic has turned a convenience into a necessity. Clinical practices that never seriously considered using telemedicine are now performing virtual house calls...

MAY 7TH, 2020

BioButton to Help Track COVID, Ensure Safe Return to Work

Biointellisense, a Silicon Valley company, is unveiling its FDA cleared BioButton device that may help with tracking symptoms of COVID-19 in potential patients and help society return to a normal state of affairs. The BioButton is about the...

MAY 1ST, 2020

Breathable, Stretchable Electronic Fabric for New Medical Wearables

Stretchable electronic technologies offer the potential to monitor the body over extended periods of time in unprecedented ways. The heart’s rhythms, flexion of joints, and other biomedical parameters can be tracked with high fidelity and...

MAY 26TH, 2020

Smartphone Measures Hemoglobin Levels in Photos of Eyelids

Anemia is properly diagnosed using a blood test that measures hemoglobin, but simply looking behind a patient’s eyelid can be a pretty good alternative if you know how red the tissue is supposed to be. Now, a team at Purdue University has...

MAY 21ST, 2020

AI-Powered Teleradiology FDA Cleared for Triage in Departments Swamped by COVID-19: Interview with David Stevens, CEO of Nines

Nines, a teleradiology company based in Palo Alto, CA, recently received FDA clearance for their NinesAI medical device, which supports the automated radiological review of CT Head images for the possible presence of two time-critical...

Biometrics and At-Home Wellness Tests Available

Sources: Let's Get Checked
Metabolic Disorders for Targeted Solutions
Digital Health Coaching for Diabetes, Hypertension and Weight Management

Options to Consider
- Single Vendor Solution
- Broad Management
- Clinical Rigor
- Performance Guarantees
- Communications
- ROI

Diabetes Prevention Program (DPP)
A DPP program offers the advantage of focusing on lifestyle modification for the most at risk population.

Diabetes Cardiovascular Management
Targeted disease management’s goals are to reduce healthcare costs while improving the quality of life for individuals.

Diabetes Remission
A laser focused diabetes can target members who are ready to make a lifestyle changes.

Digital Health Coaching
- Metabolic Disorders
  - Digital Health Coaching for Diabetes, Hypertension and Weight Management

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Segal
Musculoskeletal Disorder Roadmap

The future is a combination of prevention, digital therapy, comprehensive pain management, and supporting mental health.

End-to-End digital MSK clinics began addressing prevention (including weight management), acute, chronic, and surgical.

Traditional PT treated acute and surgical conditions.

Wearable sensor technology and COVID restrictions allowed virtual PT.

MSK COE's and expert medical opinions enhanced the value of a comprehensive MSK approach.

Pain management through wearable stimulation devices are reducing the burden of opioid use.
COVID-19 has had a Negative Impact on Mental Well-Being

Average Share of Adults Reporting Symptoms of Anxiety Disorder and/or Depressive Disorder, January-June 2019 vs. Jan 2021

11.0% Jan- Jun 2019 (NHIS)

41.1% January 2021 (Household Pulse Survey)

NOTES: Percentages are based on responses to the GAD-2 and PHQ-2 scales. Pulse findings (shown here for January 6 – 18, 2021) have been stable overall since data collection began in April 2020.

Virtual Mental Health Care

What can go virtual?

- Employee Assistance Program (EAP) visit
- Behavioral Health visit to: licensed psychiatrists, psychologists, counselors, and social workers
- Various kinds of therapies including psychotherapy, cognitive behavioral therapy, dialectical behavioral therapy

☑️ All of the above

Access Issue? ☑️ Solved
Tele-Behavioral Health was Gaining Popularity Even Before COVID-19

Through phone or video appointments, tele-behavioral health provider can help with any of the following:

<table>
<thead>
<tr>
<th>Relationship or family concerns</th>
<th>Anxiety</th>
<th>Work pressures</th>
<th>Grief</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stress</td>
<td>Sadness</td>
<td>Trauma</td>
<td>Mental health diagnosis</td>
</tr>
</tbody>
</table>
Starts with an App

- Starts with an online app-based assessment
- Predictive modeling identifies evidence-based treatment
- Care-seeker is paired with a licensed therapist
- Wait times and access are guaranteed

Source: Spring Health
Plans sponsors must strengthen Parity in MH/SUD Benefits

- Mental Health Parity and Addiction Equity Act requires parity in med/surg and MH/SUD benefits
- New law also requires group health plans to perform and document comparative analyses of the design and application of nonquantitative treatment limitations (NQTLs)
- Significant enforcement by DOL/HHS
- MHPAEA Assessment necessary when implementing these digital therapeutics
Advantages of Text-Based Therapy

- Millions of people choose text-based therapy because it removes even more barriers like making an appointment.
- Plans start as low as $25 a week
- Some e-therapy providers do not require insurance
- Text or message-based therapy allows patients more time to structure their thoughts
- It is easier for patients to cancel, reschedule or change their therapist within a network of online therapists
- Patients who want shorter sessions prefer it

Source: TalkSpace
Other Digital Vendors

- Women’s Health
- Family Building
- Fertility
- Financial
- Care Giving
- Vision
- Sleep
- Digestive Health
- Skin Cancer
- Other Complex Conditions
Keeping Data Secure

- When adding a digital therapeutic, data security is critical to success and patient confidence
- Vendor security should be evaluated prior to selection
- HIPAA privacy and security assessment may be necessary depending on options
- May need to evaluate cybersecurity protections
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How Segal Can Help
Which digital therapeutics are most promising?

- Virtual physician consultation evolving into primary care
- Chronic condition management and digital health coaching for diabetes, hypertension and weight management
- Virtual physical therapy for musculoskeletal conditions
  - Connected with musculoskeletal centers of excellence
- Virtual counseling for behavioral health issues
  - Integrating medical and behavioral
  - Talk and text based counseling

We must connect the digital solution with the human care delivery system.
Curating the Vendor Landscape

Virtual Diabetes Clinic

Diabetic ACO

Targeted Disease Management

DPP

Diabetes Management

Single Vendor Targeted Disease Management

DPP

Diabetes Management

Virtual Physical Therapy

Continuous Glucose Monitor

Laser Focused Reversal

Traditional Disease Management

DPP

Diabetes Remission

Dose Optimization

Local Management

Diabetes Management

Segmented Management
Things to look for in a digital partner

- They are able to prevent, manage, or treat a medical or behavioral health disorder or disease
- They incorporate best practice design and clinical protocol using evidence based medicine
- Incorporate patient privacy and security protection
- Engage end users in product design and constant update
- Publish trial results inclusive of clinically meaningful outcomes in peer-reviewed journals
- Be reviewed and cleared or approved by regulatory bodies as required to support product claims of risk, efficacy, and intended use
- Make claims appropriate to clinical evaluation and regulatory status
- Collect, analyze, and apply real world evidence and product performance data

Work with plan professionals to ensure compliance with all applicable laws and regulations.

Source: Digital Therapeutics Alliance
Recommended Path Forward

Next Steps

Plan Your Path Forward

- Determine what goals you want to achieve
- Are your plan participants prepared to engage in digital health?
- What critical elements in a solution and evaluation criteria are most important?
- Consider plan design and compliance concerns

Inventory Current Service Offerings

- What solutions currently exist within your benefit vendor ecosystem?
- Many vendors offer turnkey vendor partnerships that can be funded by credits or allowances
- Adding more programs can increase administrative fees, is there the ability to negotiate an administrative discount, claim decrement, or clinical performance guarantees?

Evaluate External Vendor Offerings

- Evaluate the vendor marketplace through vendor presentations, RFI, or RFP
- Access Segal specific pricing
- Key metrics to consider:
  - Single vendor solutions
  - Broad disease management
  - Clinical rigor
  - Clinical performance guarantees
  - Member experience

Implement, Measure, and Evolve

- Once a vendor is selected identification and communication will be key to successful implementation
- Meaningful incentives can drive participation
- Through data sharing agreements and SHAPE, Segal can evaluate the effectiveness of the vendor point solution.
How Else Can Segal Help?

1. We streamline the procurement process for our clients by identifying which types of solutions and vendors fit best with our client’s most pressing challenges. This enables other vendors to self-select out of the RFP process.

2. Our analyses of options include:
   - Clinical considerations and proof of outcomes
   - Approaches to employee engagement and maintaining positive employee experiences
   - References and demonstrations of client satisfaction
   - Vendor fees; credits or allowances to offset its cost; contract language and performance guarantees
   - Compliance considerations: MHPAEA, HIPAA Privacy and Security, HSA/HDHPs, wellness incentives, ERISA

3. Segal has negotiated preferred pricing for its clients with many vendors but we will find the best purchasing channel for each client. We look at what may be available through the medical carrier, the PBM, a coalition or another third party.

4. We assist with rollout and member engagement communications, which are important because the learning curve can be steep as patients adjust to the new user experience.

5. We can measure the actuarial-driven ROI and VOI (value on investment) periodically.
Questions and Discussion