



All About Digital Therapeutics

May 5, 2021

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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?

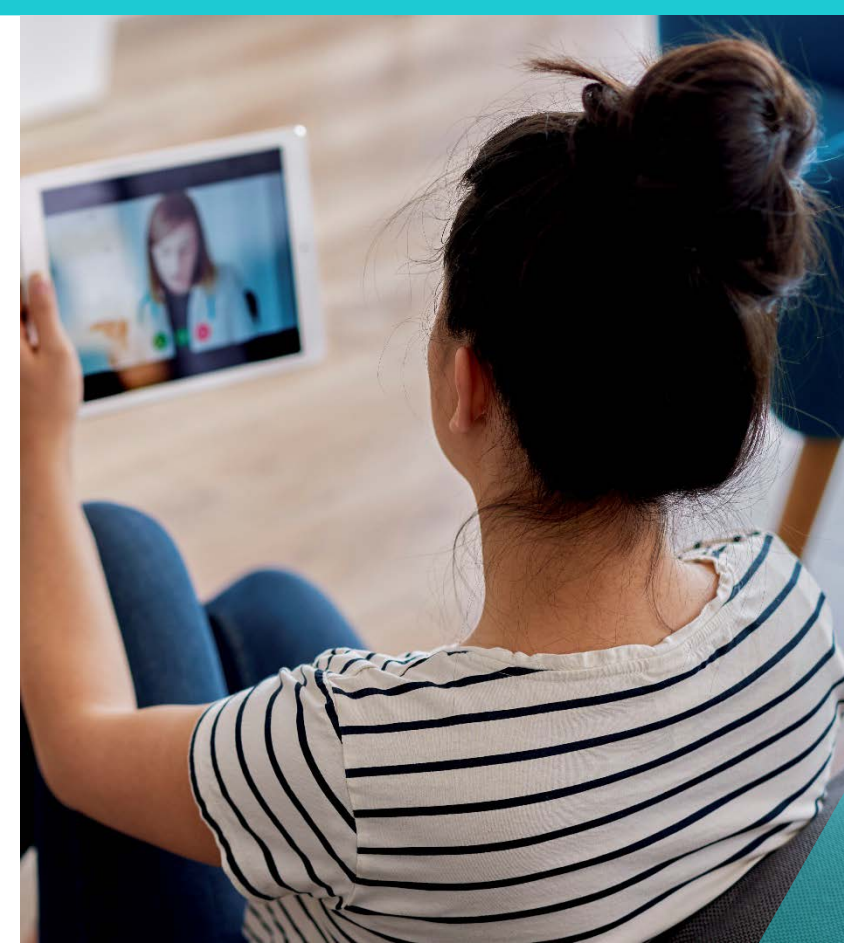
From Merriam-Webster Dictionary:

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

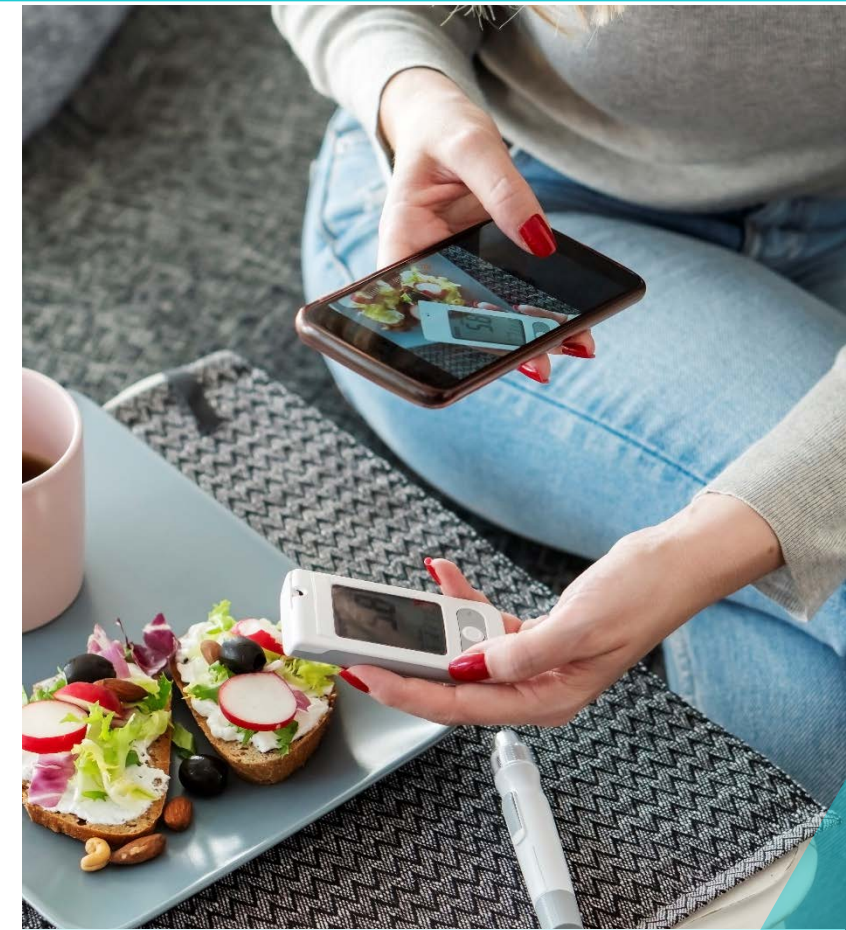
What are Digital Therapeutics?

- 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

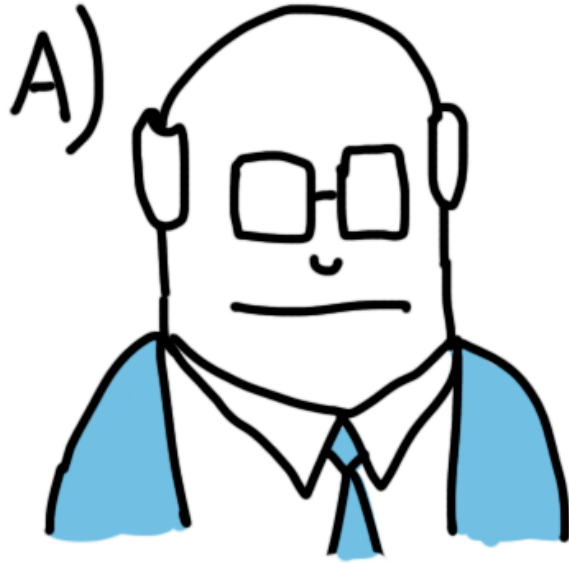


What are Digital Therapeutics?

- 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.



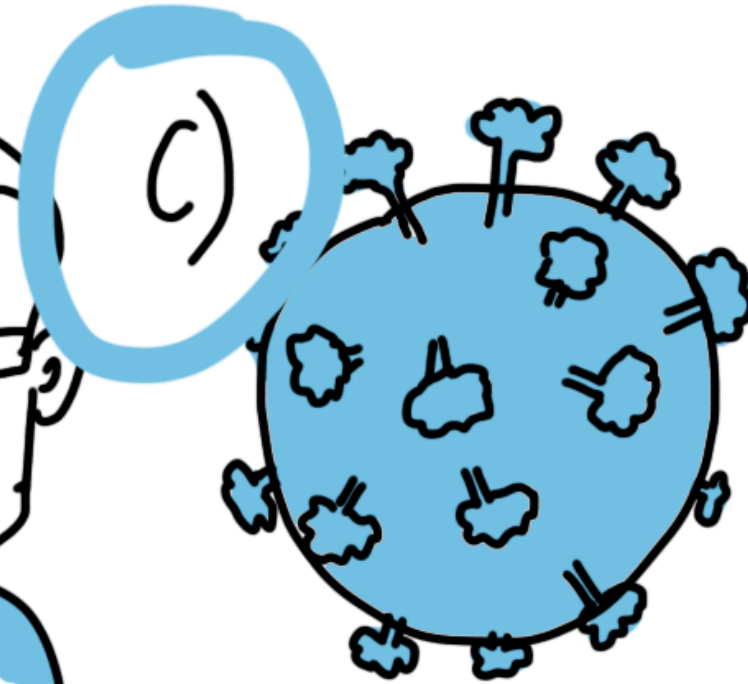
WHO LED THE DIGITAL TRANSFORMATION OF YOUR COMPANY ?



THE CEO



THE CTO



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, n=1,945;
"From Virtual Care to Hybrid Care: COVID-19 and the Future of Telehealth," Amwell consumer and physician survey, November 2020

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

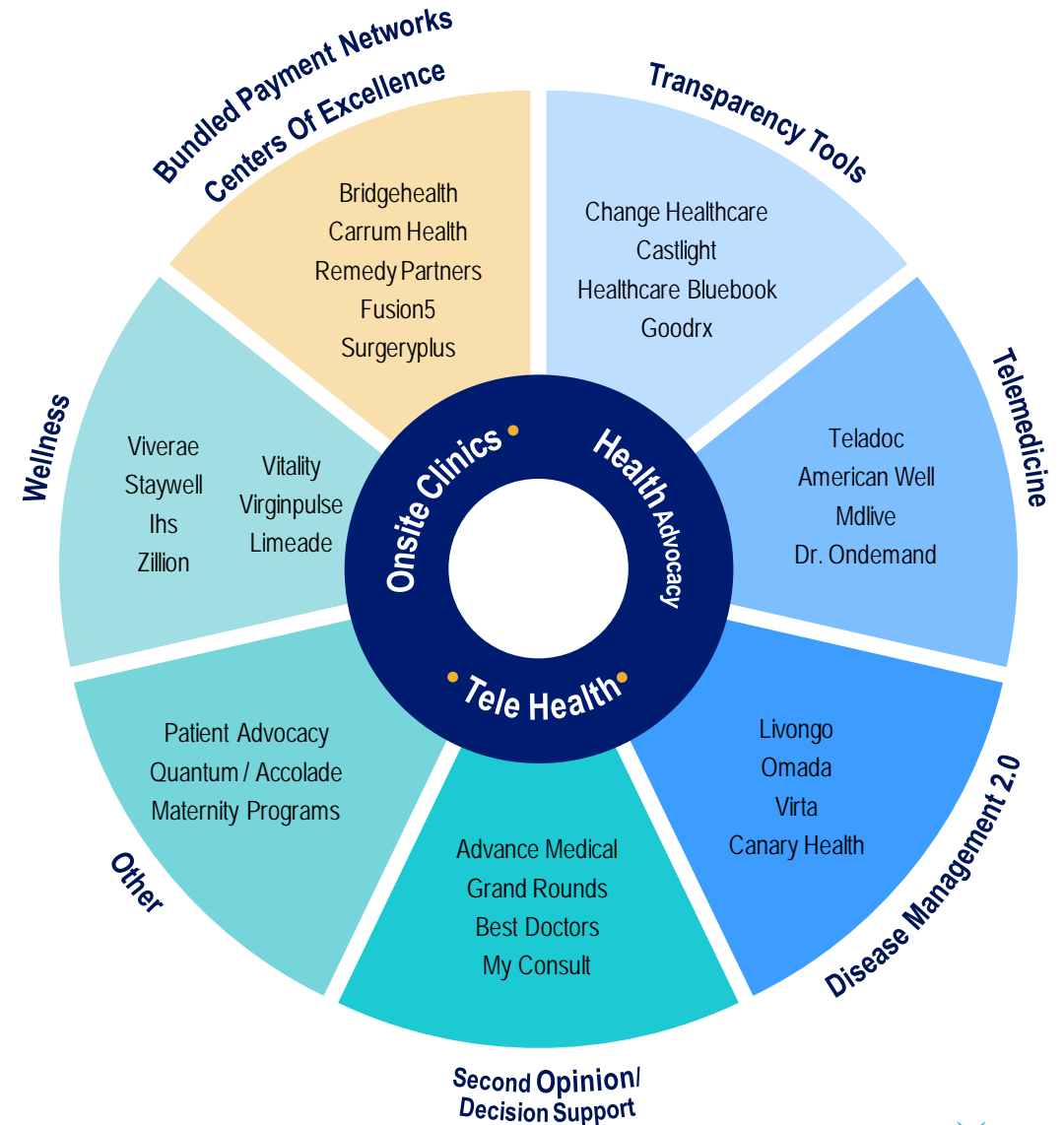
Shape Up
Silver Vue
SimplifiHC
Sleepio Clinic
SoFi
Spruce
Teladoc
Twine Health
Virgin Pulse
Virta
Vsee
WebMD
Welkin Health
Wellbe
Zebit
Zipdrug
ZocDoc

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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How Segal Can Help

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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Primary Care: Virtual First?

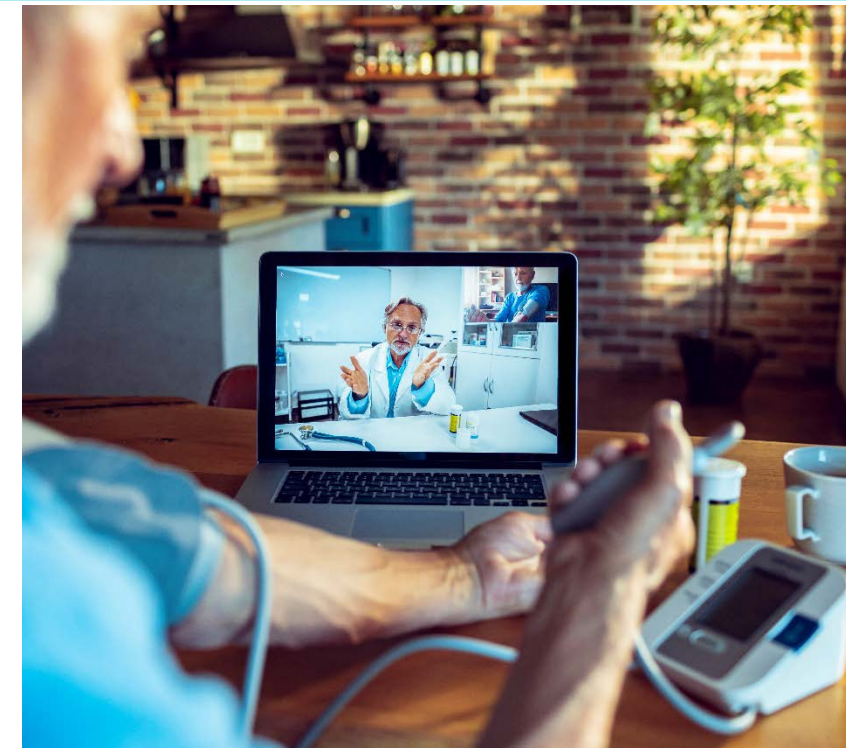
- Digital-first healthcare
 - Teladoc/Livongo
 - Amwell
 - MDLive (Bought by Cigna)
 - DoctorOnDemand (Merged with Grand Rounds)
 - Amazon Care
 - Others



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



The Doctor Will “See” You Now!



Tyto Device with Exam Camera and Thermometer



Otoscope adaptor for examining the ears

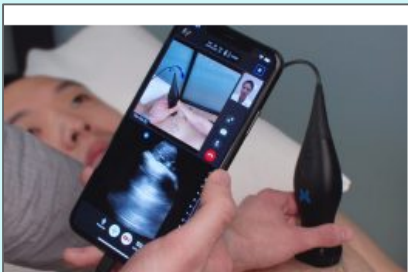
Tongue depressor adaptor for the throat



Stethoscope adaptor for heart and lung sounds

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

More and More Remote Monitoring Devices Getting FDA Approval



MAY 7TH, 2020

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...

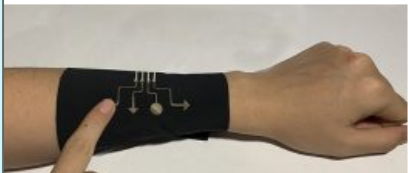


MAY 1ST, 2020

TELEMEDICINE

BioButton to Help Track COVID, Ensure Safe Return to Work

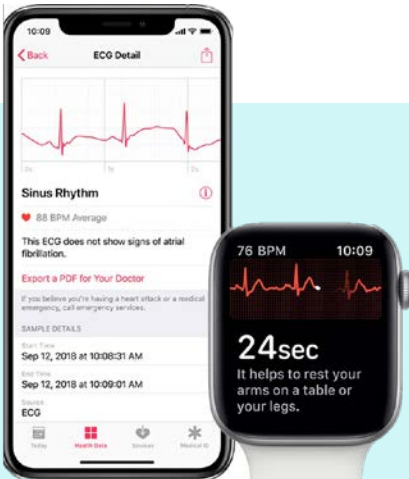
BioIntelliSense, a Silicon Valley company, is unveiling its FDA cleared BioButton device that may help with tracking symptoms of COVID-19 in potential patients and help society return to a normal state of affairs. The BioButton is about the...



TELEMEDICINE

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

TELEMEDICINE

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...

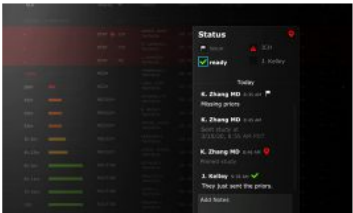


MAY 21ST, 2020

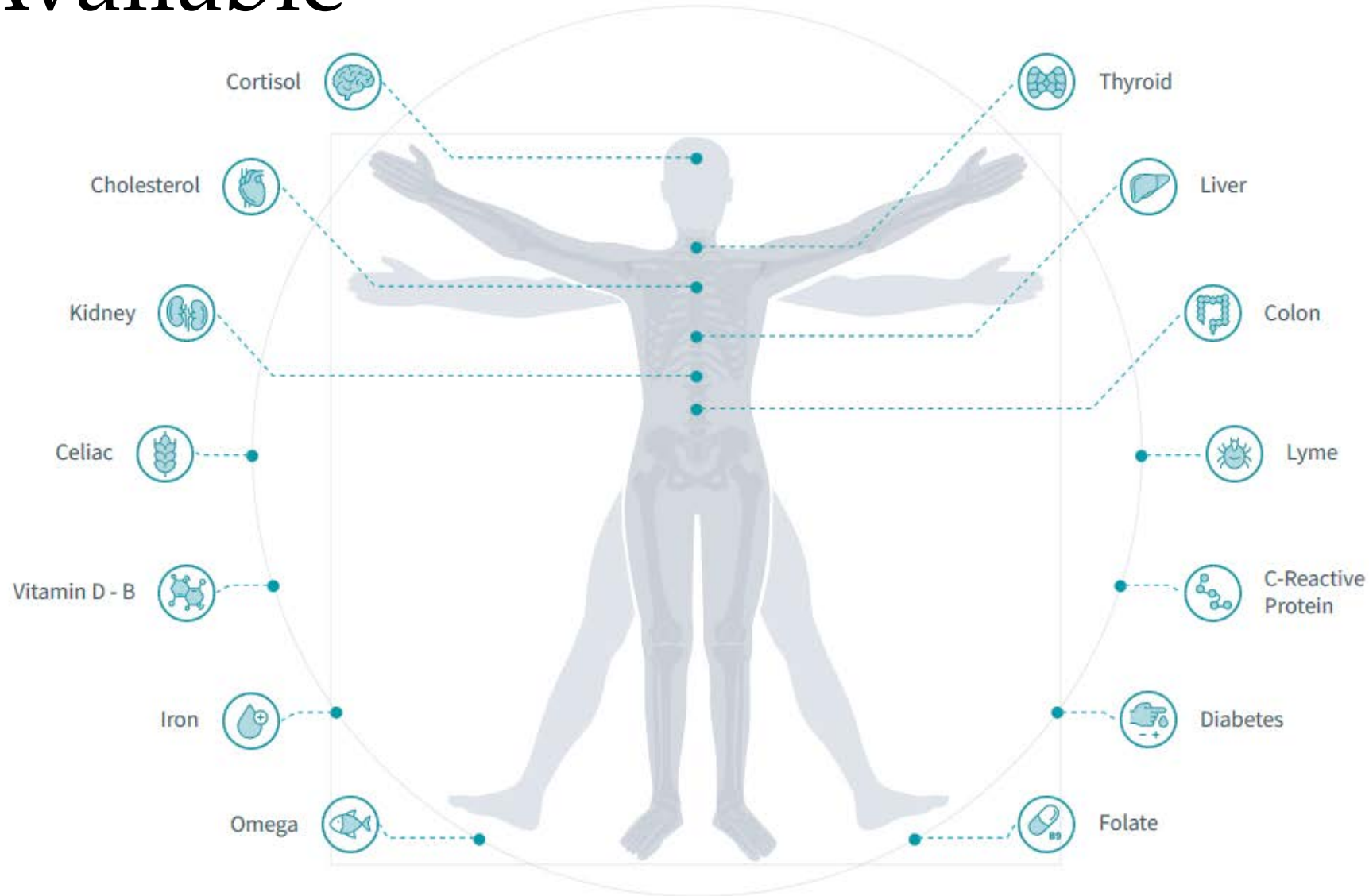
TELEMEDICINE

AI-Powered Teleradiology FDA Cleared for Triage in Departments Swamped by COVID-19: Interview with David Stavens, 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...

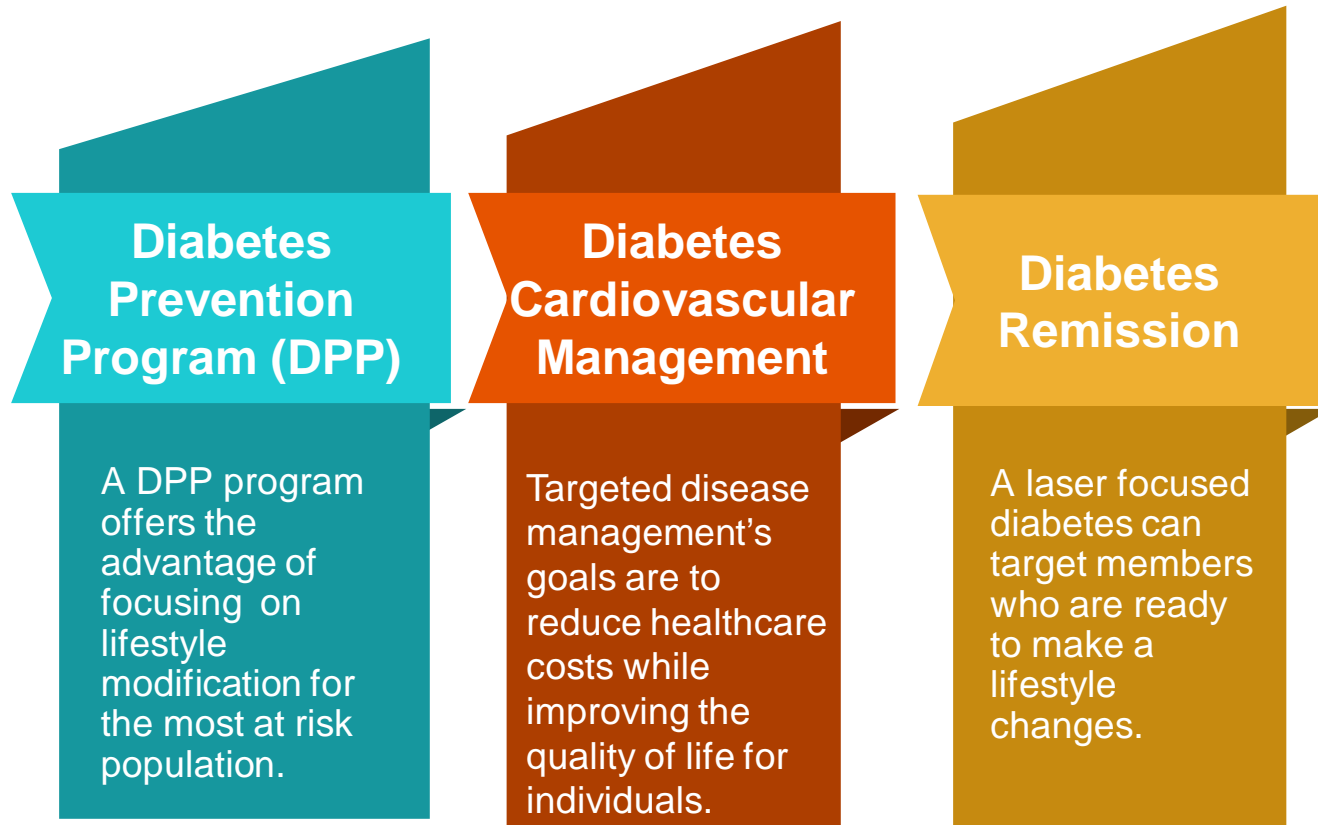


Biometrics and At-Home Wellness Tests Available



Metabolic Disorders *for Targeted Solutions*

Digital Health Coaching *for Diabetes, Hypertension and Weight Management*

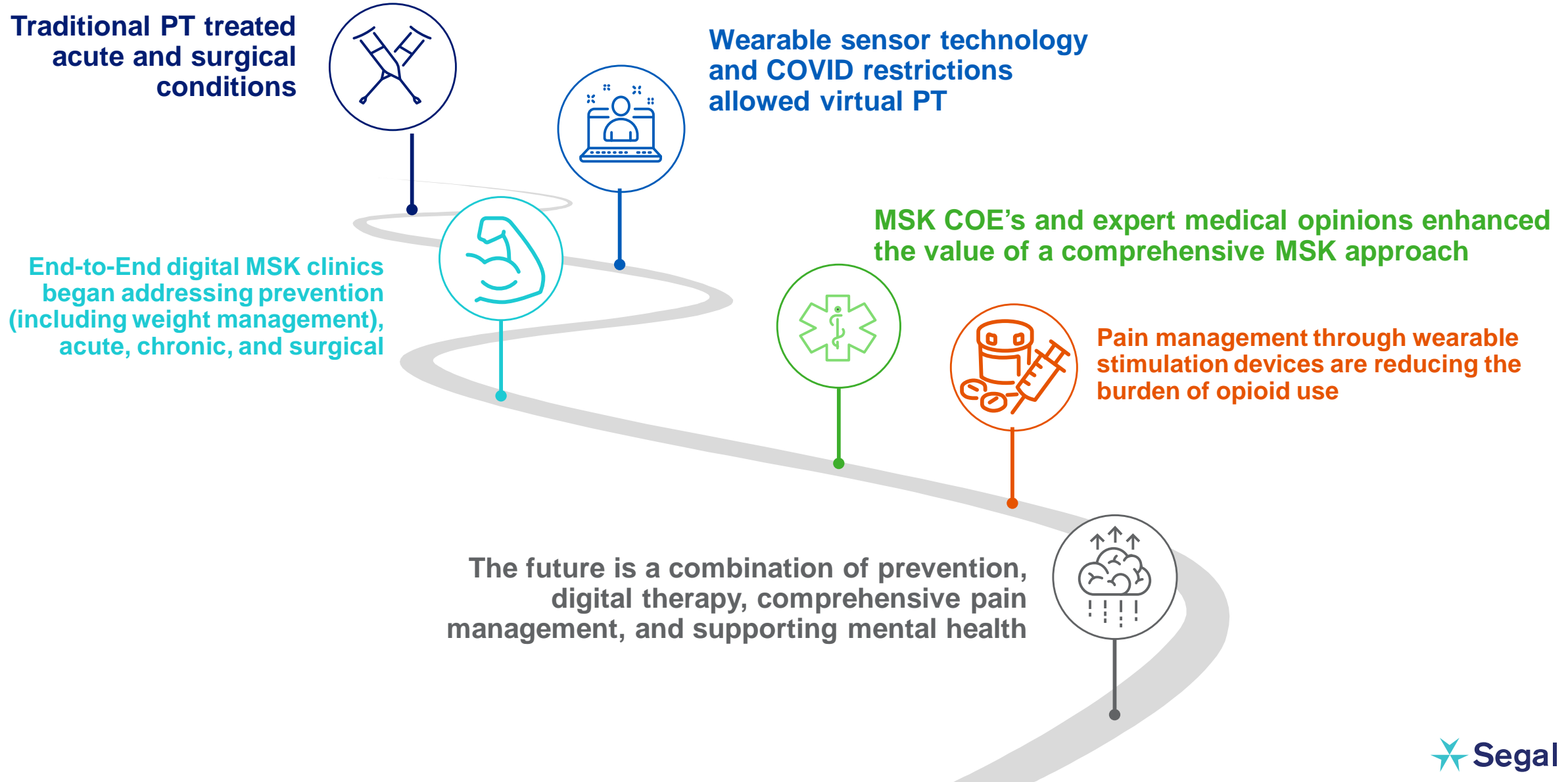


Options to Consider

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

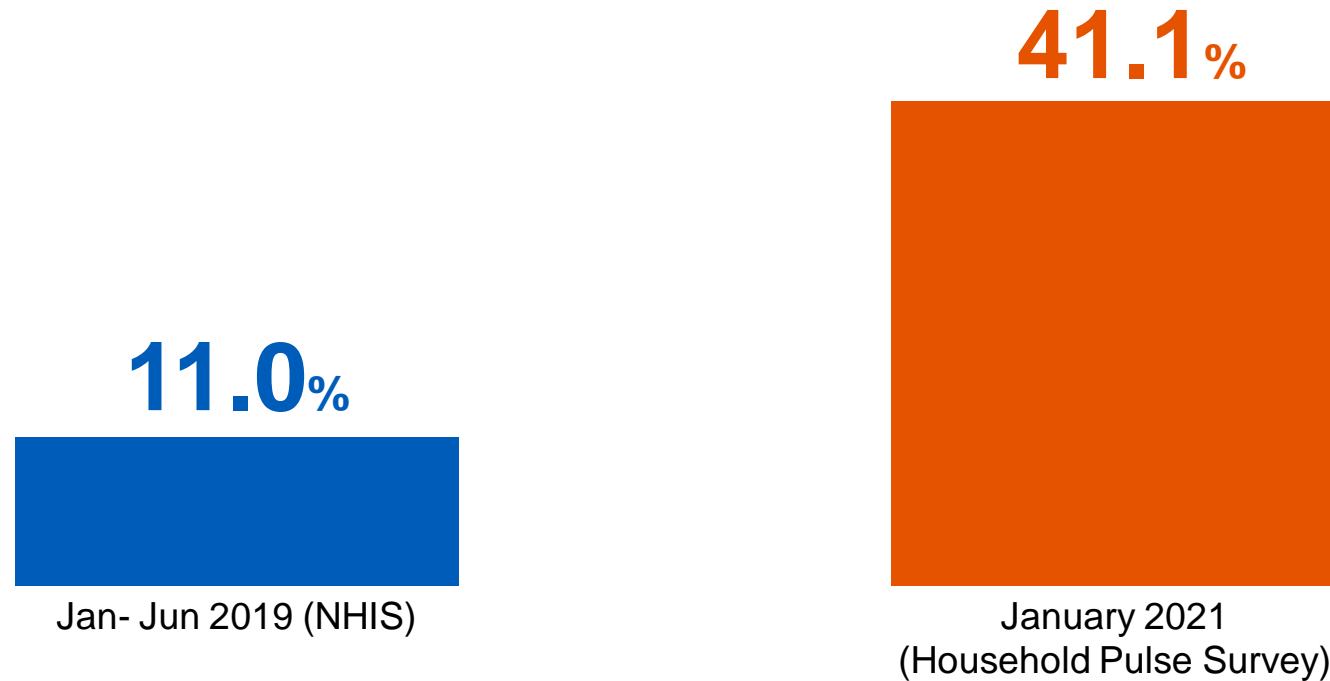


Musculoskeletal Disorder Roadmap



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



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.

SOURCE: NHIS Early Release Program and U.S. Census Bureau Household Pulse Survey. For more detail on methods, see: <https://www.cdc.gov/nchs/data/nhis/earlyrelease/ERmentalhealth-508.pdf>

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:



Relationship or
family concerns

Anxiety



Work pressures

Grief

Stress



Sadness

Trauma



Mental health
diagnosis

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



Anxiety



Weight



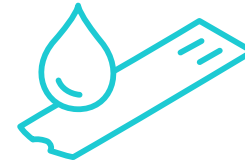
Pain



Addiction



Tobacco



Diabetes



**Compassion
Fatigue**



Cancer

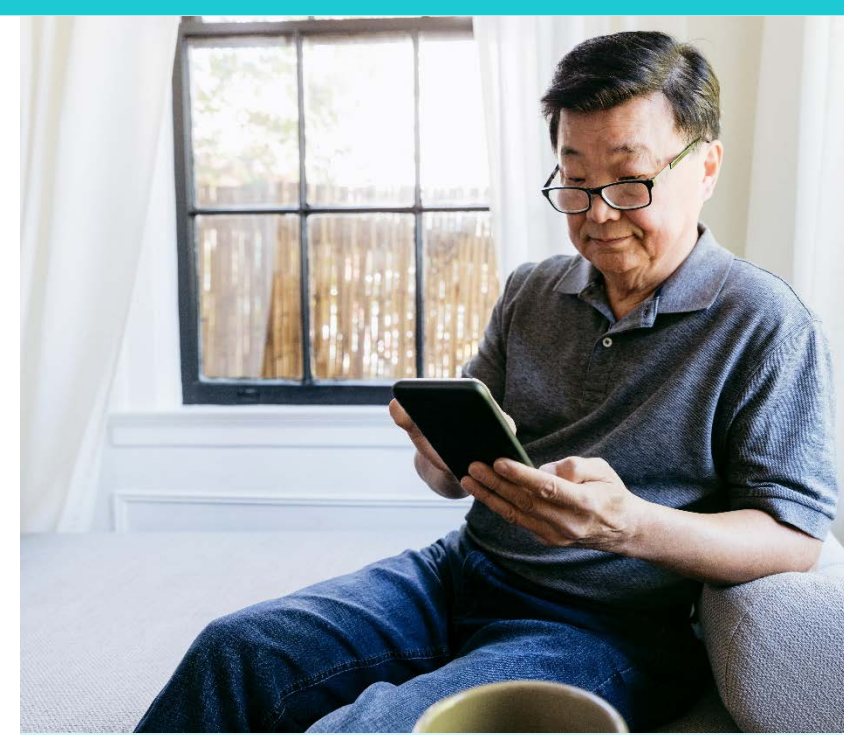
Plans sponsors must strengthen Parity in MH/SUD Benefits

- 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



Other Digital Vendors



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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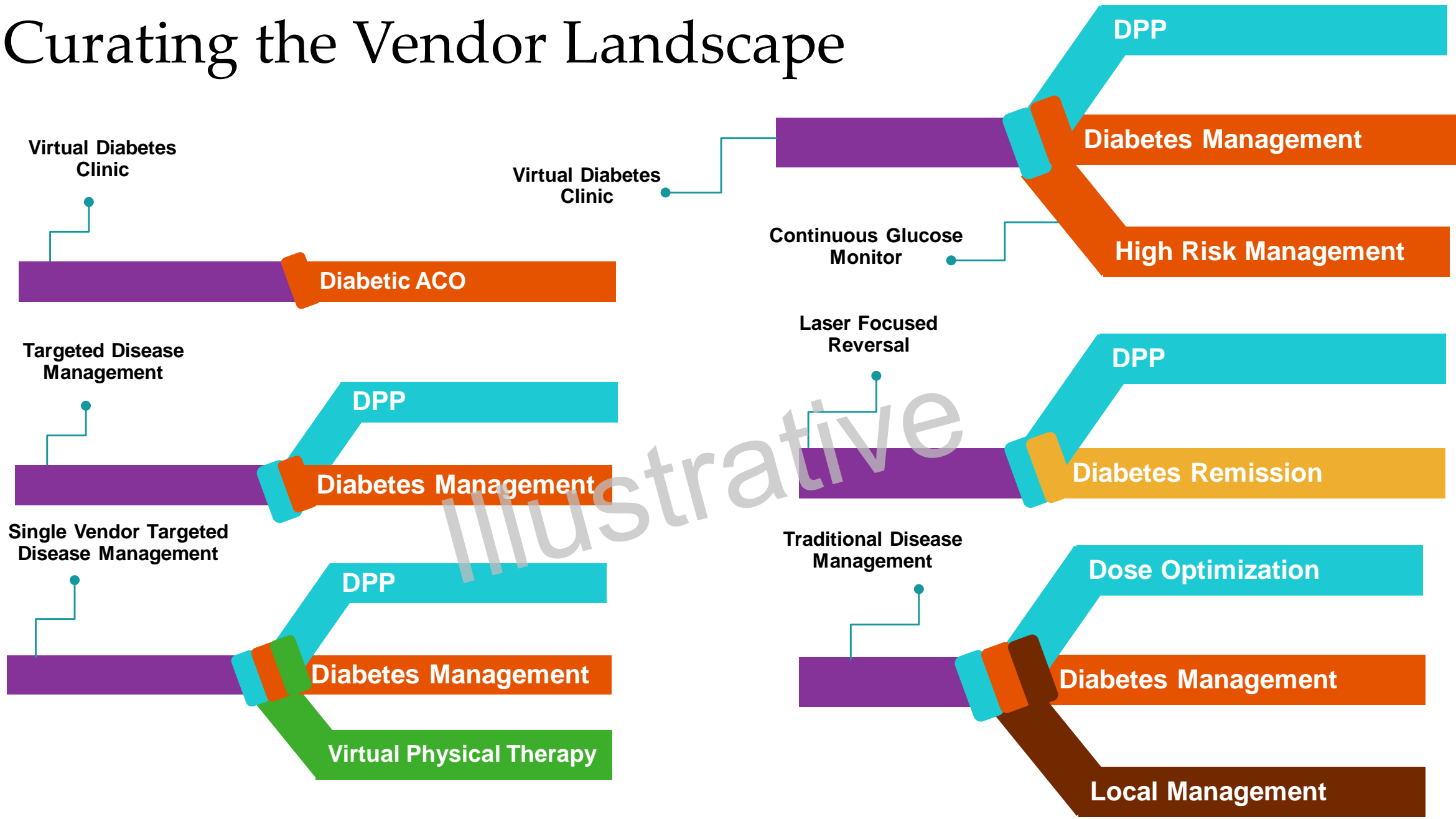
How Segal Can Help

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



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.

Recommended Path Forward

Next Steps



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

