The Future of Healthcare Is Already Here
Investing in Connected Health
February 27th, 2017 – MWC Barcelona

THE ANSWER TO A NEW HEALTHCARE MODEL
What is Connected Health

“Digital devices, software, services and data, creating platforms to improve, coordinate and transform healthcare from bricks and mortar to a continuous and ubiquitous patient centric health and healthcare model”

- Sensors and context to BIG DATA
- Stratify risk and predict population
- Clinical and Engagement services
- Tele-care and behavior influence
- Outcomes and Machine Learning

Cost ↓
Access ↑
Quality ↑
Respiratory example:

- 44% or ~$40B of COPD/Asthma cost driven by preventable acute episodes
- Founded in 2010, Madison WI
- Medication adherence & clinical support
- FDA cleared digital health platform
- Respiratory focus - Asthma, COPD
- 40 commercial programs, 12 clinical studies

Simple solution to control preventable acute episodes by driving medication adherence

Rescue inhaler use reduced with 79%

COPD - ROI +2.5X,
-30% readmissions, Asthma ROI +2.3X

Source: Goldman Sachs “Connected devices and services can save healthcare $300 billion”, Propellerhealth.com
Healthcare value puzzle complete

- Disruptive Technologies - Devices, software, service
- Data & Insights - Behavioral/social determinants
- Policy Shift - Value Based Care and Payment
- Bright Spots - The Triple Aim, Pioneers
- Public Perception - Escalating costs top of mind

Connected Health Market Size
2015-2018: $7B - $60B

Large market with expected significant growth

Source: PWC “Touching lives through mobile health” GSMA 2/2012
Unique opportunity - 37celsius value add

Target companies

- Fragmented market
- Capabilities exist in cost & access
- Lack of healthcare “DNA”

“Unable to scale”

Strategic Stakeholders

- Disrupted by new technologies
- Large problems to solve
- Core business model challenges

“Larger priorities”

37celsius Private Equity Platform

- Industry experience
- Provider Relationships
- Market development strength

- Market canvas & access
- Lay ground work of puzzle
- Strategic extension vehicle
Kodak moment – Winners and losers

Illustrative graph - Winners and losers

- Traditional Medtech Co’s
- Connected Health Co’s

Winner - Remote integrated care model

- Traditional Medtech in a Kodak moment...
  Connected Health growing
- Digital health dynamics poised to deliver outsized returns

- Telehealth & Integrated Cystic Fibrosis care platform supporting clinical workflows
- Deployed to 30% of CF patients, target 80% by Q4’2017, Pharma bio drug launch pad
Healthcare transformation is here

Healthcare for everyone at a lower cost

“diagnosis and monitoring functions will be done through little devices- smartphones- by the patient with computer assistance. So it's a real big change in the model of how we render healthcare.”

Dr. Eric Topol - cardiologist, geneticist, digital medicine researcher and author