

insurance newsmagazine.com Your industry. One source.™ Just display her Estate Planning Failure on your wall. ORDER YOUR 'ARTWORK THAT SELLS' TODAY.

INN Blog MORE POSTS July 10, 2014 GLWBs Still Rock In The Retirement Set BY LINDA KOOD 22 HOURS AGO Why guaranteed lifetime withdrawal benefit election rates continue to rise.

Millennials Least Likely To Have Insurance Susan Rupe 1 We'll Already Have Won! Steve Merrill

Most Popular Articles Hybrid Indexes Help Spur FIA Sales Women Showing Greater Commitment To Retirement Savings

Up and Comers: SIX COMPANIES TO WATCH

SMALLER, NIMBLE COMPANIES ARE DEVELOPING NICHES IN AREAS OF PATIENT ENGAGEMENT, POPULATION HEALTH AND NEXT-GENERATION PATIENT REGISTRIES THAT ARE HAVING AN OUTSIZE EFFECT ON PATIENT CARE DELIVERY BY DAVID RATHS

To accompany our healthcare informatics 100 list of the largest companies in health information technology, we've got readers a heads-up on some fast-growing companies that could really make the HCI 100 in years to come. These six companies have caught the attention of investors and analysts by addressing pressing needs in the industry with elegant, sophisticated solutions. So far they have been able to execute on the business model, meeting the challenges of growing from startups to well-established companies.

ARBORMETRIX Throughout his career, the research of John Birkmeyer, M.D., a professor of surgery at the University of Michigan, has been focused on how much variation exists in acute and specialty care settings and how the use of registries and transparency can improve quality and ultimately reduce costs.

In 2011, Birkmeyer and some colleagues co-founded Ann Arbor, Mich.-based ArborMetrix, with the mission of offering a next-generation patient registry combined with the ability to access a variety of cases. "For the first time, you can look at acute and specialty care with a real-time service delivered via the web that allows you to input cases and have it come back with some sort of meaningful benchmark on clinical performance," says Brett Fürst, ArborMetrix CEO, who joined the company in 2012. (He was previously vice president of healthcare for Covisint.)

"By deeply configuring the tool specifically by specialty, we are able to get the clinical granularity to make it actionable for the clinician and to address that risk adjustment concern," he adds. "We have been able to move the needle on quality throughout this approach."

"Specialty societies want a registry tool very specific to their specialty," Fürst says. For instance, thyroid surgeons try to measure nuances of that particular surgery to understand complication rates, case mixes, and different approaches to procedures. And ArborMetrix, through The American Hernia Society has used ArborMetrix's tools to study the performance of expensive bio-based mesh devices versus less expensive traditional meshes. "The evidence they gathered in the registry shows that the traditional meshes are outperforming the newer, more expensive ones," he says.

ArborMetrix is the engine running seven quality initiatives in Michigan that involve statewide registries for measuring areas of specialty and subspecialty care. "They have been able to reduce sepsis 34 percent, pneumonia by 29 percent, length of stay by 15 percent, and mortality by 10 percent," Fürst says. "It shows that when you provide good, actionable intelligence to surgeons, they will change behavior."

Fürst believes ArborMetrix is well-positioned for the changes taking place in healthcare. The attention health systems pay to episodic analysis because of payment reform is going to increase dramatically, he says. "They are going to scrutinize where variations in cost and performance are within their own networks and use to grow and identify areas where they are reimbursed for re-admissions and complications. Acute and specialty care is the single largest segment of healthcare spending where we can move the needle in the right direction," Fürst says. "If ArborMetrix stays in that realm, we are going to be just fine."

EVOLVENT HEALTH

Sometimes it pays to listen. A few years ago when he served as executive chairman of The Advisory Board Company consulting firm, Frank Williams went on a listening tour of health system CEOs, and he heard a consistent message: the economics of healthcare were changing rapidly with the shift to population health, and the executives felt overwhelmed with everything on their plates, including implementing electronic health records and integrating physician practices. "The idea of building a population health capability and understanding the risk-based aspects was a bridge too far," he says. "They say if you could put together an organization that could create shared infrastructure for the nation's leading health systems and then create a national network, we would be really interested in participating," Williams recalls.

Today, Williams is CEO of an organization that is doing just that: Evolvent Health, Arlington, Va., initially funded in 2011 with \$25 million from The Advisory Board Company and the UPMC Health Plan, has grown to 550 employees and is working with health plans in 20 markets, including Piedmont Healthcare, WakeMed Health, and WellStar Health System. Last year, it received an additional \$100 million investment from UPMC, The Advisory Board, and TPG Growth. Williams has surrounded himself with a strong leadership team, including Seth Frazier, who previously served as chief transformation officer for the Gesinger Health System.

Asked how he has been able to attract top talent, Williams says, "I think there are a lot of people who have been in the industry a long time and were either very locally focused or were working in models that just haven't delivered the desired result; so the idea of creating an organization that was national in scope and innovative was very attractive."

There Are No Baby Steps in Sales. Become an IUL Expert and Earn Top Commissions. FREE IUL TRAINING KIT. IFN

Williams uses Evolvent's relationship with Indianapolis-based Indiana University Health to describe what the company does. He and his colleagues started out with a traditional consulting engagement to develop the business and operating plan the system would need to guide a five-to 10-year investment in population health. Once that plan was approved by the board, Evolvent began putting in the infrastructure required, including the Identifi technology platform initially developed at UPMC.

"Then we actually began managing populations, and in the case of IU Health, we are putting dozens of Evolvent employees on the ground as the coaches and care managers," Williams says. "We are working with the physicians and rolling out clinical programs to measure results, make adjustments and improve health and lower costs for that population we are managing."

Williams says the upfront strategic planning is done on a traditional consulting-fee basis, but Evolvent likes to be an aligned partner with skin in the game over the long haul. "We are open to all sorts of different models as we share in success and risk," he says. "With some partners, we are sharing in the upside we are creating and taking lower fees upfront; others prefer to pay fees and have a much smaller portion on a performance basis."

Williams says his experience with The Advisory Board has helped Evolvent get in the door of the major health system CEOs. "There is a huge need and interest in what we are doing," he says. "There are so many vendors offering tools and component solutions, yet there are very few organizations that are linking it all the way back to strategy and offering a complete integrated approach," he says. "We have tried to align ourselves as a full partner that can take accountability for success in what they are doing. Demonstrating that we can deliver consistently across multiple markets is what 2014 is about," Williams says. "We have been very successful in getting health systems to work with us and had good early results, but now we are proving that we can work across multiple markets and do it at scale."

GETWELNETWORK

GetWellNetwork, a platform for improving patient engagement, grew out of its CEO's experience as a cancer patient in 1999. Diagnosed with non-Hodgkin's lymphoma at age 28, Michael O'Neil, Jr., went through surgery and several rounds of chemotherapy. Despite the marvelous medical care he received, O'Neil observed several shortcomings in hospital patient engagement.

"Every day at 9 a.m. a hospital employee would walk in and ask me for the toll for the TV. If you didn't pay, they took a key and turned the TV off," he says. O'Neil was also hungry for more information about his condition. He was told there was a channel on the TV with educational material, but all he found were videos on breast-feeding.

"When you are in the hospital, it is not lost on you how amazingly coordinated the technology is to get you the best care, including medical devices, EHRs, people and process," says O'Neil. "But the latest asset in the whole setup is the dumb TV monitor in the corner of the room. I thought what if we could use this lazy asset and turned it into a desktop for patient care. Would we be able to turn the care on its head where a patient and family would be so obviously involved every step of the way that it might actually make the care better?"

THE MetLife BUILDING NEW LOWER RATES ON GUARANTEED LEVEL TERM. AN EVENT YOU DON'T WANT TO MISS. Learn More. MetLife CAN DO THIS. FEATURING © 2014 MetLife WorldWide

That question launched O'Neil on a 14-year journey to work with provider organizations on a content management platform with a workflow engine that takes triggers from other systems to involve a patient in care. As an M.B.A. student at Georgetown University, he was able to turn his initial observations into a business plan.

Here's an example: To deal with pain management, Bethesda, Md.-based GetWellNetwork has a workflow called the pain assessment pathway. If a patient is on a morphine pill, the system interrupts the TV show every hour to ask the patient to rate their pain on a scale. "If I report a certain threshold or below, it is simply going to document that in Epic, Cerner or Allscripts," O'Neil says. "If I report a five or above, I will get a nurse and now we are on two floors in the upside we are creating and taking lower fees upfront; others prefer to pay fees and have a much smaller portion on a performance basis."

O'Neil pitched his concept to several health systems and won contracts to work with a few, including Inova in Northern Virginia; but he says the company's growth was slow, with lots of mistakes and lessons learned about implementation. "We believed if we had the right mind frame and could partner with early adopters and take an evidence-based approach, it would work," O'Neil says. "The technology is the easy part. Getting nurses and doctors to provide care differently, with patients more involved, is difficult."

Although growth was slow initially, the last 24 to 30 months have been transformative for the organization and its growth, he says. Meaningful use and value-based purchasing are catalysts for providers to realize that they have to change the way they deliver care, he says. "Providers realize the patient and family have to be at the center, not just in the mission statement, but in the way they actually deliver the care or else they can't win in this new formula," he says.

GetWellNetwork has grown to more than 200 employees and is now working with many large provider organizations, including the Veteran's Administration, Kaiser Permanente, Ascension Health, and Tenet Healthcare. CEO David Huntz, former principal deputy director of the Office of the National Coordinator of Health Information Technology, and Karen Drenkard, former executive director of the American Nurses Credentialing Center.

In 2013, Valhalla Partners and Grosvenor Funds sold GetWellNetwork to private equity firm Welch, Carson, Anderson & Stow, an undisclosed sum, according to a report in the Washington Business Journal. GetWellNetPROVIDERS work raised \$10 million in 2009 from a group of investors, the report says.

In 2014, O'Neil says, GetWellNetwork is making a push to take what it has learned in the inpatient setting and apply it in the ambulatory setting. He says a pilot project now under way with Carolinas Healthcare uses mobile technology to "flip the clinic experience on its head."

GET REAL HEALTH

Mark Heaney, Robin Wiener and Jason Harmon had to start all over again when the dotcom company they worked for crashed and burned in 2001. Gradually they built a software consulting firm that had several healthcare clients. One project involved software integration for a company related to the launch of Microsoft's Health Vault personal health record in 2007. "At the HealthVault launch, I had a huge light bulb moment about consumer health and patient engagement," Heaney says. "We decided we wanted to take the technology that we have expertise in and have a meaningful impact. We made a decision to make patient engagement and consumer health our focus."

Over the next three years, as Get Real Health grew, they developed 30 custom applications for a variety of healthcare organizations. "We learned a lot, some of it the hard way, about the challenges in getting consumers to use health applications," says Heaney, the Rockville, Md. company's CEO. "After building our 20th weight tracker or 15th blood pressure tracker, we saw the need for a comprehensive and flexible platform that we could reuse rather than rebuilding every time," he explains. "We saw that with the custom development approach, we never had enough time or budget to do everything that people want to do. We decided to build one right from the ground up and continuously evolve it. Then each of our customers could gain the benefit from millions of dollars of development."

In 2010, Get Real Health launched its InstantPHR product. "We are like the WordPress for health," he says, "in terms of being a bunch of widgets you can assemble and use in any way you want." To comply with meaningful use Stage 2, health systems are creating InstantPHR-powered portals that allow patients to collect their information using Blue Button, organize it and share it with whomever they wish (view, download and transmit).

Heaney says one thing that differentiates the platform is the focus on patients, rather than clinician workflow. "Part of it comes from having a background in consumer applications rather than clinical world," he says. "We think in terms of what patients want to do. We are not tied into billing and scheduling systems. What we focus on is giving patients tools to manage their health and do behavior change and impact outcomes," he explains. "We provide them with plans of care that a doctor can give them and have information reported. We connect to a lot of devices, so that data can flow to their doctors," he says. "We have a lot of alerts and reminders. It is about their health and not about their relationship to the healthcare system."

Since 2010 the company has seen several milestones: It signed distribution deals with Microsoft and Telus Health in Canada. The latter deal launched the company on an international journey and it is now operating in England and Australia and is moving into other countries. It signed a big deal in 2012 with the New York City Health & Hospital Corporation, the largest public health system in the country.

A recent feather in their cap was the addition of Farzad Mostafaei, M.D., former director of the Office of the National Coordinator for Health Information Technology, to its board of directors. "We have been big fans of his work from the beginning," Heaney says. "He shares the passion with us, and this crazy idea that patients should be able to get their own data and become the subjects of healthcare rather than just the objects."

In 2013, the company took its first outside funding from Telus Ventures. "Our growth had gotten to the point where we couldn't continue to grow organically without missing a huge opportunity," Heaney says.

Last year Get Real Health doubled the size of its staff to 65 and is on track for 50-percent revenue growth this year. "It amazes us that we started in our homes, moved to a small space in an incubator and now we are on two floors in Rockville," Heaney says. "We work with 230 hospitals and 300,000 providers and are available to 17 million patients around the world."

TELADOC INC.

Some companies on our list of Up and Comers have actually been around for a while, gradually establishing their niche before suddenly gaining momentum. For instance, telehealth company Teladoc Inc. was founded in 2002, but took almost a decade to pick up steam.

Teladoc, which is located in Dallas, provides 24/7 access to medical care for adults and children experiencing non-emergency medical issues via phone, secure online video, mobile app or a private, walk-in kiosk. The company will complete more than 200,000 consultations this year, and recently announced it had surpassed 7.5 million members.

Its customers are mostly large insurers and employers. In 2013, it was named No. 9 on Fast Company's list of the 10 most innovative companies in healthcare.

The 80-employee company was founded with the idea of the triple aim in mind before the Triple Aim even existed, says CEO Jason Gorevic, who joined the company in 2009 after serving in various executive capacities at WellPoint Inc. "The goal was improving access to care, reducing cost and improving quality," he says. "It was becoming clear that access to care was increasingly an issue in the market, and there was the beginning of the emergence of more ubiquitous broadband and the need for new mechanisms around the delivery system."

Yet Gorevic acknowledges that when he joined in 2009, the company had yet to hit its growth spurt. "The company was still trying to find its place in the market. It spent an awful lot of time evangelizing about the need for telehealth in the overall delivery system," he says. "I came into a situation where the company was growing at a relatively modest rate." Although Gorevic didn't share specific figures, he says Teladoc grew revenue by 25 percent in 2010 and 2011. In 2012 it grew by 75 percent, and by more than 100 percent in 2013. "And will grow by over 100 percent this year," he adds.

The approximately 500 well-known who work for Teladoc are all independent contractors, who do the remote work as part of their overall practice. "Some decide they want to practice telehealth as a large part or the only part of their practice, but generally speaking they do telehealth in addition to their practice," Gorevic says. Its physicians are internists, family physicians, pediatricians and emergency physicians. "We will soon add behavioral health and dermatology specialties," he adds.

The providers must be licensed in the state the patient is calling from, and some states require the physician be resident in that state. "Part of our technology solution facilitates matching licensed physicians with patient requesting consultation," he says.

Teladoc has growth both through acquisition and deals with large health plans. In 2013, the company acquired another telehealth company, consult A Doctor, to allow it to broaden its reach to new market segments, especially smaller mid-size businesses.

It has contracts with payers such as Aetna, Highmark, and Blue Shield of California. "In addition, we have spent a lot of time with benefit consultants and they are embracing telehealth as one of the critical strategies for employers as they manage benefits and costs," Gorevic says, "so that system has been a significant contributor to our growth. We also see the hospital systems and accountable-care organizations as a new, emerging segment of the market for us."

The fact that telehealth is not reimbursed by Medicare except in very constrained conditions remains a challenge, Gorevic says, "but we believe in the not-too-distant future CMS will reexamine its reimbursement policies. The savings and improved quality of care are pretty irrefutable, and it will become clear that this is a more efficient and more effective way to deliver care for a lot of things."

Gorevic says that Teladoc has proven the growth model for its business. "Now we are looking for ways to invest to continue to expand the scope of our offerings."

WELLDOC

Some of the best health IT ideas develop from patient or clinician frustration. It was with Baltimore, Md.-based WellDoc. While working in the University of Maryland School of Medicine's Division of Endocrinology, Suzanne Sysko Clough, M.D., was frustrated with the clinical outcomes she was seeing and thought it would help if there were some way to give patients more coaching tools and information to manage their own diabetes care.

In 2005, she and her brother Ryan Sysko, a technology and marketing executive, began exploring the potential of creating such tools. "We saw that technology could play a role in doing two things: first, helping support patients outside the clinical setting, and second, providing their healthcare providers with insight into their patient self-management behaviors outside the office, with some suggestions on how to optimize the patient's care," says Ryan Sysko, WellDoc's CEO.

With a pilot study funded by Johnson & Johnson in 2005 and 2006, they built a prototype and tested it on 15 patients for 90 days, with 15 others in a control group. "The patients using the product got dramatically better," Sysko says. "We heard from both patients and doctors that it was changing their lives and their practices, so we decided to start this company." (Cofounder Sysko Clough is the company's chief medical officer.)

When they shared their pilot data, disease management and pharmaceutical companies were intrigued but wanted to see more evidence before they would pay for the product. So WellDoc partnered with CareFirst Blue Cross Blue Shield and the University of Maryland on a yearlong clinical trial with 185 patients and 35 physician practices around Baltimore. "It took us about four and a half years to complete that study from start to finish," Sysko says, and again the results were positive, he adds. He called the results, published in Diabetes Care in 2011, "one of the landmark studies in showing how technology can support patients with diabetes and actually move the needle on clinical outcomes."

Also, after more than three years of effort, WellDoc received FDA approval to allow for the prescription and reimbursement of what Sysko describes as a new category, "mobile prescription therapy." He says the company's BlueStar platform helps patients adhere to physicians' treatment recommendations. Patients register on the product when it is prescribed. A diabetes patient would enter their blood sugar reading of 67. "As a patient I may not know what to do," he says. The system might tell you your blood sugar is low, and offer suggestions of what to do. "We have developed more than 10,000 messages, so whenever a customer enters blood sugar information they get feedback tailored to their medication regimen, blood sugar values, co-morbidities and knowledge of diabetes," he explains. "We don't just dump all this patient data on the doctor; we start to do some pre-processing, so we send the doctor a quarterly report. It offers an analysis of what the doctor may want to think about changing and the latest evidence-based guidelines."

In January 2014, the company received \$20 million in funding from institutional Venture Partners. In March 2014, it added former biotech industry veteran Kevin McKeith as its president. It also formed a development group in partnership between Baltimore and a software development group in India. "We are starting to build out our commercial organization and hired our first sales representatives to call on doctors generating prescriptions and helping patients get the product reimbursed by their insurance companies," Sysko says.

"A patient having a drug or a diagnostic device or seeing their provider once a quarter just isn't enough," Sysko stresses. "To move the needle on outcomes, patients need something to help them manage their disease. Our goal is to be the leading provider in the product that is prescribed. A diabetes patient would model and scale it on diabetes, but it absolutely could be used with other chronic diseases."

REALIZE THE PATIENT AND FAMILY HAVE TO BE AT THE CENTER, NOT JUST IN THE MISSION STATEMENT, BUT IN THE WAY THEY ACTUALLY DELIVER THE CARE OR ELSE THEY CAN'T WIN IN THIS NEW FORMULA. -MICHAEL O'NEIL, JR.

FREE VIDEO REVEALS HOW TO SOLVE BOOMERS' IDLE \$13 TRILLION WITH IULs WATCH NOW TriQuest USA

I closed 10 business owners in 90 days. Chris R., CFP See How!

Don't miss NEW lower rates for short or long-term needs! Quote Protection Culture October 16, 2010

VISION ANNUAL MEETING 2014

GET CELEBRITIES TO BE YOUR BEST REFERRAL SOURCES EVER!

BE READY TO START CLOSING. Order your poster today.

FEATURED OFFERS Ethical "Mind Control" For Advisors What if you could ethically gain mind control over your prospects and clients?

The stable, reliable option most advisors fail to offer Instantly download this free report packet on a product with unprecedented value for your clients.

IUL is the FASTEST growing life product on the market! Become an expert with this FREE IUL video training kit.

Don't wait for open enrollment. Make money now! See how to make \$2,000 a week all year long in this special report.

Want more senior clients? Get this FREE Senior Product Kit! See one unique approach to solving the needs of seniors and families in your community.

ADVERTISING INFORMATION >>>