



BAILEYSOUTHWELL&CO

PATIENT ENGAGEMENT

A BSC Healthcare Technology Sector Report

Communication and active engagement between patients, providers, and payers improve health outcomes. Increasingly, stakeholders are leveraging the power of patient engagement solutions to improve care for chronic illness as well as acute episodes. Whether through text message appointment reminders, digital health apps driving patient adherence, or direct video conference communication, healthcare stakeholders are using technology to actively engage across the continuum of care.

Market Overview

Health apps, wearables, telemedicine, accessible wellness information, and other methods drive patients to engage with providers and take an active role in their own health. Increasingly, stakeholders are realizing the value technology provides in treating chronic and acute cases as well as its applications in preventative care.

Patient engagement solutions market is expected to reach **\$18.7B** by 2022, at a CAGR of **16.2%**.

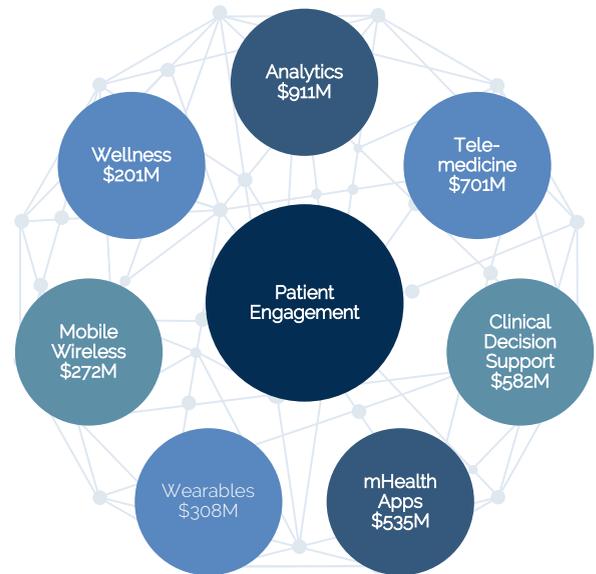
86% of U.S. healthcare spending went towards treating chronic conditions

75% of all healthcare costs derive from preventable conditions

66% of all healthcare organizations are using text messages as appointment reminders

Sources in order: Markets and Markets Patient Engagement Solutions Global Forecast, 2022; Centers for Disease Control & Prevention; American Public Health Association; Medical Group Management Association

Digital Health Funding by Vertical, H1 2018



Source: Mercom H1 2018 Digital Health Funding and M&A Report

Successful Adoption of Patient Engagement Solutions

- In a case study of 29 hospitals across the country, web-based interactive programs were used to help patients understand complex health information, guide them through information regarding an upcoming procedure, and inform them about the recovery and/or management of a chronic condition. The results were demonstrated in the hospitals' HCAHPS scores:

100% Of hospitals improved aggregate scores

86% Of hospitals improved "Doctor Communication"

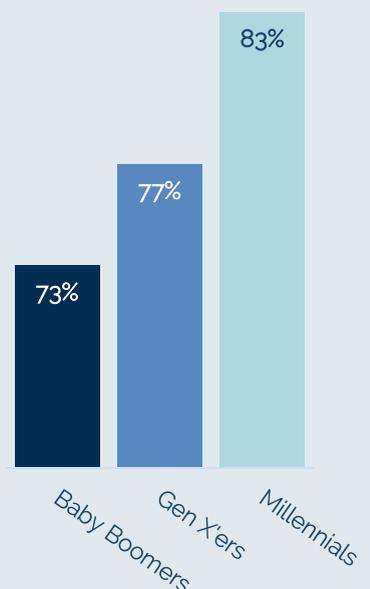
69% Of hospitals improved by >4% in "Overall Rating"

- By actively engaging with patients both before and after a procedure, hospitals improved the patient experience, signaling a need for and a benefit of patient engagement solutions

In addition to web-based delivery methods, engagement occurs through many additional platforms, including mobile apps and wearable technology

Source: Emmi Solutions Engagement Case Study, Castlight 2018 Digital Health Report

Use of at least one type of technology to meet a health goal (by generation):



Source: Castlight 2018 Digital Health Report

Market Landscape

The marketplace is interconnected with solutions often addressing many segments.

On Demand Care

Disease Management / Personal Health Tools

Patient Communication



Population Health



Telehealth



Wellness / Outreach



Scheduling / Patient Relationship Management

Data Analytics and Outcome Results

Workflow Tools



Data & Analytics



Connected Health



Decision Support



Recent Fundings & Investments

1

July | 2018

Patient Engagement & Communication

HealthCrowd unifies, automates, and optimizes multimodal communications to deliver member-centric engagement at scale and drive healthy actions that generate targeted clinical, business, and financial outcomes. **HealthCrowd intends to use the funds to invest in maintaining its market leadership by improving its current technology offerings.**



Led Series A in



2

July | 2018

Telehealth & Chronic Disease Management

SentryHealth delivers world-class care to the workplace on behalf of employers seeking to improve the health of employees and their dependents while reducing medical, pharmacy, disability and workers' compensation costs for their employers. Care is delivered at the worksite, at a near-site clinic, or remotely via telehealth. **According to SentryHealth CEO Alice Shade, "SentryHealth will use the growth capital to accelerate our expansion into states beyond our core populations in the Midwest."**

LUNSFORD CAPITAL

Led Series A in



3

June | 2018

Patient Billing & Engagement

Cedar's consumer-centric patient/provider platform helps deliver a top-notch billing and communications experience to drive engagement while also offering advanced analytics and embedded workflow tools to help providers monitor activity. **Kinnevik views Cedar's powerful, yet easy to use billing engagement platform as the most state of the art tool for data collection/analysis available on the market.**



Led Series B in



4

May | 2018

Telehealth, mHealth & Engagement

Iora Health provides a radically different model of primary care, which focuses on building closer relationships with patients, which will lead to systematic change in healthcare delivery. **Flare Capital Partners is confident that Iora's patient-centric approach, in tandem with their quality services, will ensure patients achieve better health outcomes and lower medical costs.**



Led Series E in



Recent Fundings & Investments

5

May | 2018

Patient Engagement & mHealth

Combining technology, analytics, and industry expertise, mPulse supports bi-directional and AI/chatbot communication while also delivering tailored mobile engagement programs that help users adopt healthy behaviors. **SJF Ventures sees an opportunity for mPulse to make strategic acquisitions in the space and invest further into data science and AI/NLP solutions.**



Led Series B in



6

May | 2018

Patient Engagement

Medicity is a connected care network which offers services for HIE and patient engagement. **This acquisition combines Medicity's deep clinical dataset of over 75 million patients and significant transactional capabilities with Health Catalyst's Data Operating System including AI-driven analytics and business intelligence as well as a broad set of financial, cost, patient outcome, and supply chain data.**



Strategically Acquired



7

May | 2018

Patient Engagement & Communication

HealthGrid is a leading mobile, enterprise patient engagement solution which has dramatically improved patient interactions and satisfaction toward hospitals, health systems, and independent providers. **Allscripts will integrate HealthGrid's capabilities into its engagement platform, leveraging existing patient contacts to reach 100% of their patients without requiring them to sign into a portal.**



Strategically Acquired



8

April | 2018

Patient Engagement & Population Health

Welltok is transforming the way population health managers interact with consumers. Using personalized guidance and incentives, Welltok increases value and delivers an efficient method to motivate consumers to achieve optimal health. **Following their acquisition of Tea Leaves Health, Welltok will use this capital investment to recruit traditional hospital and health system customers to join its cloud-based health optimization platform.**



Led Series E in

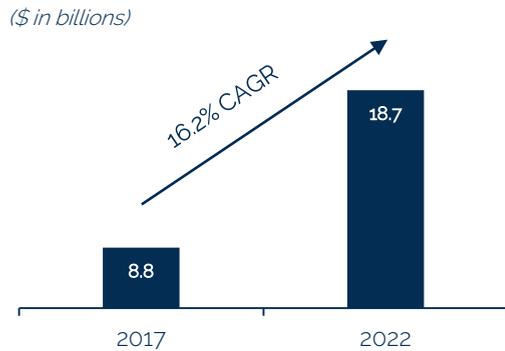


Recent Funding

Outpacing H1 2017, digital health funding showed strength in H1 2018.

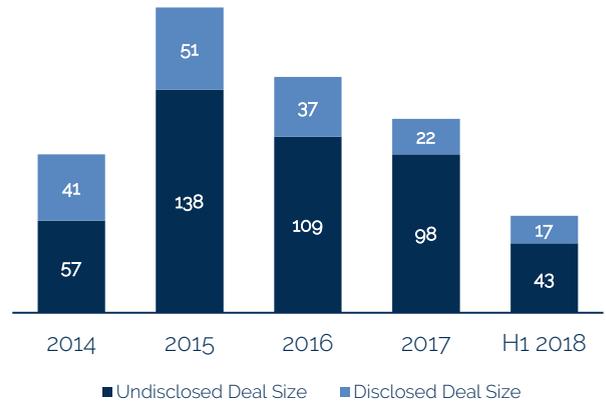
Funding Information

Patient Engagement Market Growth



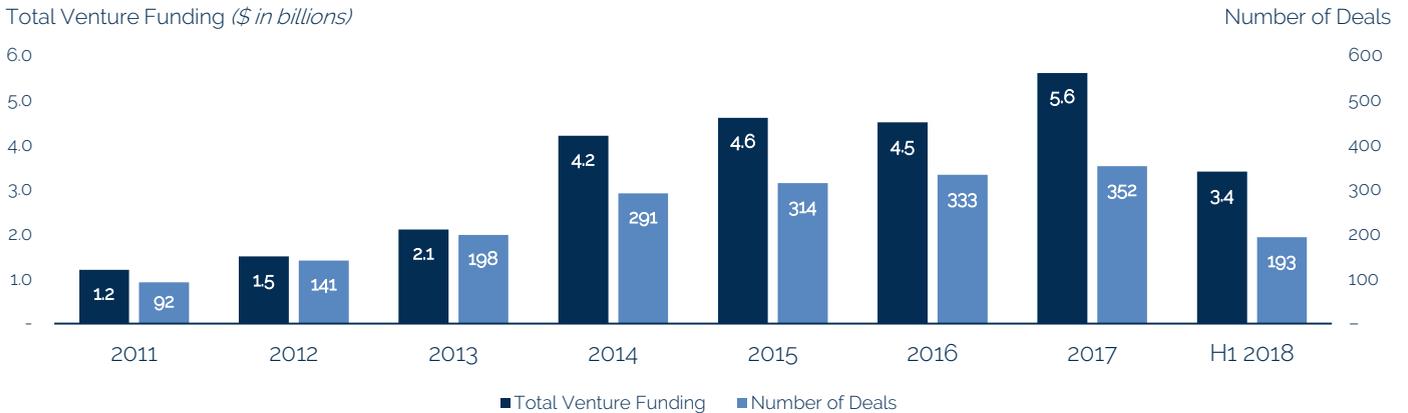
Source: Markets and Markets Patient Engagement Solutions Global Forecast, 2022

Digital Health Acquisitions



Source: Rock Health 2018 Midyear Funding Review

Digital Health Venture Funding



Source: Rock Health 2018 Midyear Funding Review

BSC's Healthcare Technology Team

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