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The Latest Developments Driving the Transformation of Care

Note: Due to the upcoming holiday, Market Scan will not publish on Sept. 3. The next edition of Market Scan will be sent Sept. 10, 2019.

THIS WEEK



Investor appetite remains strong for digital health startups

Much was riding on the late July initial public offering by California-based [Livongo Health](#) — both for the company, which helps patients manage chronic diseases, as well as other digital health startups trying to assess investor appetite for the sector. By market close on the first day of public trading for Livongo, it was hard to escape the positive reaction.

Livongo shares surged as much as 62% before closing up 36% as the company raised \$355 million in its market debut, [CNBC reported](#), a sure sign that investors hadn't lost their appetite for digital health opportunities.

Even more significant than the financial backing Livongo received is how it has forged strong partnerships with patients, employers, health plans and companies like Microsoft by delivering

personalized services for users. The company, founded in 2014, works with commercial payers and Medicare and Medicaid as well as health systems such as Jefferson Health, Mount Sinai, Mission Health, BJC HealthCare and the University of Massachusetts Medical School.

Livongo has demonstrated that it can help people manage chronic conditions like hypertension and diabetes with its platform that aggregates and analyzes data and uses insights developed from the data to encourage healthier behaviors that lead to better outcomes. It connects to devices such as the Apple Watch and Fitbit and prompts users to make better food choices and exercise. In April, the company became the first consumer digital health company to collaborate with Amazon Alexa on a HIPAA-compliant service to connect with the online retailer's 100 million devices in use. The platform enables Livongo members to do things like ask for their blood glucose readings and healthful eating tips.

Livongo reports that its members are achieving and sustaining positive results through the program. Average HbA1c readings for members dropped from 7.8% to 6.9% at 12 months post-enrollment, while a study showed that Livongo drove medical cost savings of 5.8% in one year for two large self-insured Fortune 50 companies.

Livongo is hardly alone, though, in its quest to better engage consumers directly in their own health to improve outcomes, cut costs and better manage their conditions. Competition is growing from other B2B digital health players:

- [Hello Heart](#) is a smartphone app-driven platform to help users manage hypertension, heart rate, cardiovascular health and diabetes.
- [Omada](#) offers a digital personalized care program to support those at risk for or diagnosed with prediabetes, type 2 diabetes, hypertension and high cholesterol.
- [Onduo](#), a joint venture between Sanofi and Alphabet Inc. subsidiary Verily Life Sciences, is a virtual care program for patients with type 2 diabetes and offers management tools, coaching and clinical support.

Despite the growing competition, some analysts believe Livongo has a decided advantage over its competitors. SVB Leerink analysts believe that Livongo's "secret sauce" is its ability "to marry its connected devices with data science and care coaches to personalize and simplify what is often a burdensome and isolating experience. Livongo has cracked the code that has eluded so many digital health companies: sustainable behavior modification," [Medtech Dive](#) recently noted.

GAIN INSIGHT, TAKE ACTION WITH AHA'S NEW DATA VIZ TOOL



Before you can develop an effective strategy, you need to know where you stand. AHA Data's new data visualization and benchmarking tool, [MetricVu](#)[™], helps hospitals and health systems do just that. It provides interactive dashboards to improve your understanding of the current environment and your competition to support meaningful, sustained performance-improvement decisions.

Live, interactive dashboards feature key metrics, including:

Hospital Compare

- Patient satisfaction (HCAHPS)
- Readmissions
- Safety of care

Strategic positioning

- Bundled-payment models
- Accountable care organizations
- Patient-centered medical homes
- Physician employment

Policy drivers

- U.S. hospital distribution and community hospital mapping
- Economic impact
- Hospital volumes and utilization

MetricVu, developed with AHA-member feedback, enables AHA survey data to be used and shared with colleagues, to benchmark against hospital-specific metrics such as Hospital Compare and HCAHPS Score Evaluator, and to spot opportunities and understand trends without having to sift through spreadsheets and reports. Watch this [video](#) to preview the tool.



The tool features meaningful charts and graphs so your team can find and share the answers to your most important questions. Improve your understanding of potential opportunities and drive meaningful, sustained performance improvement by discovering what MetricVu can do for you.

MACHINE LEARNING PROJECT TARGETS ADVANCES TO IMPROVE PATIENT CARE



In a move to speed the progress of medical research and help translate those advances into areas like cancer diagnostics, medical imaging, precision medicine and voice-enabled technologies, the Pittsburgh Health Data Alliance is teaming with Amazon Web Services on a [machine learning partnership](#).

The PHDA, formed four years ago by the University of Pittsburgh, UPMC and Carnegie Mellon University, uses big data to transform the way diseases are treated and prevented, and to better engage patients in their care. The consortium says new machine learning technologies and advances in computing power, like those offered by Amazon SageMaker and Amazon EC2, make it possible to rapidly translate insights discovered in the lab into treatments and services that could dramatically improve human health.

Scientists from Pitt and Carnegie Mellon expect to accelerate research and product commercialization efforts across eight projects, enabling physicians to better predict the course of a person's disease and response to treatment. Areas being explored include:

- Using a patient's verbal and visual cues to diagnose mental health symptoms.
- Reducing diagnostic errors by mining secure, anonymous data from a patient's medical record.
- Developing algorithms and software tools to better understand the origin and evolution of tumor cells. The project will use machine learning to gain insights into how tumors develop and to predict how they are likely to change and grow in the future.

David Vorp, associate dean for research at Pitt's Swanson School of Engineering, and his team will use AWS resources to improve the diagnosis and treatment of abdominal aortic aneurysms, the 13th leading cause of death in Western countries.

We want to hear from you! Please send your feedback to Bob Kehoe at rkehoe@aha.org.

www.aha.org/center

(800) 424-4301

innovation@aha.org

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800 10th Street, NW, Suite 400, Washington, DC 20001