## Leveraging Patient Engagement as part of your Business Model

Eric Letsinger, Founder and President



February 12th, 2016



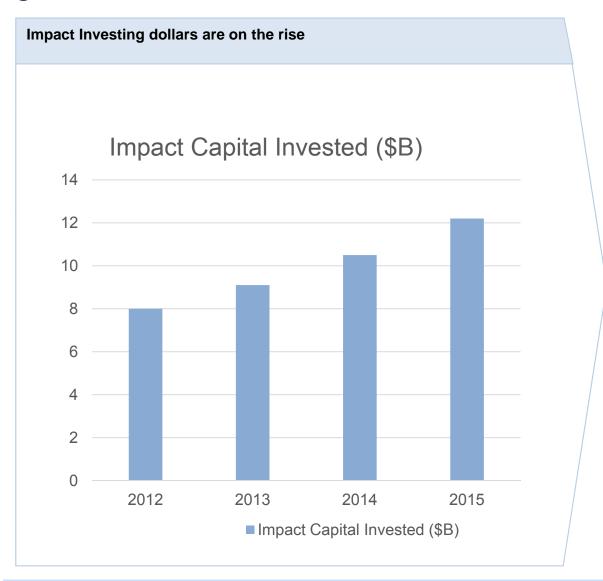
### **About Quantified Ventures**

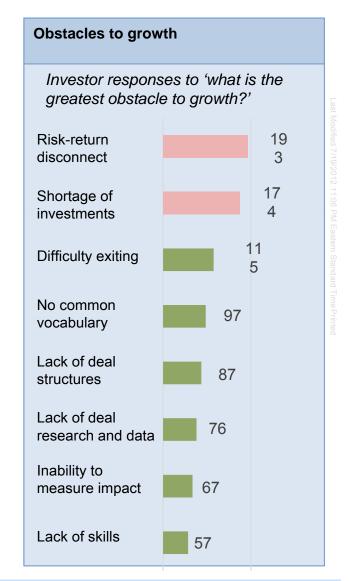
- Founded in 2014, our first deal focused on managing childhood asthma and preventing hospitalizations
- The firm's main tool is Pay For Success contracts, a.k.a Social Impact Bonds
- Our mission is to scale the proven social and environmental innovations the world deserves
- The firm has 3 primary verticals:
  - Healthcare (e.g., asthma, mental health, COPD, cancer, homelessness, aging at home, comorbidities)
  - Education (e.g., high school dropout recovery, workforce development)
  - Environment/Infrastructure (e.g., stormwater management, electric cars, LED lighting)

## Leveraging patient engagement in your business model

- Your data, processes, programs, and networks have value
- You can leverage that value to create new, diverse revenue streams
- There are several ways to tap into that revenue, including Impact Capital...

# Impact investments are growing, but a shortage of deals is keeping growth back







## How Pay for Success (PFS) works

#### Investor

- · Provides up-front capital
- Repaid if success payment triggers are met



#### Payor

- Beneficiary of the intervention
- Makes success payment if outcomes met



#### **Financial Intermediary**

- · Manages up-front capital
- Determines success payments
- Disperses success payments



#### Service provider

- Delivers interventions to target population
- Receives capital from intermediary

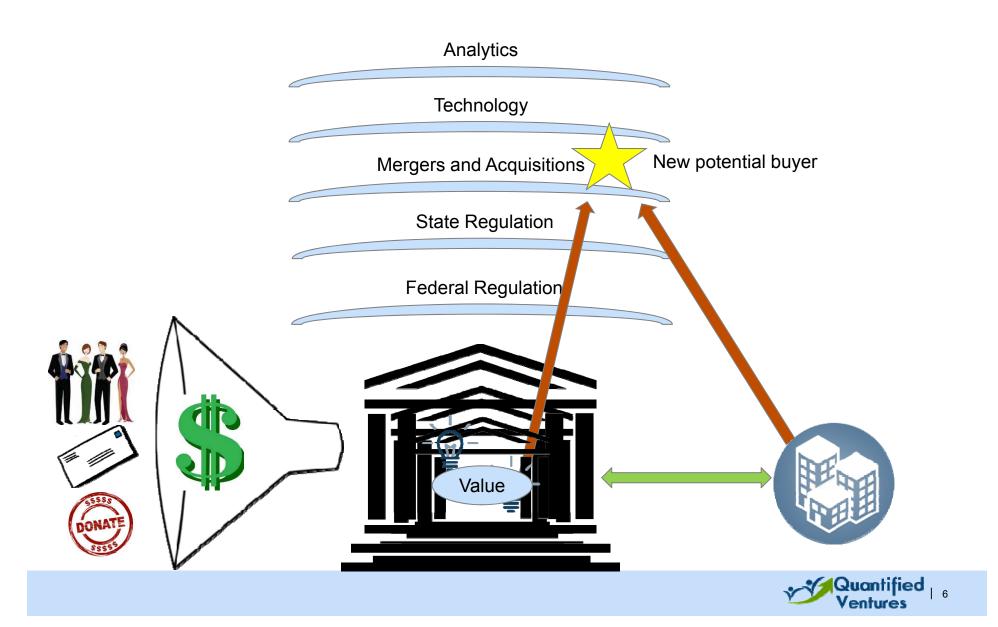


#### Evaluation partner

- Designs evaluation model
- Measures outcomes in target populations



## **Evolving Services Landscape**



## Transaction overview: COPD Foundation Health Impact Investment

### Objective

- SIB to enable the creation of an independent, disease-agnostic social enterprise to:
  - Drive financial sustainability
  - Help researchers find cures for rare and chronic diseases
  - Deploy products/services that will improve patient quality of life

#### Structure

- Investors provide up-front capital ~\$10M with target date of Q3 2016
- Recruit a network of patients into a dynamic, cross-disease, revenue generating research platform
- Deploy their first commercially viable Health IT and Health Coaching products to 90 large U.S. health systems over 18 months
- Investors repaid over 5.5 years *IF* health outcomes are met

## Primary Outcomes

- Increased workflow efficiency same # of providers treating 3x patients
- Increased patient engagement, education, and self-management
- Reduced ED visits/readmissions
- Improved adherence

## **Questions?**