



*The most important characteristics for
an entrepreneur are the same that
guide all of life:
Passion, Integrity
Courage and Resilience.*

*Ginny
Pribanic*

INTENSE

Pittsburgh Made

And Proud...

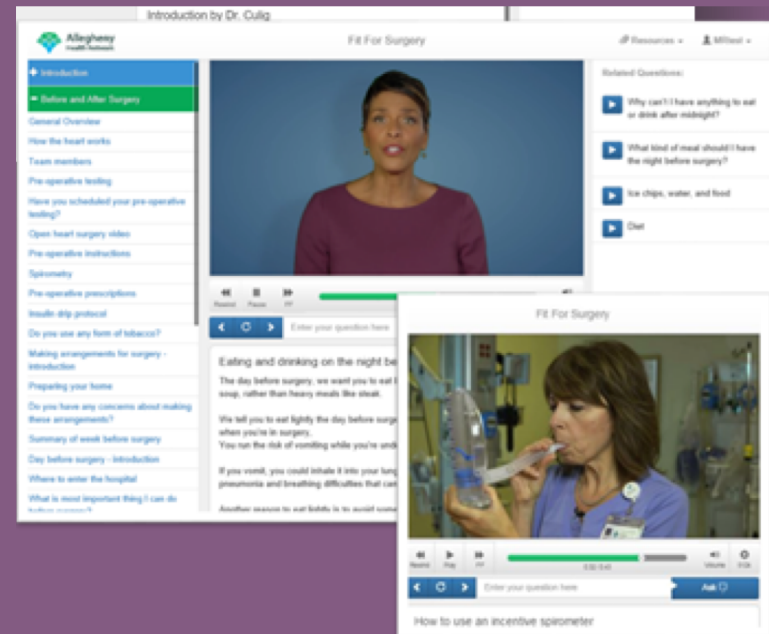


Entrepreneur

Serial Entrepreneur

Applying new technologies

To old problems.



MedRespond

CMU – Based Artificial
Intelligence to Simulation
Conversations with Patients

Metric	Result
Study Population	Over 200 Open Heart Surgery Patients
Utilization	75%
Patient Engagement	Mean: 95 min. (Median 80)
Videos Accessed per Patient	Mean: 120
Sessions per Patients	Mean: 2.9
Press Ganey Patient Satisfaction	Increased 93% to 99%
Surgeon Assessment	Convinced It Is Making a Difference It Provides Critical Guidance and Eases Anxiety
Patient Assessment	

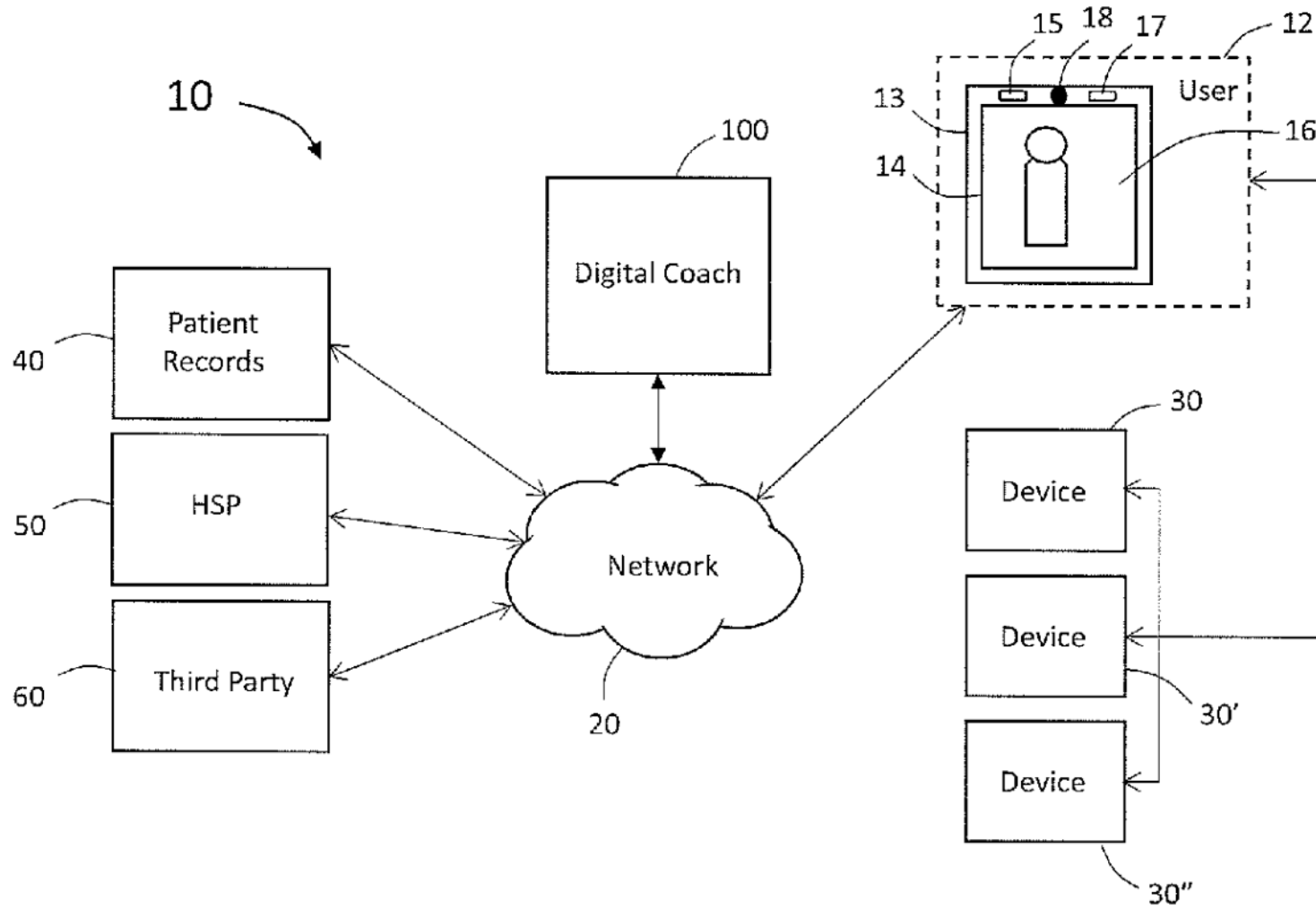
Outcomes	Result
Post-Discharge 30-day	50% Cost Reduction
Post-Discharge 180-day	30% Cost Reduction



OUTCOMES: Significant Reduction in Post Discharge Costs



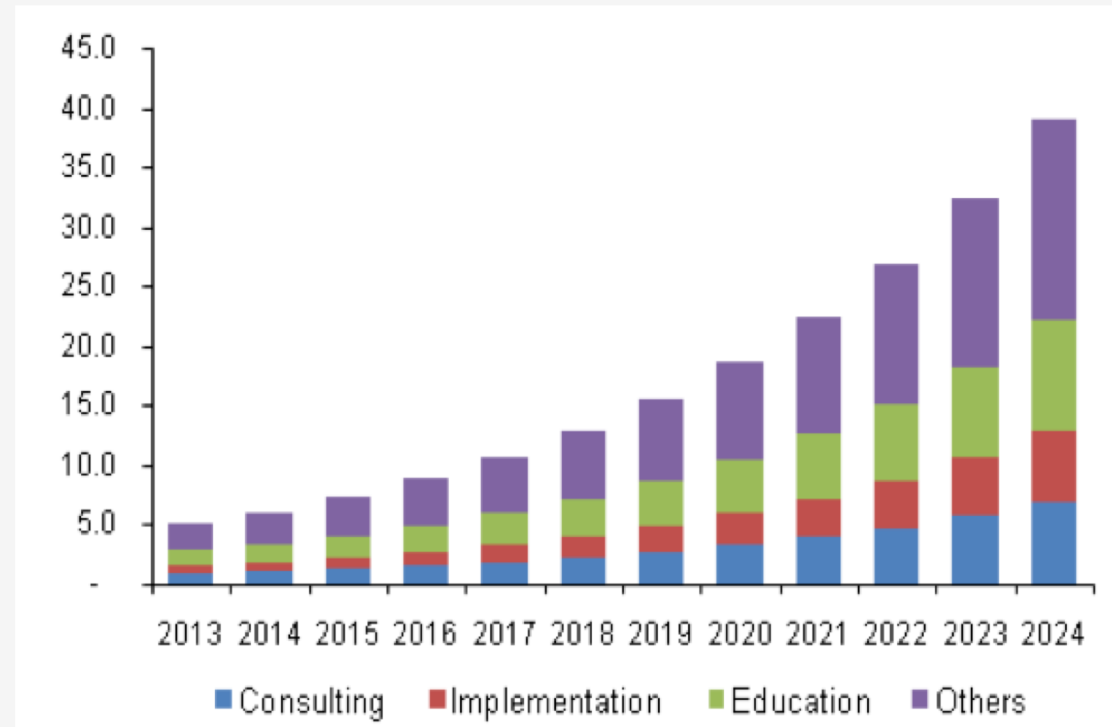
Title: SYSTEM AND METHOD FOR SYNTHETIC INTERACTION WITH USER AND DEVICES



Patient Engagement Solutions Market

\$ 40 Billion by 2024

Global patient engagement solutions market, by services, 2013 - 2024 (USD Billion)

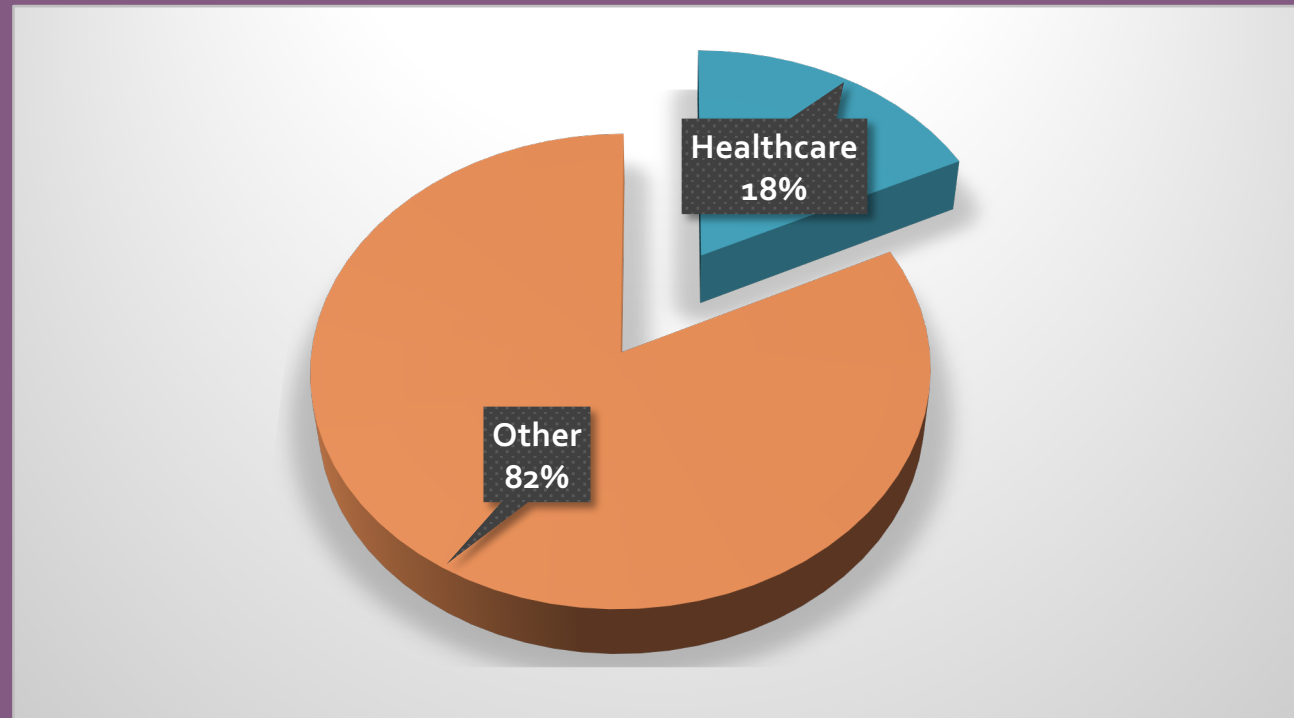


So ...

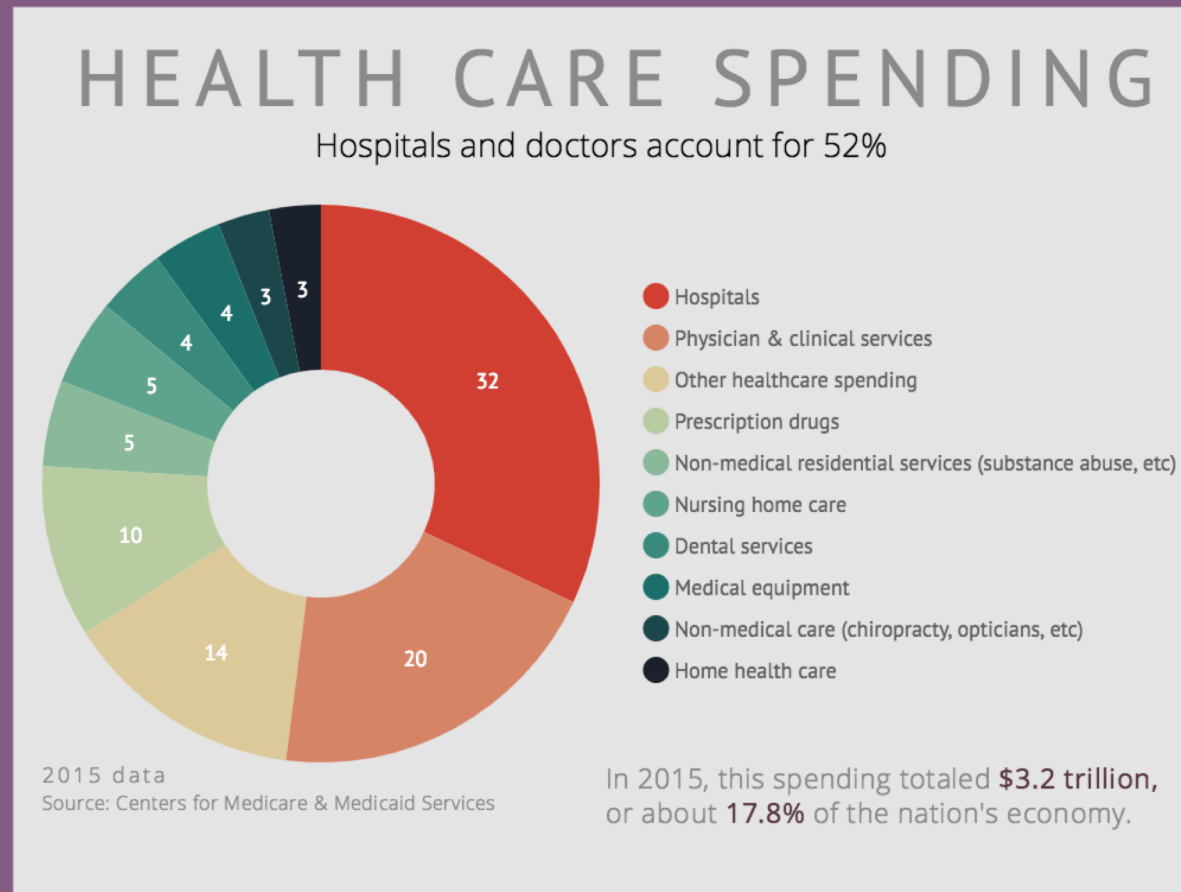
What's the Big Deal About Healthcare?

It's REALLY Big!

2017: U.S. Health Care Spending Reached \$3.5 Trillion 18% of GDP



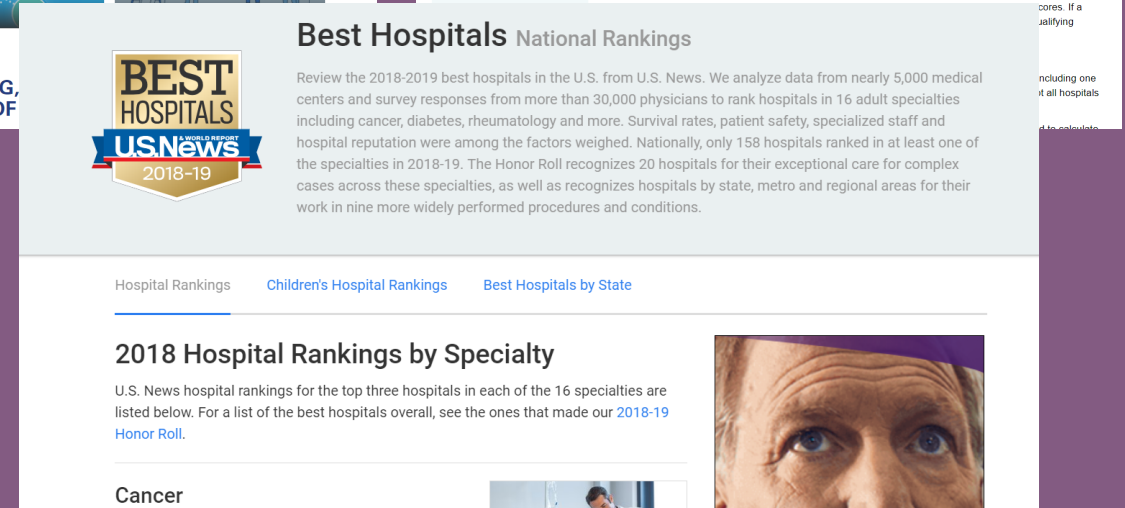
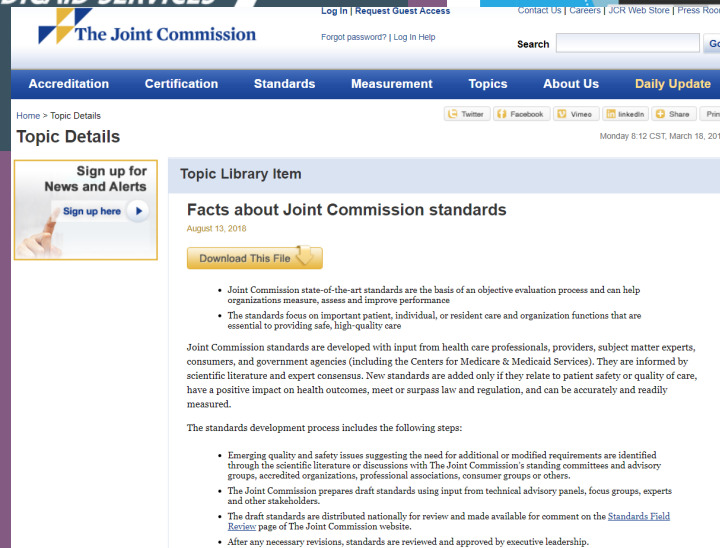
Two Key Sectors Represent Over Half Of All Spending



Service Delivery Is Well Understood And Accessible

Total Number of All U.S. Hospitals	6,210
Total Staffed Beds in All U.S. Hospitals	931,203
Total Admissions in All U.S. Hospitals	36,510,207
Total Expenses for All U.S. Hospitals	\$1,060,933,249,000

Industry Analytics are Plentiful



So ...

What's the Problem?

Healthcare Is:

- I. Responsible for lives
- II. Highly complex
- III. Highly regulated
- IV. Complex and evolving payment models
- V. Under incredible pressure

I. Innovation Cannot Jeopardize Lives

1. Improve upon current standard of care
2. Above all – cause no harm
3. Improve efficiency

Key Challenge Is Proving It!



Challenge Proving It - Lack Of Data

1. Interoperability is still a challenge
2. Electronic health records are rigid
3. Critical data not coded
4. Clinical data separated from claims data
5. Lack of transparency of healthcare costs
6. Lack of defined standards – consistency

Proving Efficacy Is A Challenge!

II. Hospital Systems are Complex

1. Mergers and acquisitions create complex organizations
2. Several hospitals
3. Hundreds of practices, outpatient centers, labs and clinics
4. System level leadership
5. Hospital level leadership
6. Service line leadership
7. Layer in governing committees, clinical committees,

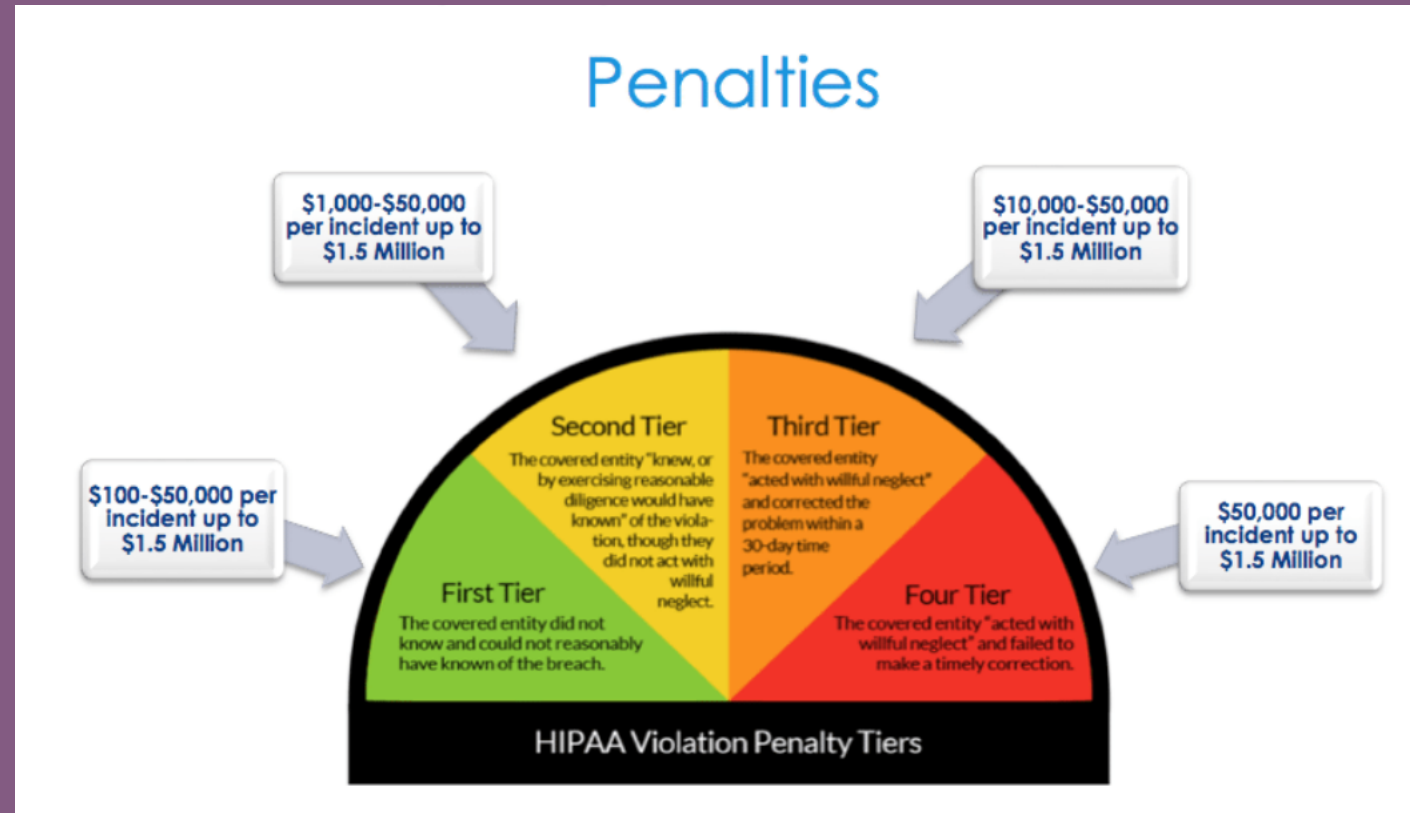
Who Is The Decision Maker And Process?

III. Healthcare Is Heavily Regulated

1. FDA
2. JAHCO
3. Legal requirements
4. Compliance
5. Internal Review Boards (IRB)
6. Confidentiality and HIPAA
7. Data security

The Scrutiny And Requirements Will Take Time!

Penalties can be significant – e.g.: HIPAA violations ...



Source: HHS, Federal Register.gov

Malpractice is Real

NY hospital mandated to pay \$62 million to women who underwent an ectopic pregnancy surgery and ended up in intensive care and suffered three heart attacks. She ended up with skin grafts, a colostomy, and two below-the-knee amputations. The jury found the responsible physician guilty of straying from the required care standards.

In 2010, a NY physician performed a thigh operation on a woman which ended up as a botched surgery. The jury found him guilty of failing to advise his patient on the risks associated with the surgery and using an inappropriate surgical technique, he was ordered to pay \$60 million.

In 2011, a 6-year-old boy was left with cerebral palsy and permanent brain damage after undergoing 25 surgeries in Chicago, Illinois. The boy was born with some health problems that were not life-threatening. It is alleged that the doctor used some unproven techniques to carry out several surgeries. They settled their medical malpractice case for \$30 million in 2016.

IV. Complex Buying Process

1. Decisions often siloed
2. Many decision makers and levels
3. Many decision influencers
4. Many gate keepers
5. Formularies limit treatment choices

Points To Very Long Sales Cycle!

Evolving Payment Models

1. Formerly Fee-for-service
2. Evolving to value-based and bundled payments
3. Hybrid is negotiated payments, e.g. liver transplant
4. Who benefits from an innovation can shift

Strategy Must Support The Evolving Landscape!

V. Providers are incredibly stressed

1. Victims of doing more with less – overloaded
2. Operating under razor-thin margins
3. Innovation is an additional burden
4. Cynical that innovation will help workflow
5. Gaining support of those who will use it

Innovations must be easy to buy, easy to use!

Personality Can Impede Adoption

1. Great investment in status quo
2. Physician culture – want control
3. Conflicting motivations within teams
4. Not invented here
5. Nobody does it better

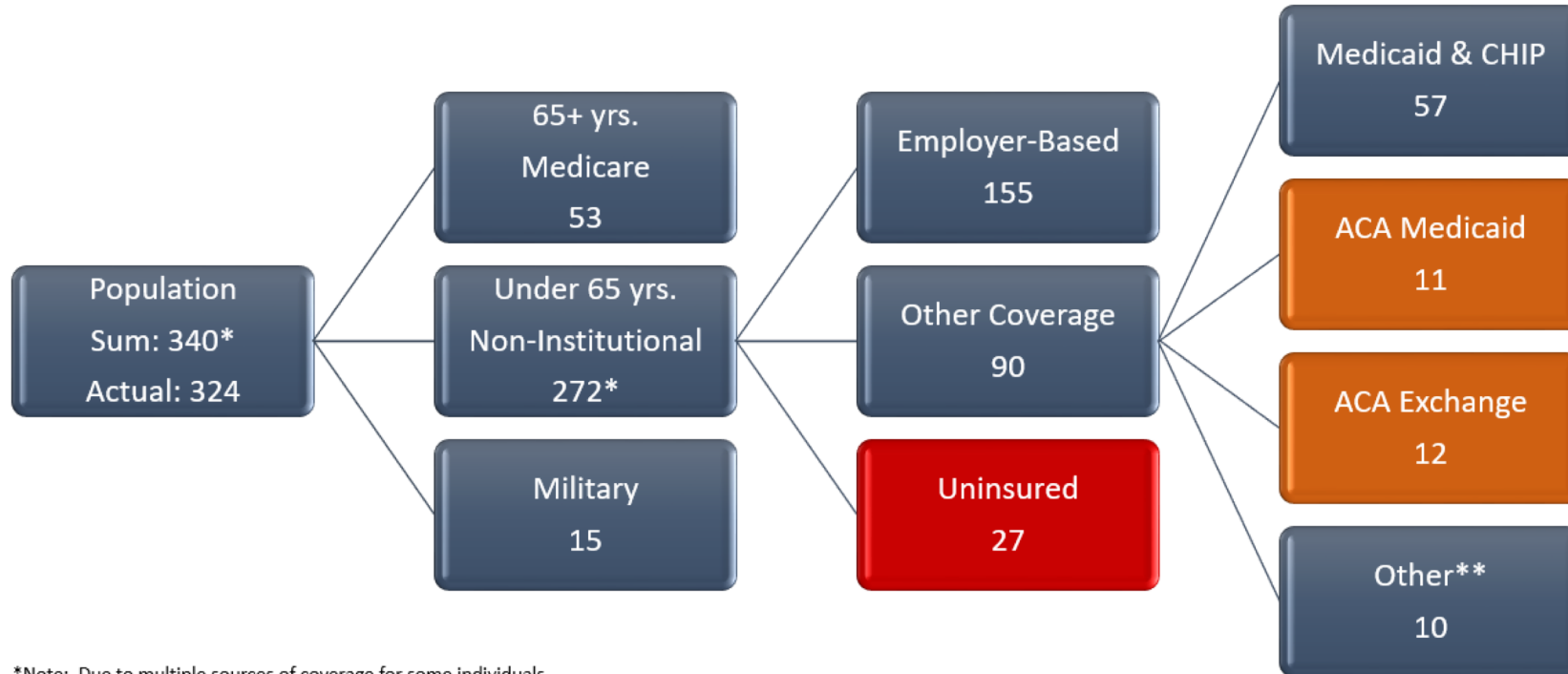
All Can Lengthen And/Or Stop Sales Process!

Complex System of Payments

1. Third party – government or private
2. Insurers must approve innovation and price
3. Insurers may disagree

Complicated Payor Network

Sources of Health Insurance Coverage in 2016 (Millions of Persons)



*Note: Due to multiple sources of coverage for some individuals, there is some double-counting in the components. The actual U.S. population in December 2016 was approximately 324m.

**Other: The 10m was reduced to tie to the total for "Other Coverage" of 90m. "Other" includes 23m persons (9m non-ACA marketplaces, 9m disabled in Medicare, 5m other).

Source data:

CBO "Federal Subsidies for Health Insurance Coverage for People Under Age 65: 2016 to 2026" (March 2016)
 Census Bureau "Health Insurance Coverage in the United States: 2015 (September 2016)"

So What Is The Take Away ...

1. Target innovations that improve existing process rather than replace to ease adoption
2. Focus on ease of use
3. Map out workflows for all stake holders
4. Understand the buying process
5. Understand path to scalability early
6. Prepare for long sales cycle – need funds to survive
7. Prepare for low success rates – need deep pipe

Never give up!

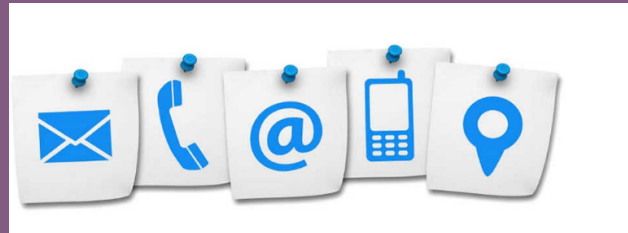
"It's hard to beat a person who
never gives up."

— Babe Ruth

Major League Baseball Hall of Famer.

Thank You!

Call if I can help you.



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Why Start Ups Fail

1. No market need 42 percent
2. Lack of cash 29 percent
3. Inappropriate team 23 percent
4. Strong competition 19 percent
5. Pricing and cost issues 18 percent
6. Bad core product 17 percent
7. Lack of a business model 17 percent
8. Bad marketing 14 percent
9. Customer neglect 14 percent
10. Bad timing 13 percent
11. Loss of focus 13 percent
12. Intra-team conflicts 13 percent
13. A pivot gone bad 10 percent
14. Lack of passion 9 percent
15. Bad location 9 percent

- A New Study Reveals the 20 Factors That Predict Startup Failure: Do Any Apply to You?
www.entrepreneur.com/article/308447