



Now is the Time for a Healthcare Moonshot

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Noble Cause

The most successful digital disrupter companies focus on a really big customer problem and embrace it as a “noble cause”

Noble Cause

Apple = “Empower non-technical people with bicycles for the mind”

Facebook = “Connect every person to every other person”

Google = “Enable every person to navigate the world’s knowledge”



Silicon Valley Disrupter Success Strategy

Identify a really big customer problem

Discover a “better way” to solve this problem

Use cloud + customer-centric process automation to build a platform solution

Design your solution from the start-to-scale

Create a land grab plan



Customers in Big Cities Hated the Taxi Experience

The Solution:

Cloud + Customer-Centric Process Automation = Platform to Manage a Taxi Fleet

Create better way to summon a taxi

Simplify how customer pays for a taxi ride

Both passengers and drivers rate the experience

Create an 'asset light' business model

Create a land grab plan



Big Customer Problem— Why Are Prescription Drugs So Expensive?

Pharmaceutical Companies— set list prices

Health Plans— have access to all prescription data, **but few actionable analytics**

PBMs— are middle men that set spreads **and are not very transparent**

Providers— **have limited information about what other physicians prescribe**



If Innovation Can Transform a PBM...

How come the high tech industry has not already done it?

Rx ecosystem is an incredibly complex process to automate because of its many 1000s of rules, regulations, protocols, and compliance requirements



Disrupt the Traditional PBM Model

Simplify every operational task (claims processing, rebate management, network management, and clinical services, etc.)

Significantly lower PBM costs to Health Plans

Give complete transparency to all prescription drug economics

Replace PBM 'spreads model' with a simple flat fee on every transaction



What I Learned From Steve Jobs

Define the 'Noble Cause'



Turn a Really Big Customer Problem Into a 'Noble Cause'

“There is no way to replace Obamacare (ACA) with a sustainable health insurance option without first transforming how healthcare is delivered to chronic care patients and optimizing healthcare delivery”

5% of Americans = 49% of US health spend



'Aha! Moment' = Zoom-Out; then Zoom-In

Health plans have access to the prescription, medical, and lab data that should be shared openly with PBMs

A cloud-based managed program can take this prescription data across the entire continuum-of-care

Traditional PBMs cannot do this...



Zoom-Out; Zoom-In Reduce Avoidable Drug-Impacted Medical Costs

1. Stratification of High Cost, but Manageable, Patients
2. Physician Led Comprehensive Medication Review (CMR)
3. Duplicate Therapy Reduction
4. Adverse Drug Event (ADE) Reduction
5. Electronic Disposable Pill Tray Delivery Management
6. Comprehensive Adherence Monitoring through Home Health

Gateway™



Zoom-Out; Zoom-In Reduce Avoidable Drug-Impacted Medical Costs

7. Vital Signs Monitoring and Timely Care Coordination
8. Chronic Care Management Integration
9. Pharmacy Risk Management Services— Global Pharmacy
Risk/Avoidable Drug-Impacted Medical Risk/Bundled Specialty Episode
Risk Management Services



Creating a Healthcare Moonshot?

- **Noble Cause** = Improve the quality-of-life for chronically ill patients and significantly reduce cost to deliver prescriptions to these patients at the point-of-care, even in their own home
- **Solve a really big customer problem** = \$350 billion avoidable drug-impacted medical costs per year
- **Aha Moment** = Expand prescription healthcare actionable analytics across the entire continuum-of-care



nirvanaAccountableCare™

- Value-based business model
- We assume Rx-related risk
- Traditional PBMs do not assume risk
- We share incentives between patients, physicians, health plan, and nirvanaAccountableCare™



\$840 billion Rx Ecosystem

- Traditional PBMs = \$370 billion
- Specialty = \$120 billion
- **Avoidable drug-impacted medical costs = \$350 billion**



Digital Disrupters are on a Different “Time Curve”

Old Way = Linear Time

***New Way =
Exponential Time***



What Wal-Mart Did to Avoid Being “the Next Kodak”

Jet.com founded July 2015

Wal-Mart acquires Jet.com in Aug 2016 for \$3.3 billion

Wal-Mart eCommerce organization was totally transformed in Jan 2017, now under Jet.com leadership



