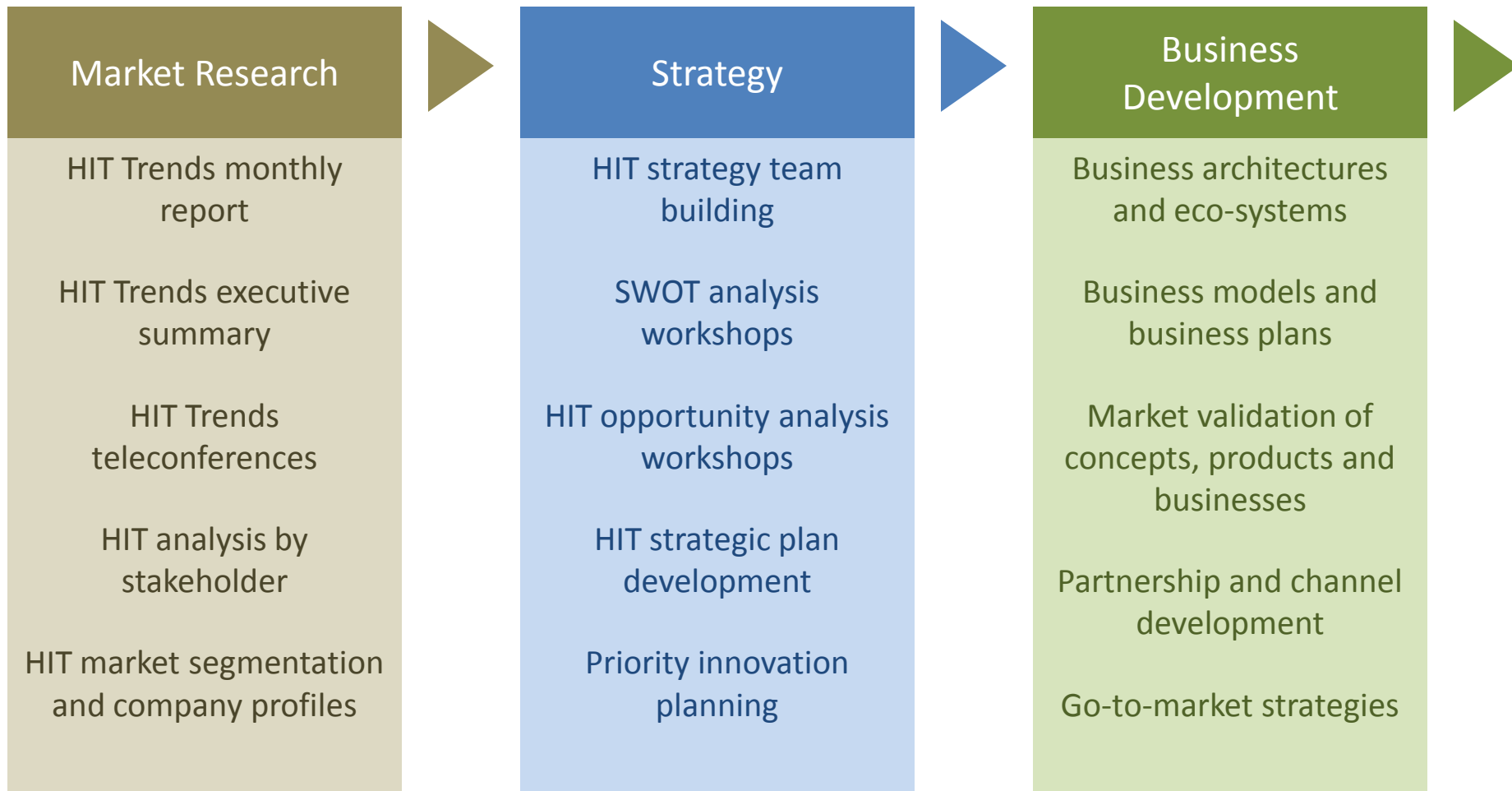


Health Information Technology Strategic Framework



Integrated services for healthcare, life sciences and technology companies

HIT Strategic Framework integrates research, strategy and business development into a system for innovation



Market research forms the foundation for strategic decision-making

HIT Trends monthly reporting

Topic areas:

- ▶ E-prescribing, Electronic Health Records, ARRA HITECH
- ▶ Care Communications (personal health records, gaps-in-care messaging, medication adherence, remote monitoring, physician-patient communications)
- ▶ Health Information Exchanges and Health Social Media

Features include:

- ▶ Headlines, to-the-point story summaries, graphical supports, links to original documents
- ▶ Analysis and commentary, key health statistics and company profiles
- ▶ Special year-end editions

HIT Trends quarterly elements

HIT Trends executive summary

- ▶ Quarterly summary of key trends supported by best market evidence over the last three months

HIT Trends teleconferences

- ▶ Quarterly summary forms the basis for discussion with the team on conference calls

HIT analysis by stakeholder

- ▶ A summary of HIT trends and dynamics is updated quarterly for physicians, payers, pharmacies, manufacturers, and consumers

HIT market segmentation and company profiles

- ▶ Market segmentation is updated quarterly as new companies are profiled

Each page contains a news item or research report with key elements organized for clarity and relevance

Headline

HIT segment

To-the-point summaries

Graphical supports

Analysis and commentary

Links to original documents

Internal document navigation

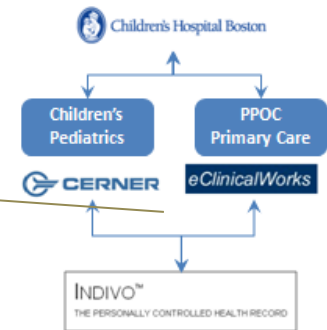
HIT Trends monthly reporting

Children's Hospital, Boston, and an associated physician organization claim the first implementation of interoperability

Focus on EHR

- Patients seen at Children's Hospital and at PPOC primary care practices can allow both to feed a single, patient controlled personal health record
- Patients can allow clinicians in both organizations to see the same record through the PHR
- eClinicalWorks is managing the integration

Editorial: This is being billed as the first example of hospital and physician practice EHR interoperability. Indivo is the PHR model used by Dossia, the employer coalition, developed at Children's Hospital.



Quarterly we look at deeper trends and update stakeholder strategies and company profiles for analysis and discussion

Deeper trends

Headline examples

Stakeholder strategies

Market segmentation

Conference calls



HIT Trends quarterly elements

CIMM Board Meeting
Discussion of HIT Trends - October 5, 2009
Focus on E-prescribing

Deals or positions: limited activity but some new positioning

- QFirst partners with a health information exchange in Maine
- New Mexico stakeholder coalition extends its e-prescribing program buy
- Quest Diagnostics promotes its combo lab and e-prescribing solution w
- Emdeon buys iXiteNetwork to compete in the e-prescribing hub busine

Studies and PR: the press continues to be positive

- Study finds that 10% of medication safety alerts account for over 60%
- AHRQ will study eRx and survey physicians and pharmacists
- E-prescribing may be the low-hanging fruit of practice automation
- Surescripts recognizes the top e-prescribing states in its annual Saf

Focus on EHR

Deals and positions: guarantees and new entrants

- Athenahealth makes a guarantee that its EHR users will get an
- Dell is positioning as a provider of EHR services and buys Pe
- Salesforce.com invests in PracticeFusion a web EMR

Support for implementation

- Most wired hospitals subsidize EMRs for physician prac
- TransforMED new web site, Delta Exchange, helps m
- Welch Allyn launches a web site and support servic

EHR and quality: positive evidence

- CMS is testing receiving quality data from EHRs
- Integrated Healthcare Assn. pay-for-performance
- healthcare quality
- KP connect on YouTube

Circle Square Inc. - HIT Trends - Page 1

Payers

Physicians

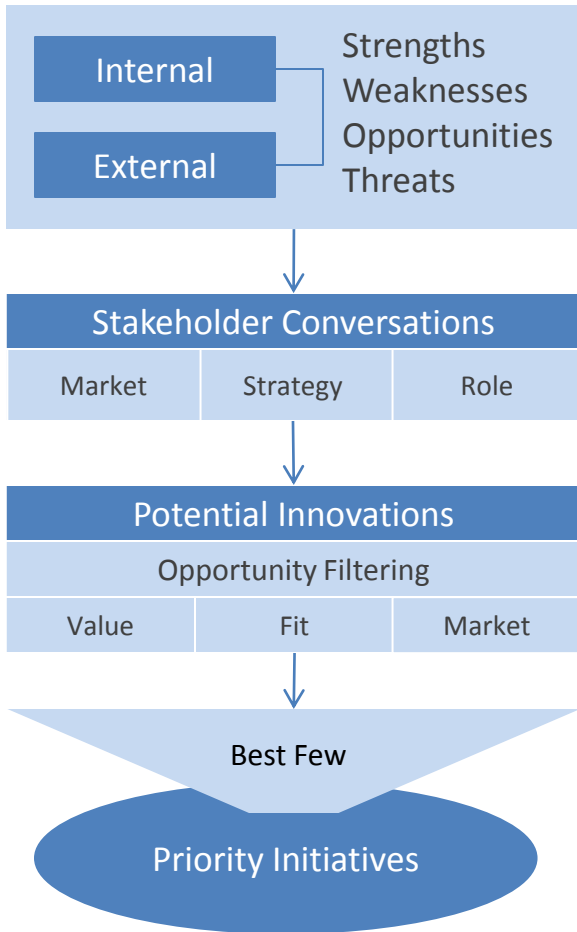
- Larger practices buying EHRs
- Smaller practices still an early adopter

Pharmacy

Provider and Patient Segmentation

Strategy	Segment	Example Companies	Comments
Provider Solutions	Traditional EHR	Epic, Allscripts, NextGen, GE, eClinicalWorks, Scribe, Medscape	Generally suitable for larger practices
	Niches	MDPartners, Amica, ChiroFirst, DocRx, Athenahealth, Acute, Pharmacy	Niche solutions for prescriptive, lab, registry
	Provider/practice messaging	Acuity, NuVasive, EDocRx, SyncRx, Penetration, WebMD (Medication), Medison	Averts, pacs, news
Patient Solutions	Collaborative care	American Well, iVista, Conant, RUC, RallyHealth	Physician patient communications
	Comprehensive case management	Healthway, TruCent, Medication, Avera, Health Dialog, Mediant, Revolution Health, AchieveHealth	Engineer call centers and other services
	Analytic engines	Aviva Health, Verix, Medica, Ingestiv (Optum), Mediant, Medientive	Assessing risk and opening gaps
	Outbound voice	Quorum, Jiterbug, Affinity, Nucleus, Inscripta, WellDoc	Natural language
	Mobile	HealthKiss, eMIM, Innovationix, Hummingbird, MedKnapence	SMS text, video, sensors, device integration with devices
Interventions	HealthKiss, eMIM, Innovationix, Hummingbird, MedKnapence	Web-coaching and content	
Phx platforms	Microsoft, Google, Cisco	Patient communications enablers	

We facilitate an HIT strategy that leverages company assets into best opportunities for an emerging HIT landscape



HIT Strategic Plan Elements

SWOT re: HIT

Strengths	Opportunities
<ol style="list-style-type: none"> Organizational awareness and interest in HIT Multiple work streams and project teams Multiple pilot projects underway (at a thousand flowers bloom) Relationships with organizations involved in HIT development, appropriation and policy Alignment and collaboration w/our strategic customers and allies 	<ol style="list-style-type: none"> Improve forecasting

Scoring

Item	1	2	3	4	5	6	7	8	9	10
Performance Standard										

Standard of proof:
Evidence of impact from one or more independent source including:
- Academic studies
- Industry reviews
- Expert opinions

Detailed Criteria

Value	Impact	Effort	Risk
Improves physician of patient engagement	Improves health outcomes	Increases cost savings	Increases patient engagement

Recommendations

- Evaluate support for new research into the impact of alerting physicians when patients in the office are non-adherent
- Evaluate support for a program to help EHR solution providers provide accurate formulates to physicians at the point of care
- Evaluate support for new research into the use of web-based clinical decision support tools to improve health outcomes
- Evaluate participating in a new program of customized care communications such as HealthMedia
- Evaluate support for research into using e-prescribing to alert physicians and patients about gap in care during an office visit
- Evaluate development of an internal function to lead collaborations with EHR companies
- Evaluate support for research into use of an intelligent pill cap in medication adherence programs
- Evaluate support for new research into electronic prescribing as a pathway to the electronic health record
- Evaluate support for developing a "Geek Squad for Doctors" at PHSA
- Evaluate support for research into the impact of mobile phone reminders on adherence

Analysis

Item	1	2	3	4	5	6	7	8	9	10
Engagement	1	2	3	4	5	6	7	8	9	10
Health Outcomes	1	2	3	4	5	6	7	8	9	10
Effort	1	2	3	4	5	6	7	8	9	10
Risk	1	2	3	4	5	6	7	8	9	10
Cost of Entry	1	2	3	4	5	6	7	8	9	10
Market	1	2	3	4	5	6	7	8	9	10
Overall Total	1	2	3	4	5	6	7	8	9	10

Innovations are likely to fit within the longer term market trends and help integrate a fragmented environment

Innovation Trends

Physician practice technology adoption

- ▶ Larger practices: utilization for meaningful use including e-prescribing and outcomes reporting
- ▶ Smaller practices: modular solutions, hospital-centric initiatives, web-based innovations
- ▶ Health information exchanges roles and models

Patient engagement

- ▶ Physician-patient communications: before, during and after the visit
- ▶ Personal health record platforms and functions
- ▶ Remote monitoring / mobile devices (iPhone)
- ▶ Social media

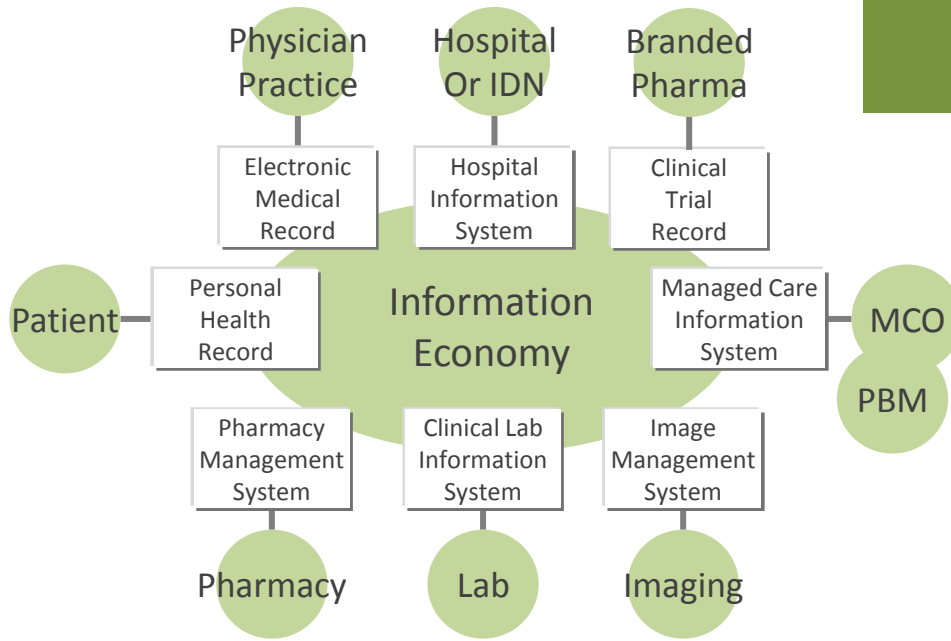
Payer disease management 2.0

- ▶ Involve healthcare providers and access to EHR patient data
- ▶ Analytic engines creating finer segmentation of patients for targeting and analysis for guidelines
- ▶ Rx adherence / gaps-in-care messaging
- ▶ Web-based wellness and care management coaching

Pharmacy, lab and imaging

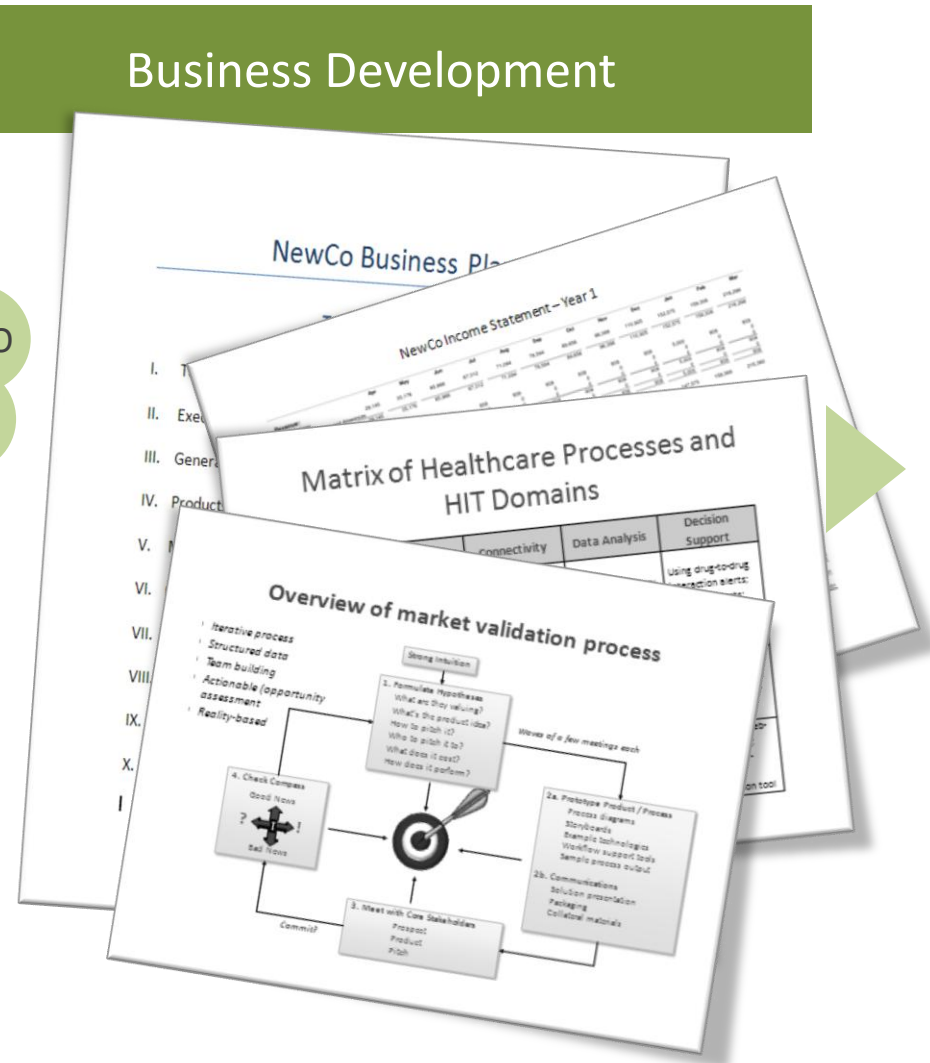
- ▶ Pharmacies have retooled facilities and technologies to provide care management services
- ▶ Hospital labs and imaging services use EHR adoption to compete with national companies

We develop business models, partnerships and go-to-market channels that deliver industry value and scale



Map of Patient Information Landscape

Business Development



We have been consulting exclusively on Health Information Technology innovations since 1995

Consulting Service Customers

- 
- ▶ 3M Health Care, Murray, UT
 - ▶ Adam.com, San Francisco, CA
 - ▶ Affinity Mobile, Los Angeles, CA
 - ▶ Amicore, Andover, MA
 - ▶ Axolotl, Mountain View, CA
 - ▶ Bristol-Myers Squibb, Princeton, NJ
 - ▶ Cadit, New York, NY
 - ▶ CapMed, Newtown, PA
 - ▶ CareTools, Waltham, MA
 - ▶ Centice, Durham, NC
 - ▶ Consensus Health, San Francisco, CA
 - ▶ eHealthSolutions, New York, NY
 - ▶ Epic Systems, Verona, WI
 - ▶ Epocrates, San Mateo, CA
 - ▶ Expert Practice, San Diego, CA
 - ▶ Health Evolution Partners, SF
 - ▶ HealthLand, Louisville, KY
 - ▶ Healthmatics, Durham, NC
 - ▶ HealthMedia, Ann Arbor, MI
 - ▶ GlaxoSmithKline, Philadelphia, PA
 - ▶ Ingenix, Salt Lake City, UT
 - ▶ iTRUST, San Francisco, CA
 - ▶ Johnson & Johnson, New Brunswick, NJ
 - ▶ Landacorp, Atlanta, GA
 - ▶ Medicalogic, Hillsboro, OR
 - ▶ Medware, Lenexa, KS
 - ▶ Mirixa, Reston, VA
 - ▶ NACDS, Alexandria, VA
 - ▶ Novartis, East Hanover, NJ
 - ▶ Oacis, Greenbrae, CA
 - ▶ Oceania, Palo Alto, CA
 - ▶ PenChart, Glastonbury, CT
 - ▶ PerCurrence, San Francisco, CA
 - ▶ Pfizer, New York, NY
 - ▶ Pfizer Health Solutions, NY, NY
 - ▶ Phylve, Redwood City, CA
 - ▶ Prematics, Vienna, VA
 - ▶ PricewaterhouseCoopers, NY, NY
 - ▶ QuadraMed, San Raphael, CA
 - ▶ Reynolds & Reynolds, Dayton, OH
 - ▶ SAIC, San Diego, CA
 - ▶ SG Cowen, Boston, MA
 - ▶ Surescripts, Alexandria, VA
 - ▶ Varolii, Seattle, WA
 - ▶ VHA, Inc. Irving, TX



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