HealthJoy

We make healthcare simple.

Justin Holland, Co-founder and CEO

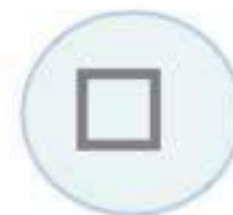# HealthJoy: an innovative response to market disruption

Disruption

The Affordable Care Act (ACA) provides millions of individuals with **low-premium, high-deductible health plans**

Pain

Consumers are desperate for technology to **reduce cost**, access **care**, and **navigate** a wasteful, complex healthcare system

Solution

HealthJoy has developed a consumer-focused, **Virtual Care Platform** that facilitates **on-demand advocacy and care**

Vitals: focused on lean execution

Key Dates
2014: founded

Jan 2015: launched

Headcount
45: total FTEs

22: engineering/QA

Investment
$1.2M: Seed funding

Members
8,800: total

3,900: premium subscribers

Sales performance
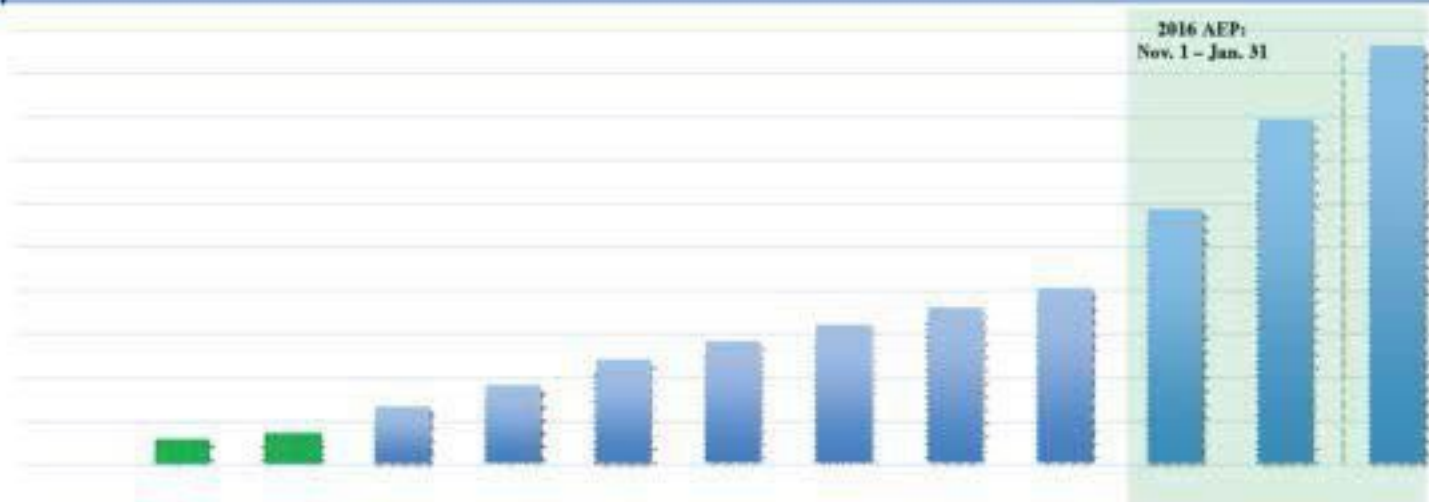$12.50: Jan - Mar ARPU

$25.00: Apr ARPU

Growth rate
$38k: Mar revenue

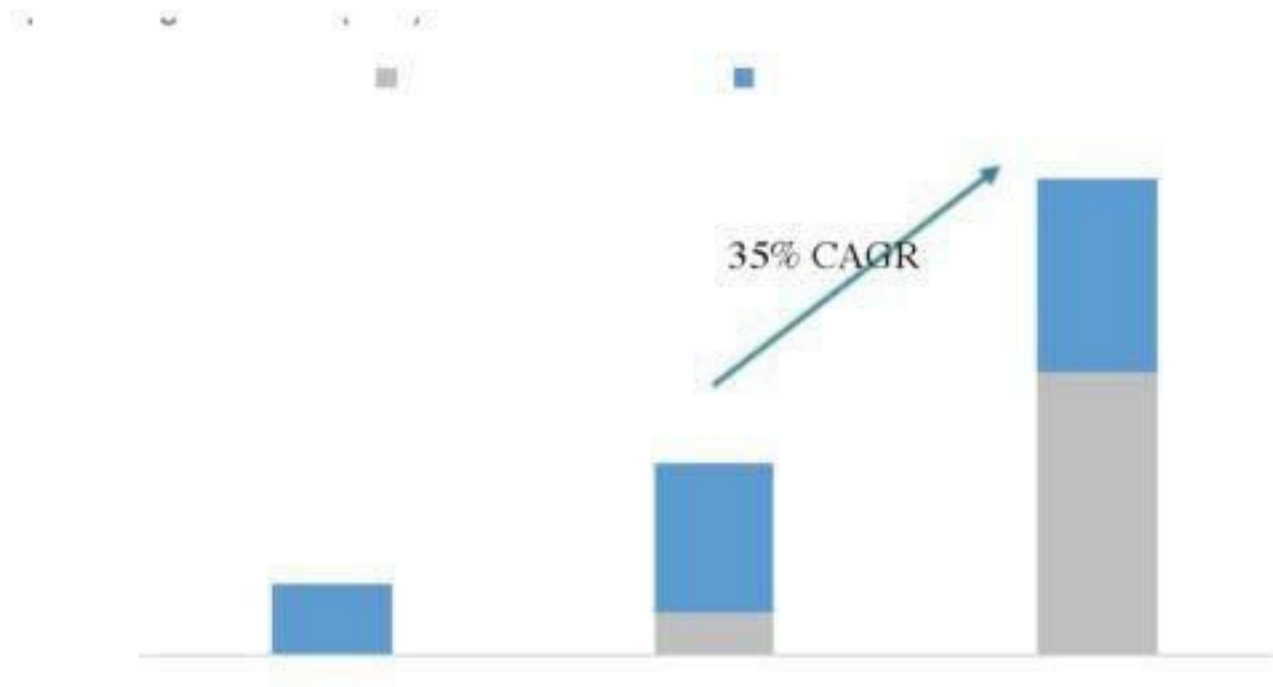$65k: Apr revenue Fcast

Monthly Revenue Forecast

($000s)

2016 AEP: Nov. 1 – Jan. 31

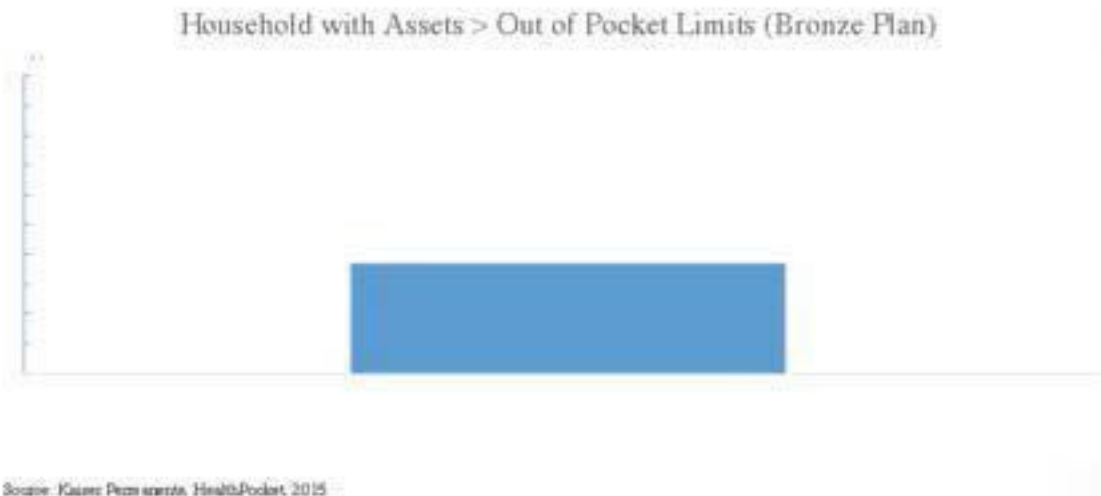# ACA impact: boom time for individual health plans

U.S. individual health plan market

35% CAGR

Source: Accenture, CBO.gov, 2015

Low ACA premiums ≠ affordable healthcare

63% of households would be bankrupt if they hit their out-of-pocket limits.

Household with Assets > Out of Pocket Limits (Bronze Plan)

Source: Kaiser Permanente, HealthPocket, 2015

Debts related to medical/healthcare services are 123% greater than any other sector in the U.S.

U.S. Debt Collections Originated by Sector

Source: Consumer Financial Protection Bureau, 2014
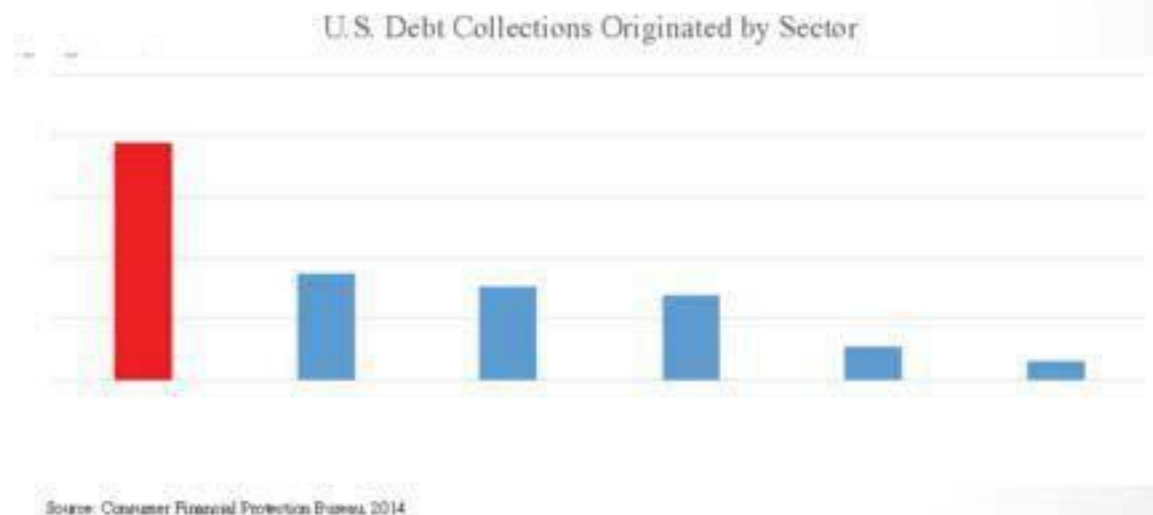
Broken: U.S. healthcare creates $765 billion in annual _WASTE_

$210B
unnecessary
services

$190B
excessive
administrative costs

$55B
missed care
prevention

$130B
inefficiently
delivered services

$75B
fraud

$765 billion

$105B
prices too high

= **$2,800: avg. waste per capita**
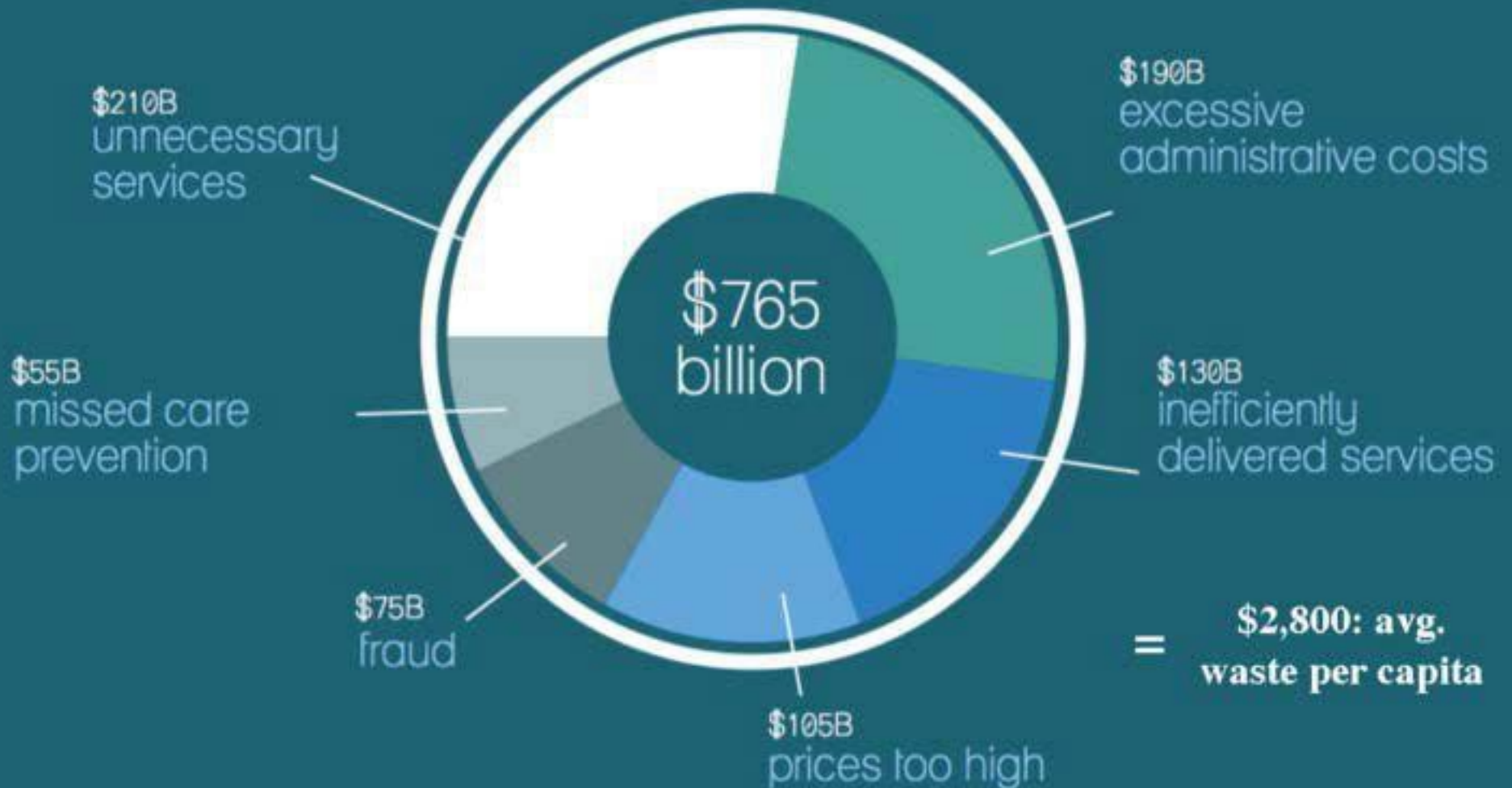
ACA health plans are risky...

Individuals are forced to roll the dice because of:

Cost traps

✗ Provider networks?

✗ Formulary structure?

✗ Coverage confusion?

Financial burden shifted

✗ Increased deductibles & copays

✗ Greater out-of-pocket costs

✓ A solution is needed...

✓ Medicine

✓ Advocacy

✓ Navigation

✓ Transparency

Solution: simple, yet intelligent concierge healthcare in your pocket

Guidance and care based on the specifics of your health insurance coverage

Cost and quality variability

HealthJoy

Confused

Advocacy

Insurance navigation

BCBS of IL PPO Silver

Medicine

Transparency

Informed and empowered

Visits in-network doctors

Chooses the right facilities
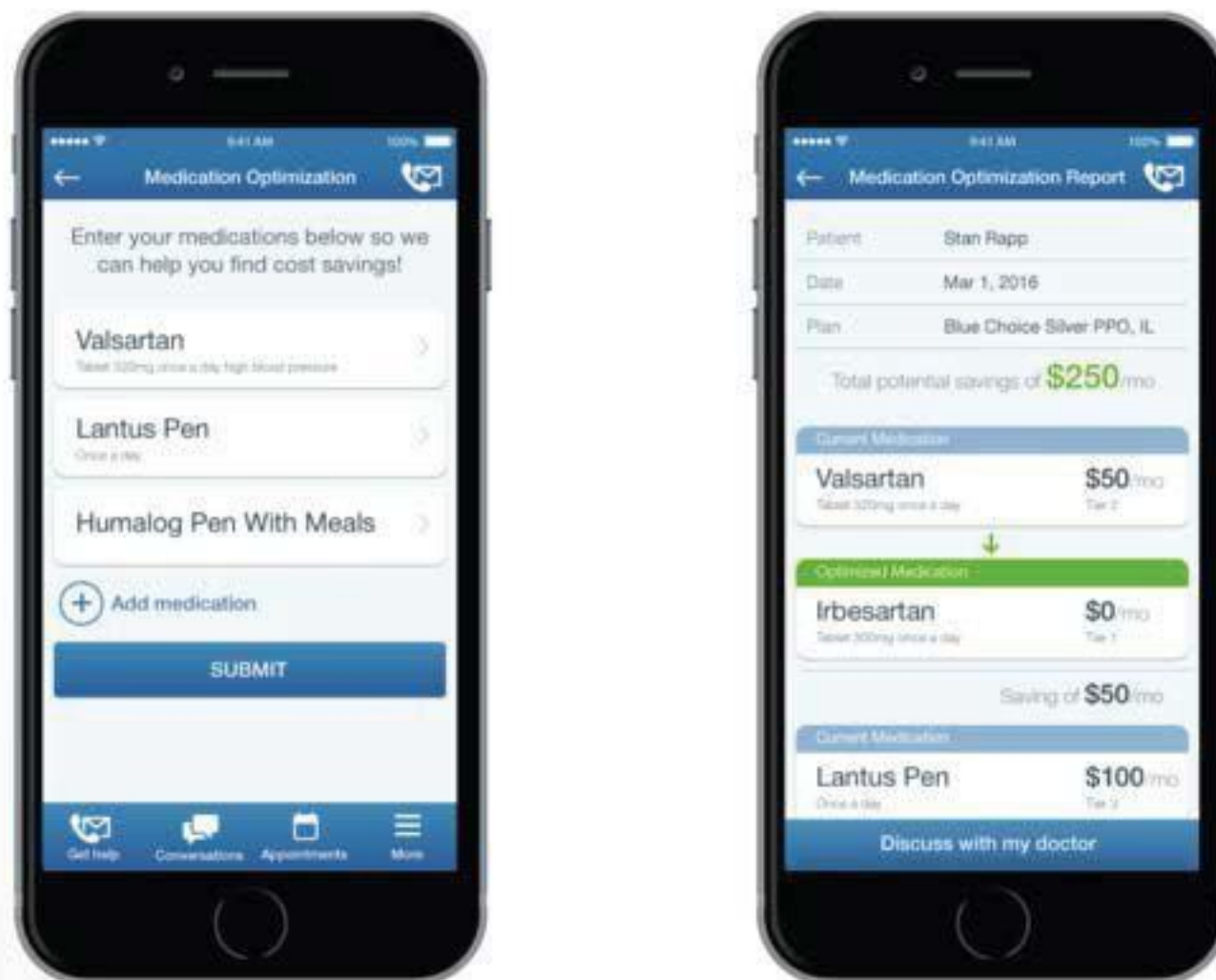
Saves on procedures

Saves on prescriptions

Talks with doctors by phone for common conditions

Innovation: optimize medication based on formulary specifics

We've identified >$100 in average potential monthly savings for members.

REAL CUSTOMER SUCCESS STORY

Meet Robert

Truck driver, always on the road
Individual health insurance plan
Diabetic with chronic hip pain

Concierge gives Robert a welcome call

Robert initiates a chat with Concierge through the HealthJoy app

Concierge explains his coverage and finds an in-network doctor

Concierge books Robert an appointment and emails him appointment details

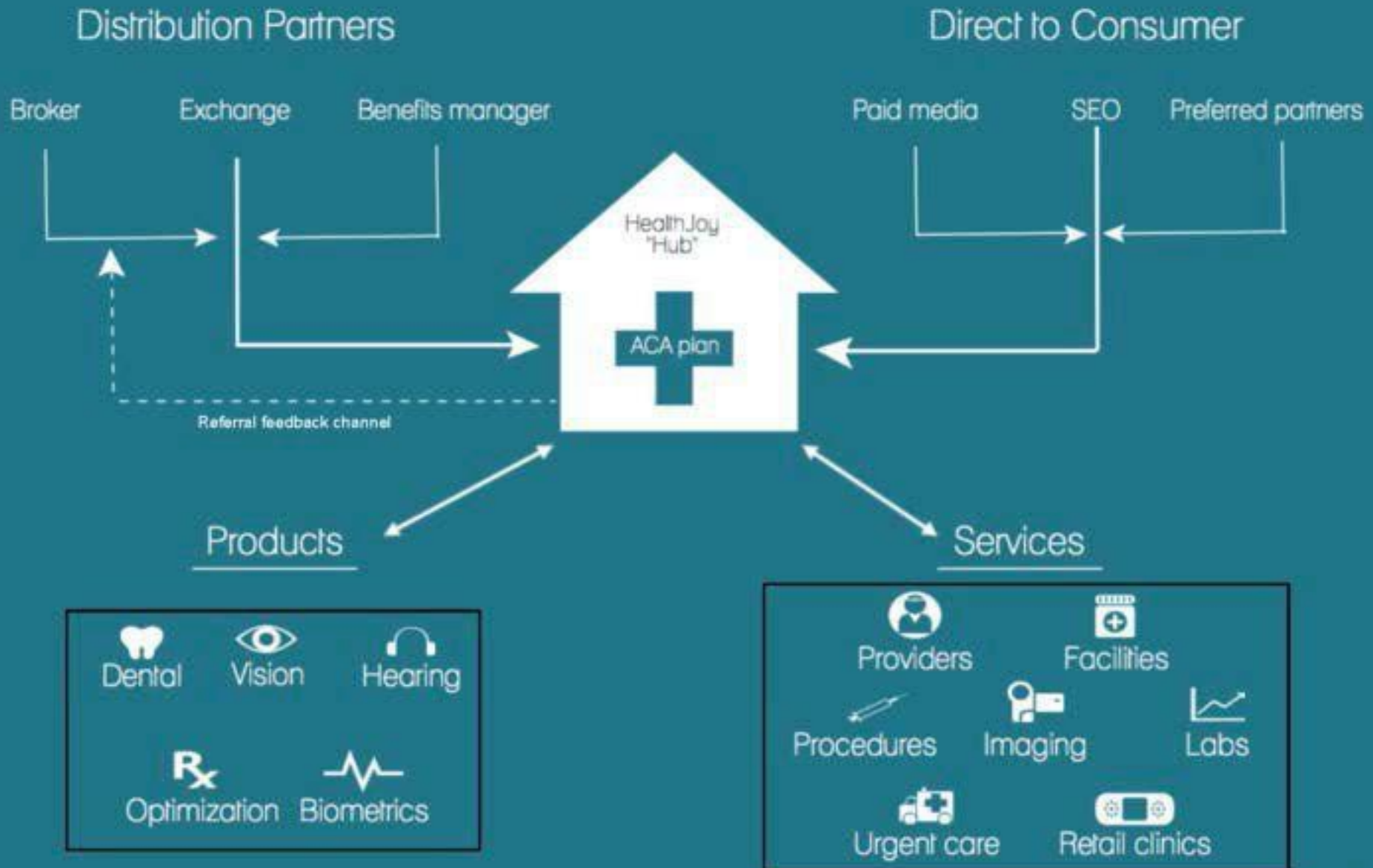Personalized prescription consultation saves him $200/month

Robert uses telemedicine to access doctors for non-emergency care while on the road

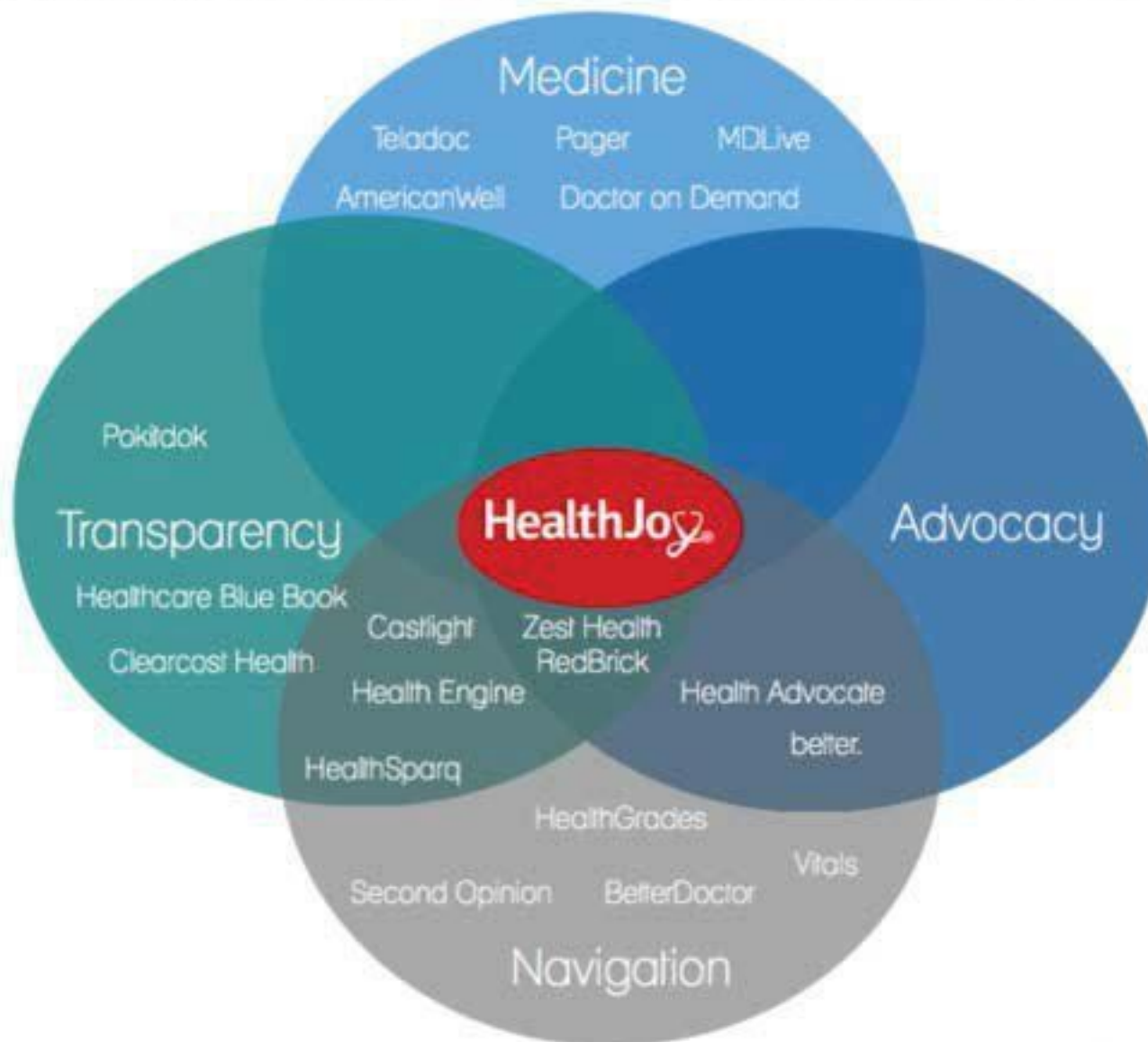"It's like my own personal doctor is sitting with me in my truck! I'm speechless."

Robert
Truck driver
Springfield, MO

Consumers like Robert now have 24/7/365 access to doctors, friendly support, and cost savings – all by phone and web.

Our business model: hub and spoke

We are building the most innovative product in the industry

Medicine
- Teladoc
- Pager
- MDLive
- AmericanWell
- Doctor on Demand

Transparency
- Pokitdok
- Healthcare Blue Book
- Clearcost Health

Advocacy

Navigation
- Second Opinion
- BetterDoctor
- HealthGrades
- Vitals

HealthJoy

- Castlight
- Zest Health
- RedBrick
- Health Engine
- HealthSparq
- Health Advocate
- better.

How we make money

Current revenue streams (hub)

- Subscriptions (monthly: $10-$40 | annual: $100-$400)
- Telemedicine per consults ($40)

Future revenue streams (spokes)

Referral-based revenue with preferred partners

Products

- Insurance/benefit products (Major Med/STM/dental/vision) ($2-$100 per lead)
- Prescription medication ($3 per fill)

Services

- Procedural (elective and non elective)
- Diagnostic (imaging/labs)
- Clinical (retail/urgent care)
- Preventative (health assessments and diagnostics)
- Medical bill review and advocacy

User acquisition cost

- Partner – revenue share to distributor for monthly active user
- Direct to consumer – one-time user acquisition cost

Seeking Series A investment

Inputs	Deliverables
Triple engineering force	Increase speed of feature development
Establish data science division	Build out insurance decision algorithms based on population data
Sales and account management	250 independent brokers selling our product by AEP 2016 and 2,500 by AEP 2017
100% US telemed coverage	Setup PCs, physician network for 100% coverage
Expand outside general practice	Expand outside of GP to highest demand (Dermatology, Psychology, Gynecology, Obstetrics, Endocrinology)
Build out content strategy	Convert our 200GB of proprietary medical datasets into organic lead gen
Build out paid strategy	Match TAC from broker side to paid acquisition
Infrastructure	Build out IT security, office space

Exec team: technology, healthcare, and data experts

Justin Holland
Co-founder and CEO

Serial entrepreneur
with three successful
exits

Doug Morse-Schindler
Co-founder, President
& COO

Tech operations and
sales with one
successful exit

- OpenInstall acq by AVG
- FreeCause acq by Rakuten
- MIT (BS) Mechanical Engineering

- OpenInstall acq by AVG
- M&A Investment Banker with 50+ transactions
- Vanderbilt University

Product engagement

Users
1,237: 30-day active
693: 14-day active
1,972: total premiums reached (called or activated)

Activations
897: premium
1,124: trial

Appointments:
313: scheduled
188: requested (through mobile application)
323: canceled

Telemedicine
88: total consultations
57: unique users

Sessions
4.45: pages/session
50/50: new v. returning visits (%)
4:20: avg. session duration (min.)

Concierge
633: PCP selections
811: unique chats (~40% of users)
80: health assessments

Rx optimizations
184: Rx Tier Optimizations
$10,873: Total Savings
~$60: Savings per Rx

Call volume
1,595: total unique members called >45 seconds

Mobile operating systems
173: Android active installs
151: iOS active installs

Medical database (cxns = connections)
8,556: conditions
3,297: condition synonyms

1,169: symptoms
2,052: symptom synonyms

8,239: products (drugs)
231,399: drug packages
1,556: Therapeutic Alternative cxns
700,000,000: formulary cxns

214,893: symptom condition cxns
13,151: primary indication cxns
7,592: Rx to conditions

120M provider records