RAISING THE BAR FOR DIGITAL HEALTH TECHNOLOGIES

October 4, 2023

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Digital health technologies are transforming healthcare delivery…

Remote patient monitoring tools allow providers to monitor patients' health:

- Blood sugar for diabetics
- Mobility for older adults
- Stroke detection for at-risk patients

Chronic care management platforms empower patients to that improve their health:

- Improved nutrition and weight loss
- Better sleep
- Personalized insight into heart health

Virtual care programs improve access to care and convenience for patients:

- Physical therapy and rehab for musculoskeletal injuries
- Behavioral health services
- Specialty care for rural communities

And have the potential to…

Improve health outcomes[1]

Promote equity and access[3]

Enhance the patient experience[2]

Lower the cost of care[4]

1. Digital Health Innovations to Improve Cardiovascular Disease Care
2. Reduced No-Show Rates and Sustained Patient Satisfaction of Telehealth During the COVID-19 Pandemic
3. Back to the Future: Achieving Health Equity Through Health Informatics and Digital Health
4. Cost-effectiveness of digital cognitive behavioral therapy (Sleepio) for insomnia: a Markov simulation model in the United States

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Technology often leads to increasing costs in U.S. healthcare, no entity is responsible for identifying “high-value” digital health technologies

Investment in digital health technologies has ballooned

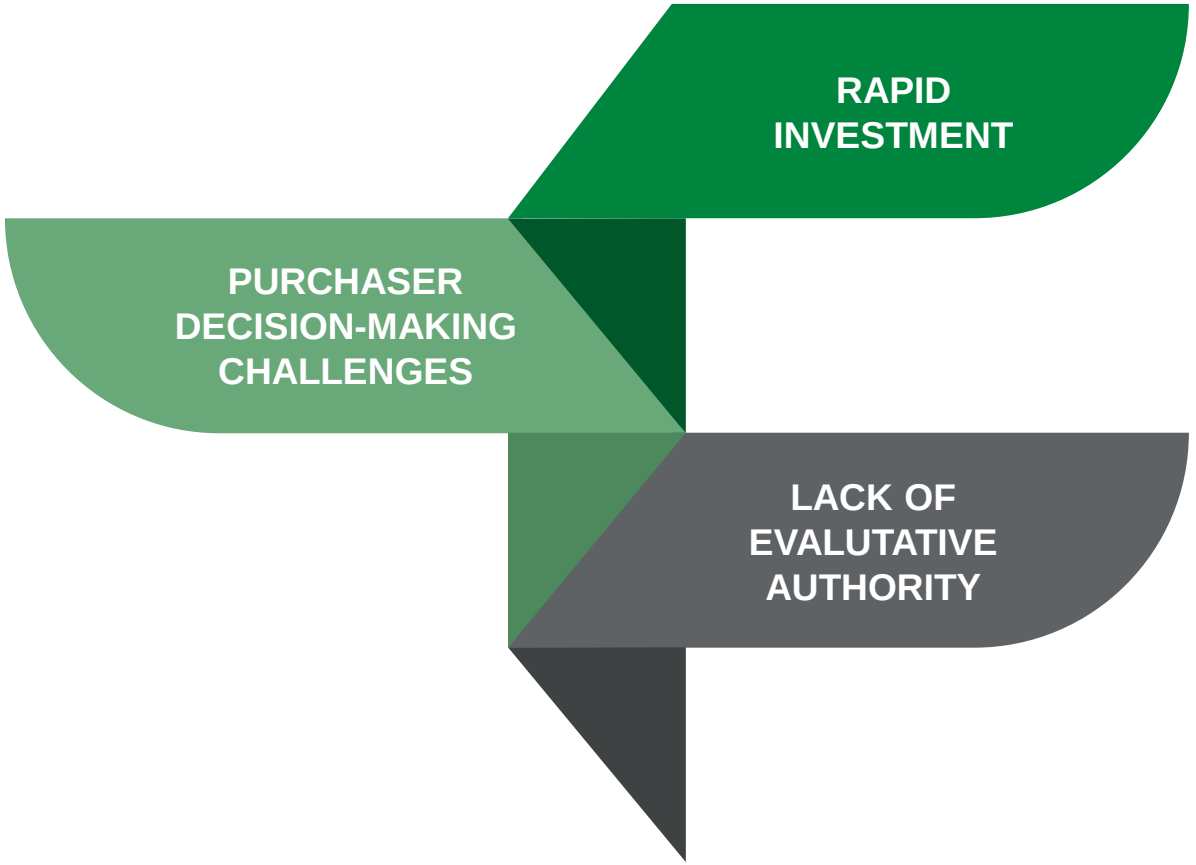
Spending on health technology has increased over the past decade with little evidence of impact on clinical outcomes and healthcare system costs

The proliferation of digital tools has overwhelmed purchaser decision-making

Payers often lack internal centralized decision-making, face competing incentives, and must make decisions quickly

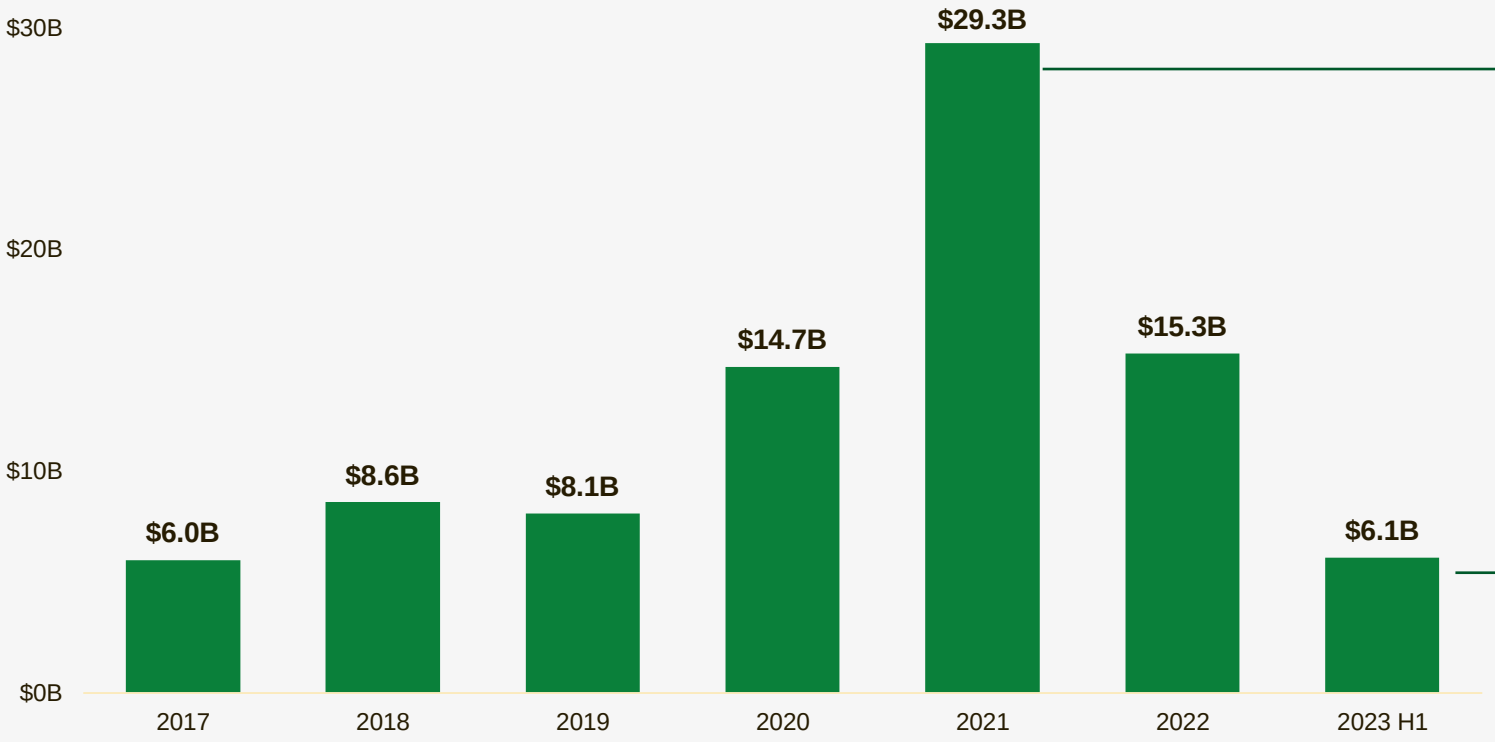
There is no independent authority assessing the value of digital health solutions

Regulatory bodies like the FDA play a limited role, and existing third-party evaluations lack transparent, validated frameworks applicable to digital health



As funding for digital health has slowed, there is increased demand from investors to understand which technologies drive value

U.S. Digital Health Venture Funding (2017– H1 2023)



Source: Data comes from mid-year 2023 funding report from Rock Health.

Record high investment of **$29.3B in 2021** was partially driven by the shift in care delivery resulting from the COVID-19 pandemic.

Less frenzied market conditions often signal a more judicious approach to purchasing, strengthening the importance of evidence for technology efficacy and value.

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PHTI aims to change how digital health purchasing decisions are made

Identify high-value technologies

Rigorous, independent assessments rooted in data will help purchasers to easily recognize high value health technologies

Increase confidence in digital health solutions

Assessments will bolster digital health tools that live up to their marketing claims and demonstrate value

Raise the bar for efficacy and efficiency

Digital health developers will understand that robust evidence of clinical effectiveness, value, security, and user experience is a prerequisite of broad market adoption

Promote health equity

Purchasers will identify the extent to which digital health technology is likely to improve or harm health equity in order to reduce healthcare disparities

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We recently released our assessment framework and will announce our first topics for evaluation soon

Public Launch of PHTI

July 18, 2023

Announce initial $50M commitment to PHTI

Assessment Framework

September 12, 2023

Release of assessment framework & future developments

Technology Selection

October 2023

Selection of health technologies for evaluation

Publish First Assessments

Q1 2024

Publication of first evaluation reports

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PHTI reports begin with the technology context that describes how digital health tools replace or augment traditional care delivery

What is the digital health technology?

Decision makers want to know:

- What is the healthcare problem that a solution aims to improve?
- How does it claim to work compared with standard care?
- What is the quality and accuracy of the evidence supporting such claims?
- Who uses it, prescribes it, and pays for it?
- How does the product compare to those of competitors?
- What is the experience and maturity of the company and its management?

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Measuring the clinical effectiveness of digital tools is at the heart of PHTI assessments, including impacts on diverse users

Decision makers want to know:

- Is the solution clinically effective and for whom? How does it compare to alternative treatments?
- What outcomes are the most meaningful to measure and are they supported by evidence?
- How does clinical effectiveness vary across users?
- Is it accessible and inclusive for all users?

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PHTI will model the budget impact of health technologies compared to standard care, not using cost-effectiveness or QALYs

Decision makers want to know:

- How quickly do patients benefit from using these solutions, and do those benefits last?
- What are the retention and compliance rates for the solution and do they align with the outcome timeline?
- How much does each product cost and what savings are produced by the technology compared to standard care?
- What is the "zone" of price negotiation at which the product would deliver value to the patients, the developer, and the healthcare system as a whole?

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We will produce summary ratings and recommendations intended to guide purchasing decisions and contracting approaches

Decision makers want to know:

- What is the purchasing recommendation based upon the evidence and analysis?
- What are the strengths and limitations of the digital technology across each domain of the assessment framework?
- What are key areas of improvement for promising technologies that require further development?

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PHTI engages stakeholders throughout our evaluation process, including payers, providers, patients, innovators, and investors

5 MONTHS TO REPORT RELEASE

Convene clinical experts

Assemble Purchaser Advisory Council to inform report output

Engage patients and providers

4 MONTHS TO REPORT RELEASE

Announce topic area for evaluation

Distribute request for information to companies included in the evaluation

1 MONTH TO REPORT RELEASE

Report preview period for companies being evaluated

REPORT PUBLICATION

Release reports and post publicly

Ongoing opportunity for public comment

PHTI welcomes input and engagement from stakeholders.

Please reach out to us at info@PHTI.com

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Thank You!

Caroline Pearson, Executive Director

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