



2007 Consumer Drive Health Care Summit

Consumerism 2.0



triple tree

TripleTree Overview

Unique model that leverages proprietary research and content with advisory and transactional services for mid-market growth companies

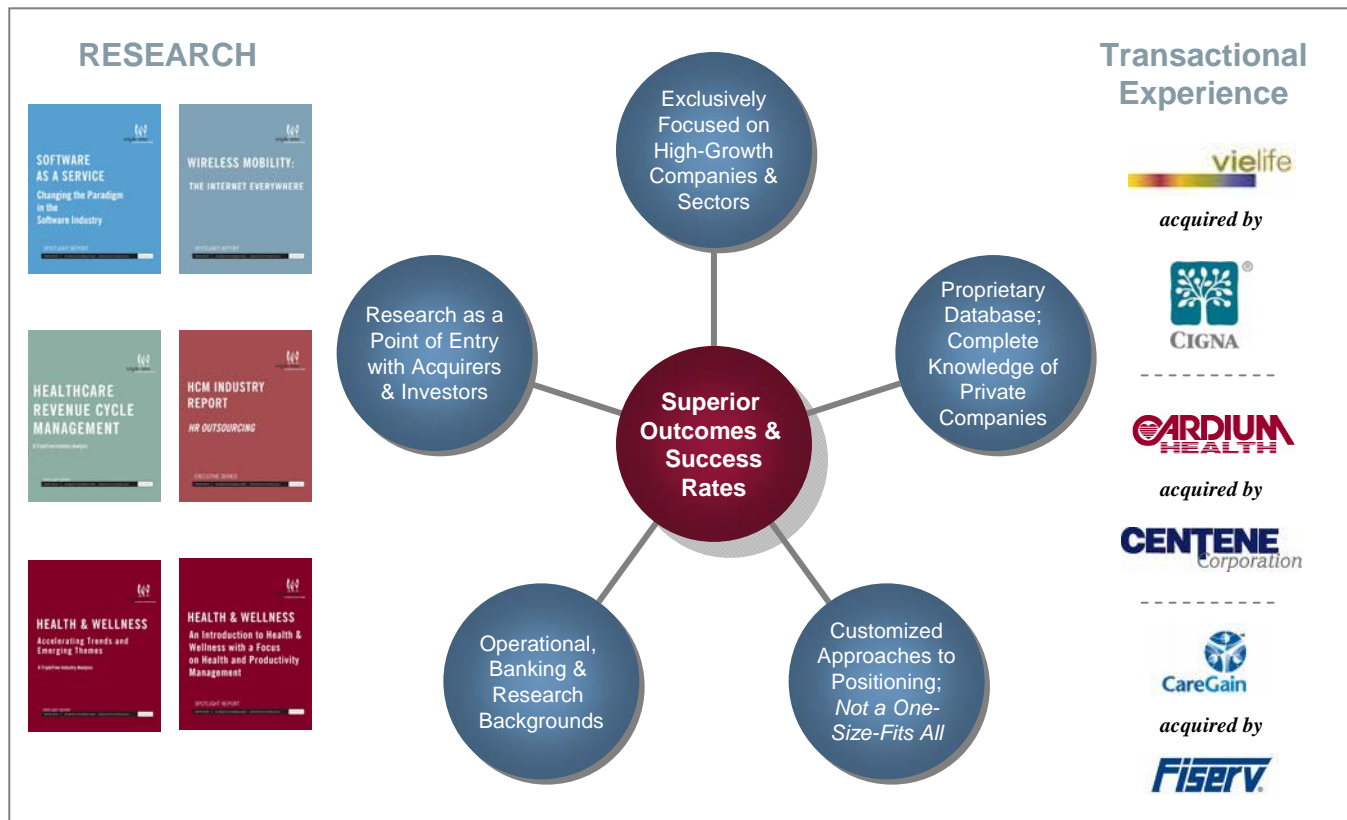
100+ M&A transactions with a total deal volume in excess of \$3 billion

50+ financing transactions totaling more than \$1B

Over 70 years of C-level operating experience

Positioning mid-market growth companies as strategically relevant with global acquirers

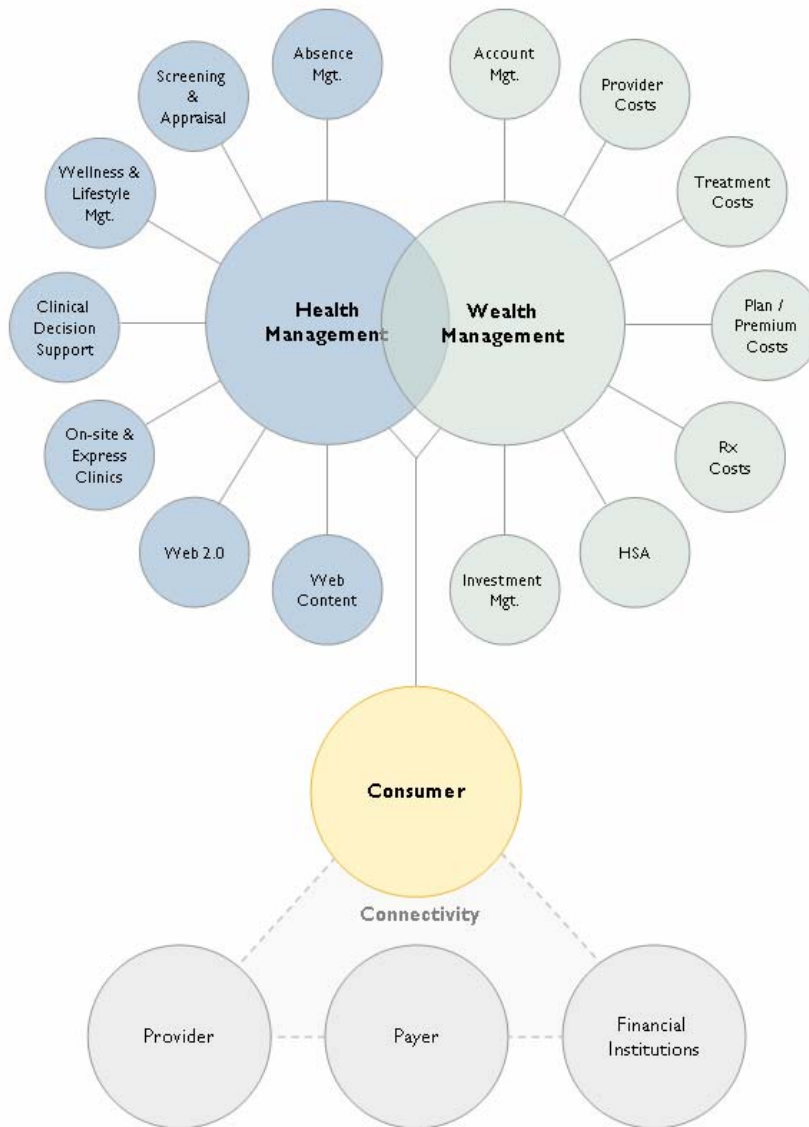
- 20+ professionals
- High-quality M&A, growth capital & strategic advisory services for mid-market growth companies
- Industry-leading research, first-hand perspectives, and combined operational & advisory backgrounds
- Leading investment bank in emerging healthcare sectors like Consumer Directed Healthcare





Consumer Directed Health Management

Consumer directed healthcare is characterized by two significant paradigm shifts. The first is the convergence of health and wealth management for the consumer. The latter is an evolution of the healthcare transactional process. Both are driven by the increased role of consumer payment responsibility, either through direct payment or HSA/HRA/FSA accounts linked to a high deductible health plan.



Traditional	CDH
<ul style="list-style-type: none"> • Treatment of acute conditions 	<ul style="list-style-type: none"> • Whole person health approach
<ul style="list-style-type: none"> • Primarily focused on patient / physician relationship 	<ul style="list-style-type: none"> • Patient relationship with multiple caregivers; i.e. physician, care / disease management, wellness
<ul style="list-style-type: none"> • Passive Patient 	<ul style="list-style-type: none"> • Self-directed / active health management
<ul style="list-style-type: none"> • Limited incentive to modify behavior 	<ul style="list-style-type: none"> • Behavior change influenced by costs
<ul style="list-style-type: none"> • Reliance on the employer to make plan decisions <ul style="list-style-type: none"> – Consumer inclined to spend 	<ul style="list-style-type: none"> • Increasing consumer decision making; i.e. HSA / FSA contribution <ul style="list-style-type: none"> – Consumer inclined to save
<ul style="list-style-type: none"> • Little concern for provider costs 	<ul style="list-style-type: none"> • Provider selection based on cost and quality
<ul style="list-style-type: none"> • CRM based on EOB 	<ul style="list-style-type: none"> • Complex CRM required by plan and provider <ul style="list-style-type: none"> – Typical call extended 20 minutes

Healthcare communication and education is moving mainstream

- Consumerism 1.0

- Primarily focused on the CDHP
- New products were defined (HSA, HRA)
- New legislation was enacted
- Initial infrastructure and connectivity was built



- Consumerism 2.0

- Consumer awareness, engagement, and empowerment
- Healthcare cost / price / value / education
- Proactive vs. reactive care (focus on person vs. disease with greater emphasis on lifestyle factors)
- Collaboration between all constituents (plan, provider, individual, etc.)

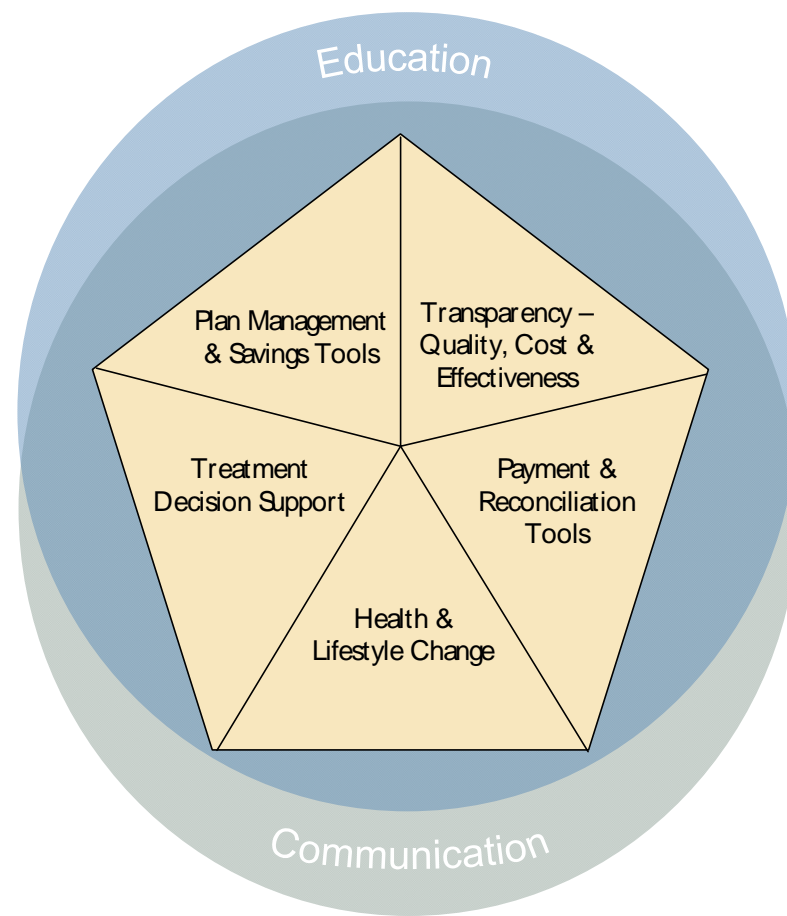


Essential Toolsets for Consumerism 2.0

Multiple toolsets, products, and services are acting as enablers

The tool sets below do not cover all aspects of healthcare 2.0. Rather, these are consumer facing resources that will help end-users better navigate the new healthcare landscape.

- Plan Management & Savings Tools
 - Plan selection
 - Plan enrollment
 - Plan management
 - Plan renewal
 - Savings support
- Transparency – Quality, Cost & Effectiveness
 - Procedure & treatment cost estimators
 - Point-of-service estimators
 - Pharma data
 - Physician & hospital quality measurements
- Treatment Decision Support
 - Typically associated with major procedures
 - Various models (face-to-face, telephonic, online search)
 - Financial decision support
- Consumer Payment & Reconciliation Tools
 - Integration between provider, payer and financial institution for benefit of consumer
 - Multi-function & multi-purpose cards
 - Alternative payment solutions (payroll deduct, credit, etc.)
 - Reconciliation of treatment, bills & E.O.B.
 - Claims review and advocacy
- Health & Lifestyle Change
 - Population health management
 - Alternative delivery models
 - Social networking and Web 2.0
 - Innovative delivery of content (video, etc.)





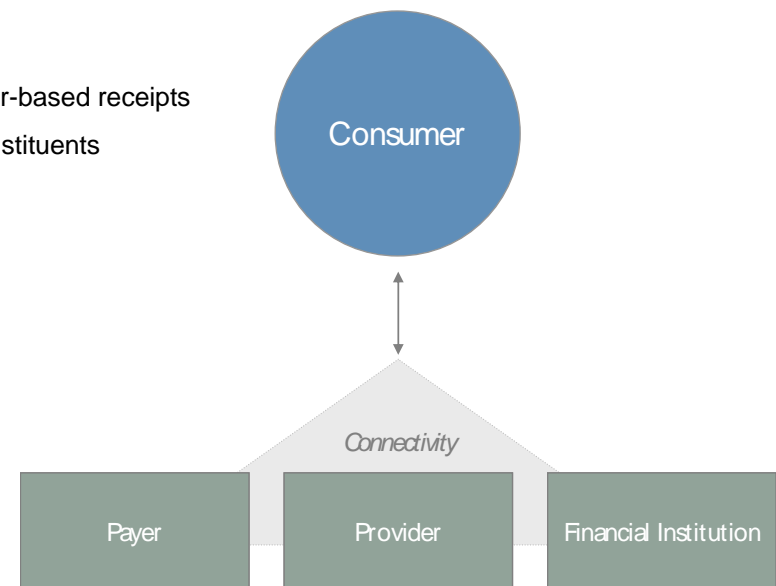
Consumer Payment & Reconciliation Tools

Focus on Integration

- Multi-function & multi-purpose cards
 - Integrated card with HSA / HRA / FSA capabilities
 - Portable health record
- Alternative payment solutions (payroll deduct, credit, etc.)
- Claims review and advocacy
 - Answer coverage questions
 - Resolve eligibility problems and claims denials
 - Review questionable bills to catch duplicate or erroneous charges
- Reconciliation of treatment, bills & E.O.B.
 - Capabilities today are limited with multiple provider bills and reliance on paper-based receipts
 - Some firms are developing capabilities (Intuit) but lack integration with all constituents

Ideal Scenario for Consumer

- E.O.B. is reconciled with provider's bill to map appropriate charges with individual's plan coverage. Member's remaining obligation is noted in one, all-inclusive statement.
- Appropriate amount is paid from individual's account (HSA, HRA, FSA, out-of-pocket, etc.) either online or with multi-purpose card
- Payment is tracked online and an electronic receipt is provided for the consumer's record, increasing convenience and IRS compliance
- Complete payment and claims history is tracked, with deductible information continually updated and available in real-time





Health & Lifestyle Change

Focus on convenient and relevant information exchange

- Market for health & lifestyle change services is expanding rapidly
- M&A activity is accelerating (MinuteClinic, Medstory, CarePages, Healthia, etc.)
- Education and support remain focal points

Social Networking

- Multiple forms:
 - Networks for consumers with common conditions (*ex. Patients Like Me*)
 - Networks for friends and family members (*ex. Care Pages*)
 - Networks for physicians to interact and solicit advice on best practices (*ex. Sermo*)
- Typically self-identifying communities
 - Relevant information put into the appropriate context
 - Major marketing opportunity???

Alternative Delivery Models

- Key drivers for consumers
 - Convenience
 - Cost
 - Timeliness of information
- Key drivers for providers
 - Lower cost
 - Greater reach
 - Accurate and timely data
 - New revenue streams

Examples

Value Proposition

Convenient care clinics

ex. MinuteClinic

- Alternative to emergency room
- Fast, cheap care

Wireless monitoring

ex. Cardiocomm

- Real-time, accurate data
- Convenience

Telephonic consultation

ex. Teladoc

- 24 / 7 access from anywhere
- Cheaper care

Medical tourism

ex. MedRetreat

- Cheaper cost of care
- Privacy and luxury

Healthy communities

ex. Aperion

- Healthy environment
- Convenience and access

Concierge medicine

ex. MDVIP

- Convenience
- Ease of access

Summary

- Stage 2 of a 10 stage race
- Consumers continue to need more resources
- No clear market leader today as products and services are still being defined
- Health consumerism is still being defined and will have multiple additional iterations
 - Alternative care models
 - Financial integration
 - Affect on government sponsored programs
 - Direct and mass consumer healthcare communication