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Investing in Healthcare Innovation



By David B. Black

There is a clear spectrum of innovation in healthcare. I've described the spectrum [here](#), ranging from simple, blocking-and-tackling at one end to exotic AI-related things at the other end, with smart, data-driven ventures in the middle. The exotic end of the spectrum gets most of the money and attention, while the simple end is largely ignored. The middle of the spectrum is occupied by smart, data-driven people who see a problem in the way healthcare works today, and build here-and-now solutions to make it better. Even though there are sometimes structural obstacles to overcome, these entrepreneurs find ways to work with the system and overcome the obstacles, because their solutions benefit everyone involved: payers, providers and above all patients.

[Oak HC/FT](#) invests in this kind of middle-spectrum venture, ventures that are bold and smart, but also practical with right-now benefits. Here are a couple of examples.



Aspire Health

[Aspire Health](#) uses analytics to identify patients who may be approaching the end of their lives, often as shown by increasingly serious health problems. In the normal course of events, these patients would spend an increasing fraction of their time bouncing from one facility to another, each provider doing his or her best, but each acting in completely isolated silos. With Aspire, the patient has the opportunity to have a dedicated care team that meets with them and their families, understands their situation and their desires, and takes charge of each aspect of their care from that point on, making adjustments as required. The Aspire team is a true, takes-charge primary care team, assuring that your needs are met. Typically, patients spend more time at home and less time in hospitals and ER's. The result is that patients and their families are much happier and less stressed, with a primary care team that takes responsibility and gets things done.

Limeade

At first glance, [Limeade](#) may not seem like a healthcare company. But what else would you call a company that works with a group of employees to encourage them to eat, exercise and generally act in ways that promote health? While many diseases just happen to people regardless of their actions, many others either start or are exacerbated by behaviors. Limeade applies analytics and smart technology to identify, support and promote healthy behavior. Result? Employees that are not only healthier, but happier and more

productive. Everyone wins.



Quartet Health

[Quartet Health](#) applies analytics to identify people who have behavioral problems and significant non-behavioral health problems that could be interacting with each other to make things worse for the patient. They pay special attention to these patients, and apply an evolving set of automated tools and human intervention to understand the interaction among the issues. In particular, they identify particular combinations for which intervention can make things better for the patient, and then guide the concerned parties to take the actions that will lead to a better outcome, involving the patient and care providers as appropriate. Net result: patients get healthier than they otherwise would have been. And by the way, costs are lower.



VillageMD

When you have a problem, the first person you're supposed to see is your primary care doctor. Founded by visionary, award-winning Dr. Clive Fields, [VillageMD](#) has done extensive longitudinal analytics on patient outcomes, and discovered things the primary care physician can do to improve care while reducing costs by an average of over 20%. Having proven the methods in their own practice, VillageMD is now delivering their techniques to other primary care practices in a highly systematic, targeted way. Everyone wins: payers pay less, patients are healthier, and primary care doctors have greater impact and make more money. The VillageMD techniques are evolving and becoming more powerful with additional experience.

Conclusion

Oak HC/FT has invested in excellent companies in healthcare. The four companies briefly described here are particularly good examples companies in the center of the "simple-to-exotic spectrum" that [I have described](#). These companies deliver here-and-now results using advanced but non-exotic technology combined with win-win business models. Companies like this that [use "big data" in practical ways](#) are out of fashion in the world of healthcare IT investment for reasons that are a mystery to me. All I can say is that they're all the rage in the world of Oak HC/FT.

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