

E Health

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Presentation Outline

- Definition of E Health
- Market Defined by Segments and Volume
- Drivers of E Health
 - Longevity and chronic illnesses
 - Shortage of healthcare professionals
 - Reimbursement

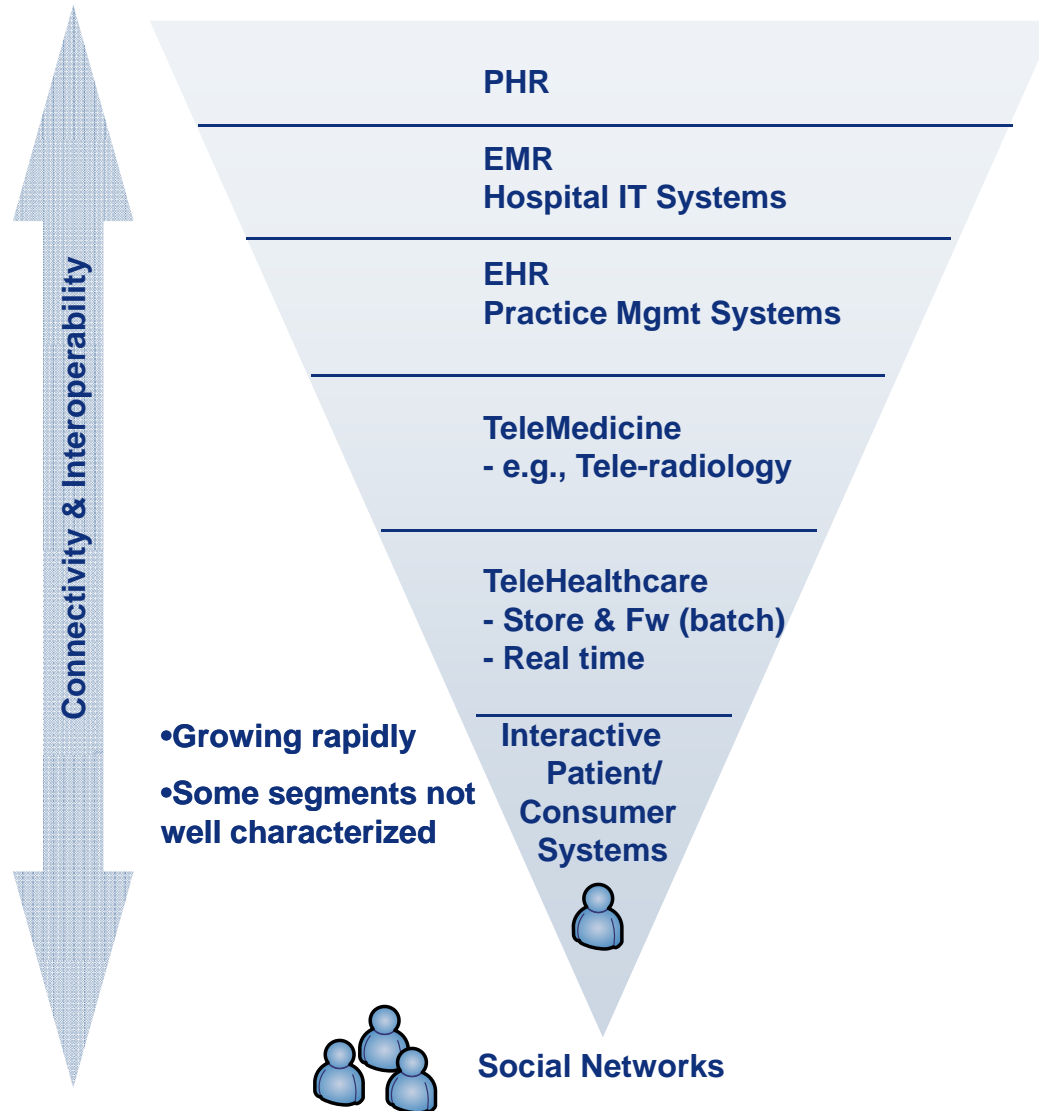
E-Health Definition



Definition:

e-Health is Healthcare supported by Electronic Processes and Communication

E Health market and Segments and Volume



U.S. Market 2007	Size [\$M]	CAGR
EMR Technologies Healthcare IT Hospital	1,200 10,640	? 13%
EHR Practice Mgmt e-Prescribing	1,500 1,800 48	? ?
Home Telehealth & Remote Patient Monit.	600	50%
Digital Home Health	853	36%
Remote Patient Monit.	70	69%
Connected Med. Service	209	?
Wireless Health	4,827	10%
Wireless Devices	2,700	29%

U.S. e-Health Market Segments, Size and Growth

		Segmentation	U.S. Market 2007	Size [\$M]	CAGR
		PHR			
		Hospital IT Systems EMR	Healthcare IT Hospital ⁵	10,640	12%
		Practice Mgmt Systems EHR	Practice Mgmt ⁴ EHR ⁴ e-Prescribing ⁴	1,800 1,500 48	6-16% 8-12% 8-12%
		Telemedicine e.g., Tele-radiology			
		TeleHealthcare	Home Telehealth & Remote Patient Monitoring ⁹ Remote Patient Monitoring ⁴	600 70	50% 69%
		Interactive Patient/ Consumer Systems	Health/Fitness Monitoring Devices and Services ⁸ - Medical Devices ⁸ - Monitoring Services ⁸	209 164 45	64% 71% 62%

EMR ³ 1,200 19%	Wireless Devices / Technologies ² 2,900 30%	Healthcare Telecom Services ⁶ 6,562 5.4%	Healthcare IT (Physicians, home care, nursing homes, hospices) ⁵ 10,235 15%	Healthcare IT (incl. hospitals) ⁵ 20,905 13%	Digital Home Health ⁷ 853 36%
	Wireless Health ¹ 4,827 10%				

Sources

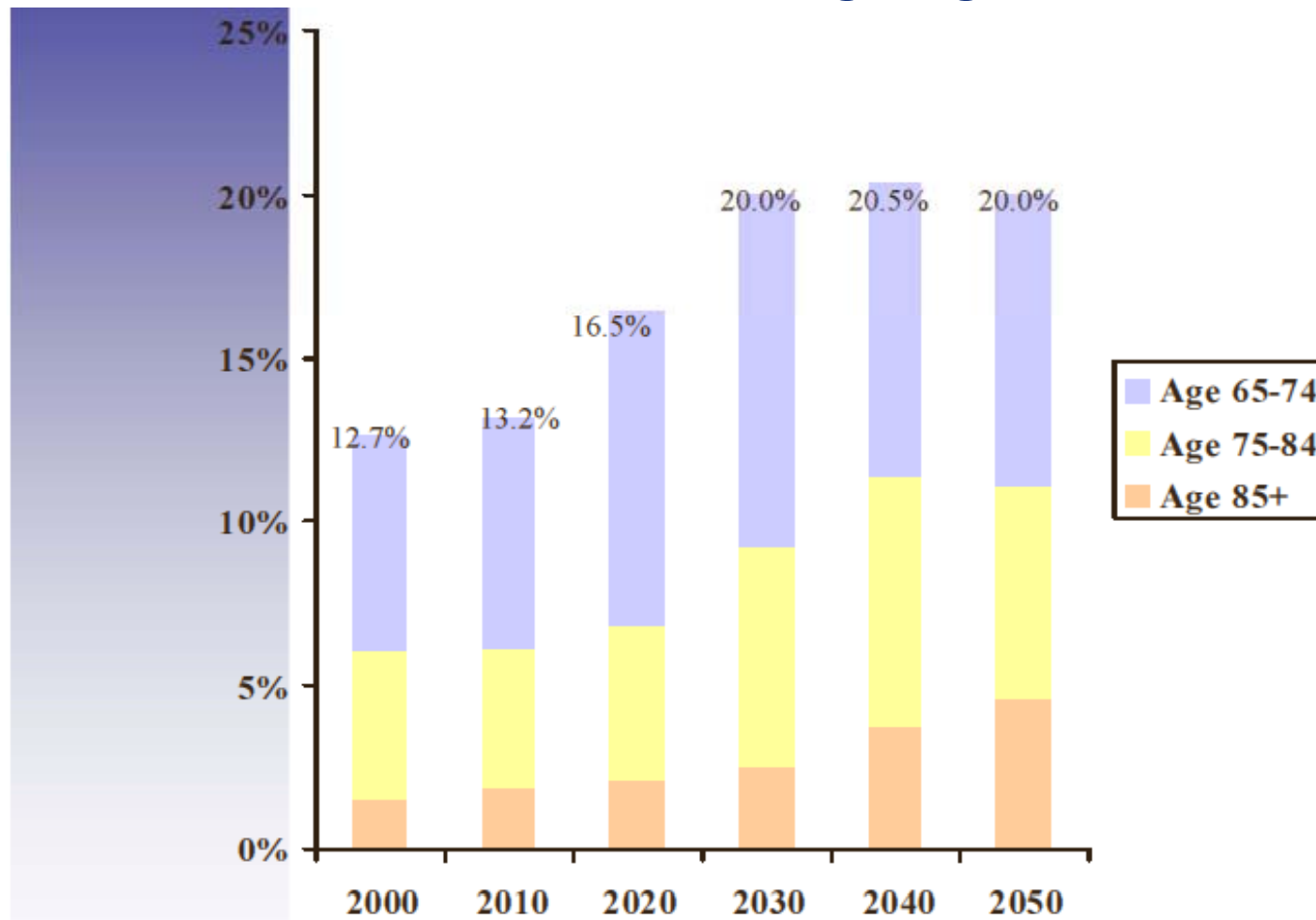
1. Triple Tree
2. Kalorama, Wireless Opp's
3. Kalorama, US Market for EMR Technology
4. IRIS Systems, Inc. – soft source!
5. BCC
6. Insight Research
7. Parks, Digital Home Health Primer
8. Parks, Consumer-driven e-health
9. Insight & Intelligence, Mary Ann Liebert, Inc.

Issues

- Terms Telemedicine and Telehealth are not clearly defined and used interchangeably
- Terms EMR, HER, EPR are used interchangeably
 - Electronic Medical record
 - Electronic Patient Record
 - Electronic Health Record
- Bayer pyramid does not include nursing homes/hospices, health plans (HMO's, insurance carriers, benefit administrators), or pharmaceutical companies (lab IT, clinical research) which are included in some of the market statistics
- No data on Telemedicine
- No data yet on PHR

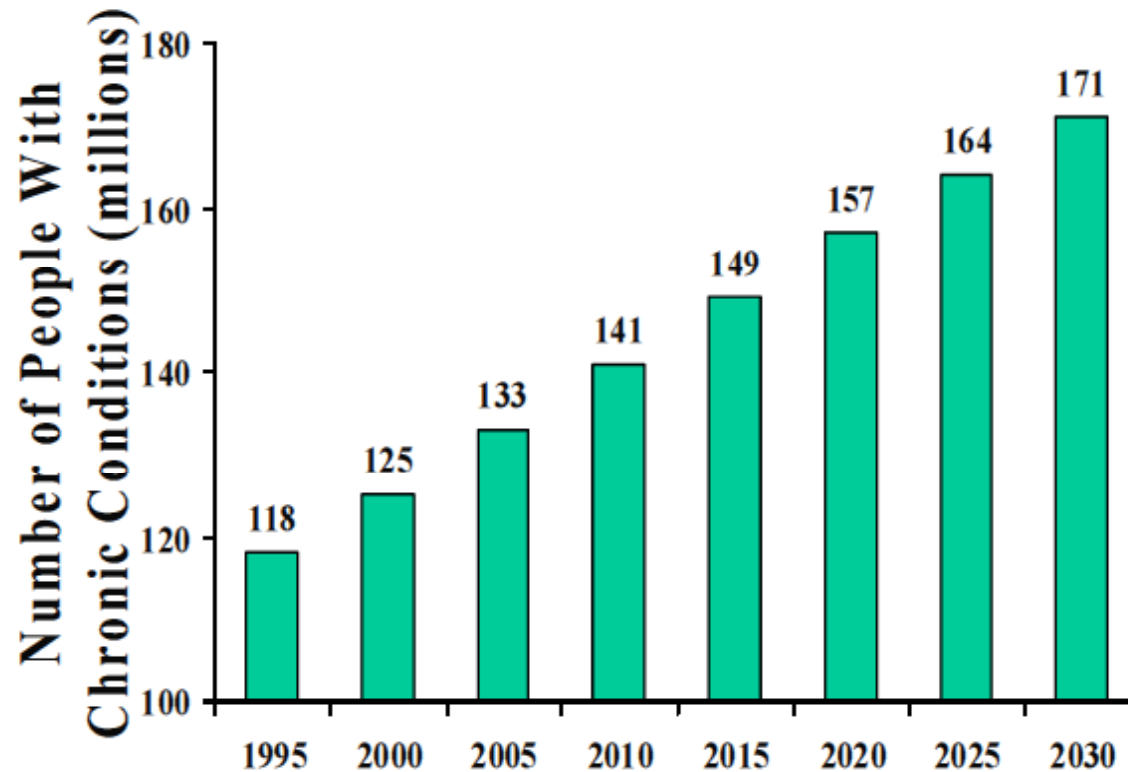
Driver - Longevity

Americans are living longer



Driver – Chronic Illnesses

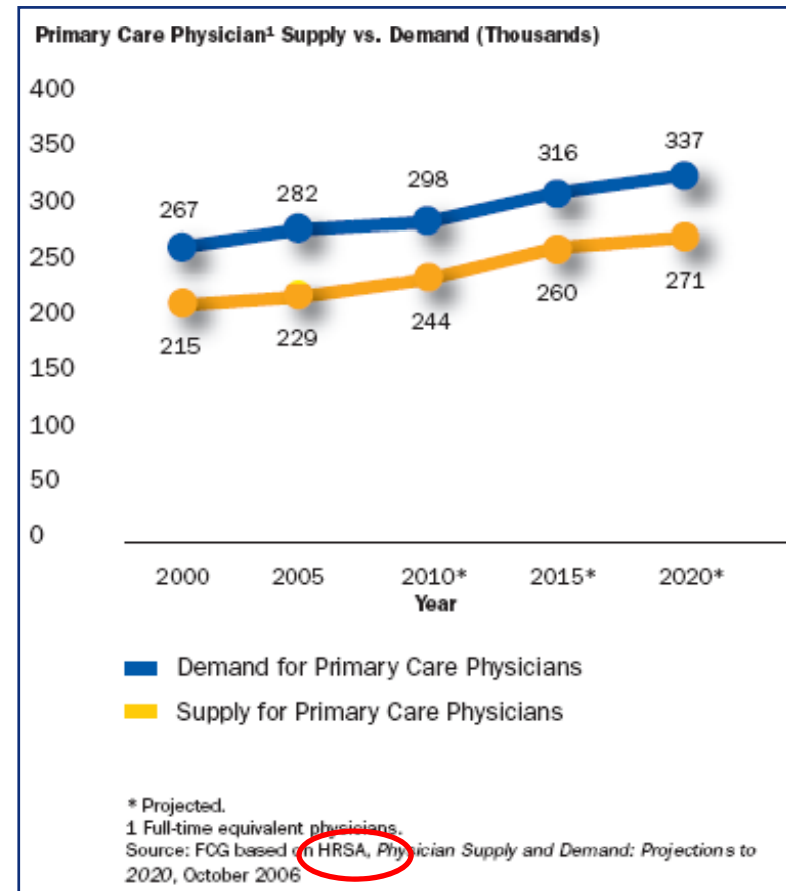
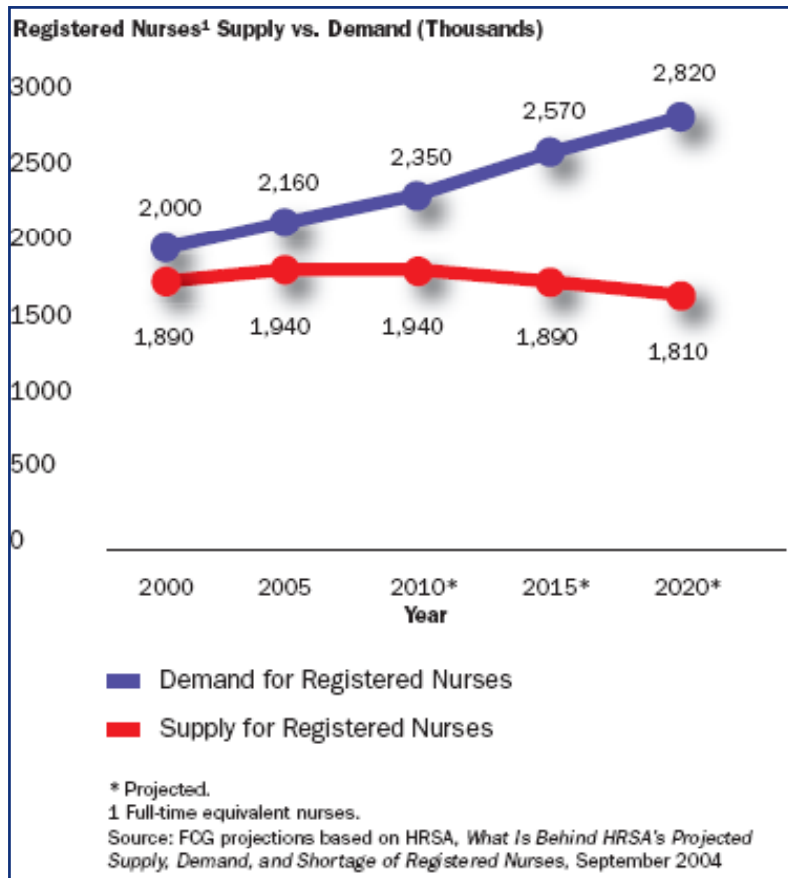
The number of Americans with chronic illnesses is rapidly increasing



Source: Wu, Shin-Yi and Green, Anthony. *Projection of Chronic Illness Prevalence and Cost Inflation*. RAND Corporation, October 2000

Driver – Health Care Professional Resources

By 2020 the demand for nurses and doctors will exceed supply by a wide margin



Driver - Reimbursement

