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Three in Ten Americans Would Use Their Cell Phone to Track Personal Health, Finds PricewaterhouseCoopers 40 Percent Would Pay for Remote Monitoring Device to Send Health Information Electronically to Their Doctor

San Diego, Calif., September 8, 2010 – Three in ten Americans recently surveyed by PricewaterhouseCoopers' Health Research Institute said they would use their cell or smart phone to track and monitor their personal health, and 40 percent would be willing to pay for a remote monitoring device that sends health information directly to their doctor. Their interest reflects the nascent but fast-growing market for remote and mobile health and significant business opportunities for organizations using consumer technologies to support preventative, acute and chronic care.

The findings of the survey and new report entitled Healthcare Unwired were presented today by PricewaterhouseCoopers at the mHealth Initiative 2nd International mHealth Conference in San Diego. According to the report, wireless technology, remote monitoring and mobile devices are changing the nature of healthcare, making it possible to deliver care anywhere in ways that are proving to reduce healthcare costs and keep people healthier. PricewaterhouseCoopers' research includes a nationwide survey of 2,000 consumers and 1,000 physicians regarding their use and preferences for remote and mobile health services and devices. The survey found:

- Thirty-one percent of consumers said they would be willing to incorporate an application into their existing cell phone or smart phone to be able track and monitor their personal health information.
- Forty percent of consumers said they would be willing to pay for a device and a monthly subscription fee for a mobile phone application that would send text and e-mail reminders to take their medications, refill prescriptions or to access their medical records and track their health. Twenty-seven percent of consumers said they would find medication reminders sent via text to be helpful, and men are twice as likely as women to say they would use a mobile device for health-related reminders.
- Forty percent of consumers would also be willing to pay for a remote monitoring device and a monthly subscription that would send data automatically to their doctor health information such as heart rate, blood pressure, blood sugar and weight.
- PricewaterhouseCoopers' Health Research Institute estimates the annual consumer market for remote/mobile monitoring devices and services to be \$7.7 billion to \$43 billion, based on the range consumers said they would be willing to pay.
- Fifty-six percent of consumers say they like the idea of remote healthcare, and 41 percent would prefer to have more of their care delivered via a mobile device.
- Physicians agree that patient compliance with doctor recommendations is a major obstacle to managing health outcomes, and 88 percent of physicians said they would like their patients to be able to track and/or monitor their health at home, particularly their weight, blood sugar levels and vital signs.
- Fifty-seven percent of physicians said they would like to use remote devices to monitor the patients outside of the hospital. Physicians, however, want to see filtered information or exceptions in their patient's health, not all the data all the time. Too much information could actually slow down care.

“Remote and mobile technology is making it possible to move healthcare delivery outside the traditional settings of physician offices and hospitals to wherever patients are. It's bringing back the concept of doctors making house calls,” said Daniel Garrett, leader of the health information technology practice, PricewaterhouseCoopers. “New consumer-oriented business models and technologies are emerging. Companies that will be well positioned competitively are those that can integrate mobile health into healthcare delivery and create value in the health system by helping doctors and their patients better manage health and wellness through mass personalization.”

The PricewaterhouseCoopers report outlines three emerging business models for companies looking to capitalize on mobile health, including: Development of consumer products and services; operational and clinical support, and infrastructure that focuses on security, speed and integration of information.

Much of the momentum behind mobile health to date has been from companies outside traditional healthcare, such as technology and telecommunications companies looking to expand their footprint in the health industries, according to PricewaterhouseCoopers. Yet when asked who they would prefer to receive mobile health services from, consumers ranked their healthcare provider, hospital or health system as Number One, followed by their health insurer.

“There are significant opportunities for physicians, hospitals, health insurers, pharmaceutical companies and medical device manufacturers to market and differentiate themselves using mobile health,” added Garrett. “Yet many healthcare organizations are largely ignoring the opportunity to integrate mobile health into other IT efforts such as the implementation of electronic health records.” PricewaterhouseCoopers research found:

- Nearly two-thirds (63%) of physicians surveyed said they are using personal devices for mobile health solutions that aren't connected to their practice or hospital IT systems, and 30 percent said their hospital or practice leaders will not support the use of mobile health devices.

- Of those physicians who are using mobile devices in their practice, 56 percent said the devices expedite decision making and nearly 40 percent said the use of mobile devices decreases time spent on administration.

- The top challenge physicians said they face in their practice is accessing information where and when it is needed. One-third of physicians surveyed said they currently make decisions based on incomplete information for seven out of ten patients they see. Only half of physicians surveyed currently access electronic medical records while visiting and treating their patients, a situation that will improve with meaningful use requirements for physicians to use interoperable electronic medical records. Physicians agreed that the greatest benefit of mobile health would be to help them make decisions faster by accessing more accurate data in real time.

- The second biggest challenge for physicians is they don't have time to interact with patients as much as they would like. Forty-five percent of physicians said that Internet visits would expand access to patients.

- Forty percent of physicians said they could reduce the number of office visits by 11 to 30 percent by using mobile health technologies like remote monitoring, email or text messaging with patients. Such shifts could address the shortage of physicians, reduce hospital readmission costs and increase access for patients who delay care because they don't want to wait for an appointment.

One of the barriers to more rapid adoption of mobile health may be that in-person consultation is still the main basis of reimbursement in healthcare. Public payers and private health insurers, who are primarily responsible for paying for healthcare, have generally not pushed for adoption of mobile health, says PricewaterhouseCoopers. Nor has the healthcare industry figured out a way to pay for electronic transactions in the way other industries have, such as for music and video downloads. This is changing. A number of health plans are beginning to pay for remote monitoring devices to help reduce hospital readmission costs. Some physicians are now getting limited reimbursement for phone consultations, email consults, tele-health and texting. And nearly half (49%) of consumers surveyed said they would be willing to pay out-of-pocket for electronic consultation with their physicians such as through the Internet, e-mail or text messaging.

According to PricewaterhouseCoopers, infrastructure in the health system also needs to be addressed. Hospital IT networks are struggling under the need for more bandwidth to support rapidly expanding data transactions and exchanges with the growth of mobile health and electronic medical records.

A full copy of PricewaterhouseCoopers' Healthcare Unwired report and survey highlights are available for free download at <http://www.pwc.com/us/mhealth>.

Methodology

PricewaterhouseCoopers' Health Research Institute commissioned an online survey in the summer of 2010 of 2,000 consumers and 1,000 physicians regarding their use and preference of mobile technologies in the United States. In addition, HRI conducted 35 in-depth interviews with thought leaders and executives representing healthcare providers, payers, private sector technology organizations, academic medical centers, telecommunication companies, pharmaceutical and device companies, retail companies, communication firms and employers.

About PricewaterhouseCoopers' Health Research Institute (HRI)

PricewaterhouseCoopers' Health Research Institute (www.pwc.com/hri) is an unparalleled resource for health industry expertise. By providing cutting-edge intelligence, perspective and analysis on issues impacting the health industry, HRI assists executive decision-makers and stakeholders worldwide in navigating their most pressing business challenges. PricewaterhouseCoopers is one of the only firms with a dedicated global healthcare research unit, capitalizing on fact-based research and collaborative exchange among our network of professionals with day-to-day experience in the health industries.

About PricewaterhouseCoopers' Health Industries Group

PricewaterhouseCoopers' Health Industries Group (www.pwc.com/healthindustries) is a leading advisor to public and private organizations across the health industry, including payers, providers, academic institutions, health sciences, biotech/medical devices, pharmaceutical companies, employers and new non-traditional market participants in the dynamic healthcare space. PricewaterhouseCoopers has a network of more than 4,000 professionals worldwide and 1,200 professionals in the U.S. dedicated to the health industries.

PricewaterhouseCoopers' Health Industries' clients include 40 of the top 100 hospitals in the U.S. and 16 of the 18 best hospitals as ranked by US News & World Report; all 20 of the world's major pharmaceutical companies; all of the top 20 commercial payers in the U.S.; municipal, state and federal government agencies and many of the world's preeminent medical foundations and associations. Follow PwC Health Industries at <http://twitter.com/PwCHealth>.

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