




**OPPORTUNITIES AT THE INTERSECTION OF
INNOVATION, ENTREPRENEURSHIP,
AND PATIENT CARE**

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The Children's Hospital of Philadelphia • January 7th, 2016

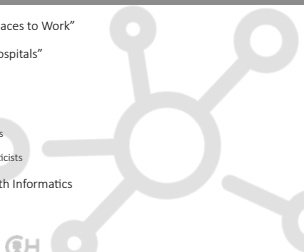
Disclosure

- I have commercial interests with the following:
 - Compensated lecturer, American Medical Informatics Association
 - Co-founder, Haystack Informatics, Inc.
- I do not intend to discuss an unapproved/investigative use of a commercial product/device in my presentation.

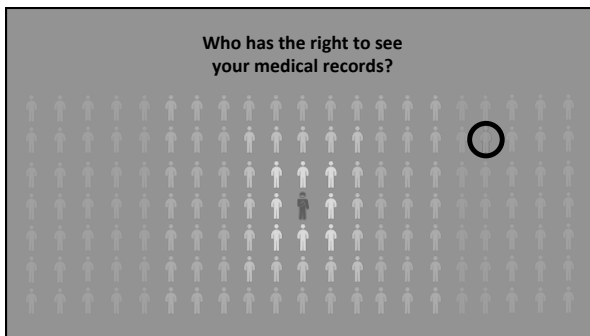


About Informatics@CHOP

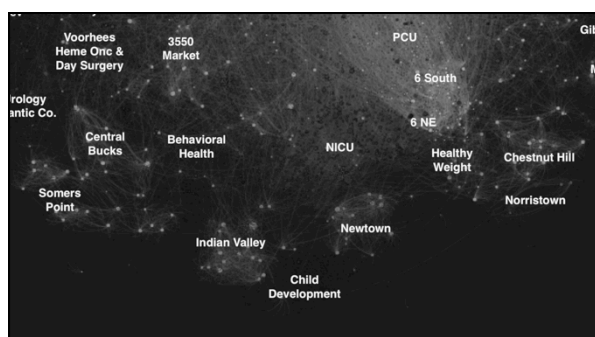
- 2015 Computerworld "Best 100 Places to Work"
- 2015 Healthcare's "Most Wired Hospitals"
- HIMSS EMRAM Stage 6
- Clinical Informatics Program
 - 24 embedded provider informaticists
 - 16+ Board-Certified Clinical Informaticists
- Department of Biomedical & Health Informatics





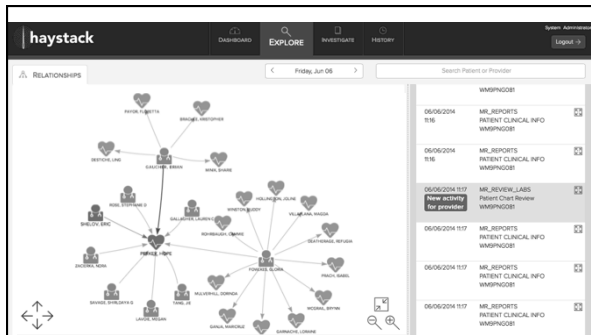




[illegible]

- Graduate of CHOP & DreamIt 2014 “Open Canvas” program
- CHOP innovators partnered with entrepreneurs
- Four month accelerator program
- Patient privacy monitoring software
- Social network analysis and machine learning to identify EHR “snooping” events



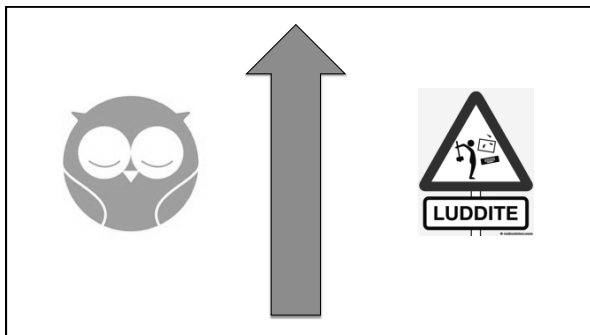


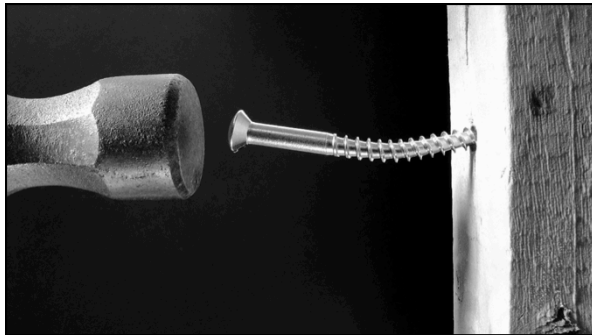






*"Chant no more your old rhymes about bold Robin Hood,
His feats I but little admire,
I will sing the Achievements of General Ludd
Now the Hero of Nottinghamshire"*






1
Innovation must address a problem

There's a difference between ideas, inventions, and innovation.

- **"Idea"** is a novel thought or insight, but without form.
- **"Invention"** is the creation of something new, but without application.
- **"Innovation"** is a product or process applied to solve a problem.





Innovation in medicine is the same, but different



Why can't we innovate in medicine?

□ We can, it's called **Research**

- ▣ Human subjects, requires IRB
- ▣ Contribute to generalizable knowledge
- ▣ May result in licensable IP
- ▣ Systematic testing of a hypothesis
- ▣ Typically an external funding source, such as a grant from public or private agency with no fiduciary expectation



Why can't we innovate in medicine?

□ We can, it's called **Quality Improvement**

- ▣ Desire to improve a process, protocol, or program
- ▣ Uses a standard QI methodology, such as Plan-Do-Check-Act
- ▣ Aimed at producing change in a process
- ▣ Typically internal operational funding source



Why can't we innovate in medicine?

□ We can, it's called **Entrepreneurship**

- ▣ Shared goals of improving health but also demonstrating return on investment
- ▣ For your investors, the latter is most important
- ▣ Subject to same restrictions as rest of healthcare
- ▣ Some very important differences, latitudes, affordances



Risks of innovation in medicine



- **Mission**
 - If you're a not-for-profit hospital, is this really aligned with your mission?
- **Financial**
 - Who is paying for this and what (if anything) do they expect in return?
- **Clinical**
 - Be sure the risk to patients is minimal, or else this is "research"
 - There's a reason why the FDA must approve medical devices
- **Professional**
 - Credibility
 - Conflict of interest



THERAC-25: a cautionary tale

PATIENT NAME : JOHN DOE			
TREATMENT MODE : FIX	BEAM TYPE : X	ENERGY (MeV) : 25	
	ACTUAL	PRESCRIBED	
UNIT RATE/MINUTE	0	200	
MONITOR UNITS	50 50	200	
TIME (MIN)	0.27	1.00	
GANTRY ROTATION (DEG)	0.0	0	VERIFIED
COLLIMATOR ROTATION (DEG)	359.2	359	VERIFIED
COLLIMATOR X (CM)	14.2	14.3	VERIFIED
COLLIMATOR Y (CM)	27.2	27.3	VERIFIED
WEDGE NUMBER	1	1	VERIFIED
ACCESSORY NUMBER	0	0	VERIFIED
DATE : 84-OCT-26	SYSTEM : BEAM READY	OP.MODE: TREAT AUTO	
TIME : 12:55: 8	TREAT : TREAT PAUSE	X-RAY 173777	
OPR ID : T25V02-803	REASON : OPERATOR	COMMAND:	

- Radiation therapy machine
- Responsible for 6 accidents, 3 deaths due to massive radiation overdose from 1985-1987
- Attributed to failure to detect a "race condition" in software
- Poor design of error messages ("MALFUNCTION" followed by a number from 1 to 64)
- Personnel didn't believe patient's complaints



What else is different?

- Healthcare is heavily regulated
 - IRB / Human Subjects
 - FDA
 - HIPAA
 - Institutional COI policies
 - Institutional consulting policies
- HIPAA
 - All vendors who use PHI must have a Business Associates Agreement (BAA) in place
 - Often require their own data-loss liability insurance



Haystack experience

Client 1: Behind the Firewall

- Haystack employees had to undergo CHOP background checks, as do all "contractors"
- Assigned a named user account
- Created a secure FTP port



Client 2: Outside the Firewall

- Amazon AWS HIPAA-compliant private cloud server
- Amazon will execute a BAA with clients (available whitepaper)



Google's nine pillars of innovation



- Innovation should come from everywhere
- Focus on the user
- Aim to be 10-times better
- Bet on unique insights
- **Launch and Iterate**
- **Give your employees 20% time to create**
- Default to open (platform, not solution)
- **Fail well**
- Have a mission that matters




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Innovation in healthcare is necessarily different

- Must balance innovation with risk to patients.
- Medical devices requires a different level of testing rigor.
- People tolerate buggy software, but not in healthcare. So "launch and iterate" doesn't translate the same way.
- "Failing well" means different things to Google and to a hospital.
- I don't know about you, but nobody is giving me 20% time to tinker!





"Derisking" is Not a Made Up Word




derisk

verb [I or T] (ALSO **de-risk**) /di:'risk/


to make something safer by reducing the possibility that something bad will happen and that money will be lost.

Challenge Implicit/Explicit Assumptions

- ☐ Positioning / differentiation
- ☐ Demand
- ☐ Market size
- ☐ Feature set
- ☐ Competition
- ☐ Pricing / business model
- ☐ Sales / adoption cycle




Credit: Steve Barsh, Dreamit Ventures





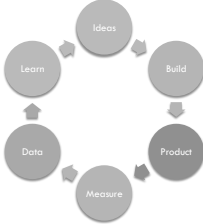
Goals of Derisking

- Convert assumptions into knowledge
 - At low cost
 - As quickly as possible
- Decrease assumptions to increase value
- Consume intellectual capital before outside capital
- Know when to proceed and when to pivot



Credit: Steve Barsh, DreamIt Ventures

Validate assumptions, iterate frequently



- **Customers**
 - Who are they?
 - What do they think?
 - What do they like/dislike?
- **Investors**
 - Who will fund this and why?
- **Talent**
 - Who do you need to bring this to market?
- **Time**
 - How can we shorten the time to market and how do we get there?

Credit: Patrick Fitzgerald, CHOP OIE & The Lean Startup Book by Eric Ries

Examples of Derisking

- **Target market:** you see rare diseases a lot, but does your target market?
- **Dollars:** is the group that would benefit the group that would pay for it?
- **Sales cycle:** hospital enterprise software sales cycle is 1-2 years!
- **What does it solve:** do others agree this is a big enough problem to warrant a special solution?

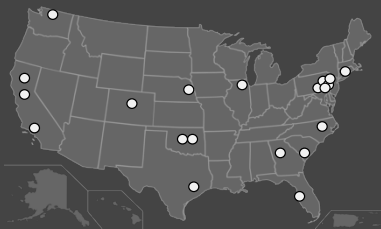


<http://medcitynews.com/2015/10/healthcare-startup-pitches/>

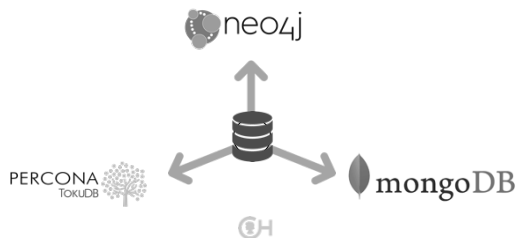
Credit: Steve Barsh, Dreamit Ventures



Market Validation




Pivot when necessary



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Derisk early: challenge every assumption

- Nine out of ten startups fail (worse than restaurant industry!)
- Be aware of your own confirmation bias: of course you think it's a great idea, it was your idea!
- Choosing to change early is easier than being forced to change late.





Build a strong team and seek out expertise



Raise your hand if you can answer yes...

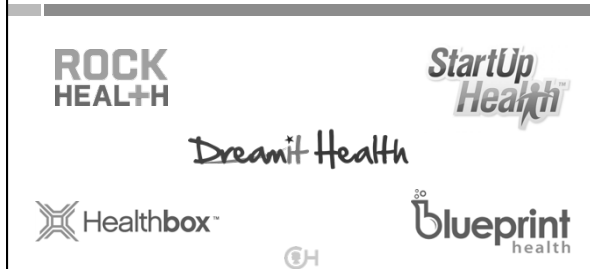
- ☐ Your hospital has a device fabrication / prototyping facility?
- ☐ Your hospital has a mobile apps development shop?
- ☐ Your hospital understands modern web technology?
- ☐ Your hospital has a formal structure to support innovation?
- ☐ Your hospital can introduce you to innovators, investors, and entrepreneurs?
- ☐ You have personal experience with starting a company?



Some hospital examples



Healthcare accelerators / incubators



What to look for

- Do they prefer early or late stage companies?
- What do they offer?
 - ▣ Space
 - ▣ Resources
 - ▣ Mentorship
 - ▣ Speakers / Tutorials
 - ▣ Connections / Introductions
- Track record? Alumni network?



Experience with Haystack

- DreamIt identified a startup veteran, Adrian Talapan, as CEO
- We were the marketing, branding, product development, technical, sales, and HR team all rolled into one. Startups are impressively nimble.
- We hired our first 2 developers via Craigslist!
- Web stack is entirely open source
- Took a "mini-sabbatical" for 40% effort x 4 months
- Built the minimum viable product "MVP"



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Build a strong team and seek out expertise

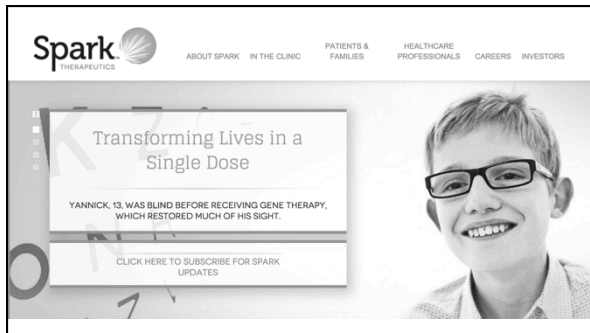
- Defer to expertise where you can find it.
- Accelerators/Incubators offer a specific value – see if it's right for you.
- When given an opportunity to network, pay it forward.

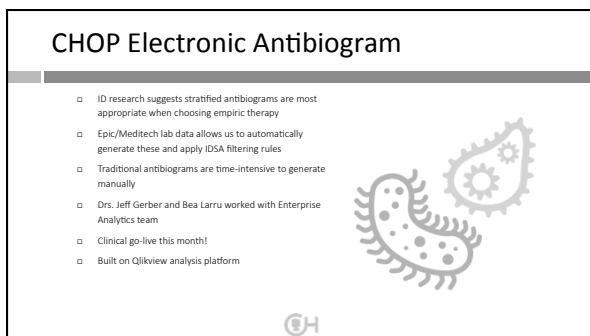


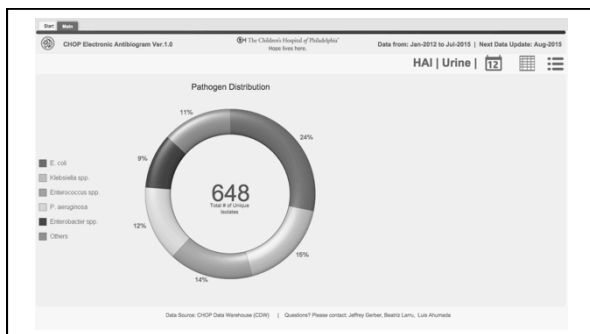


Innovation comes in all shapes and sizes









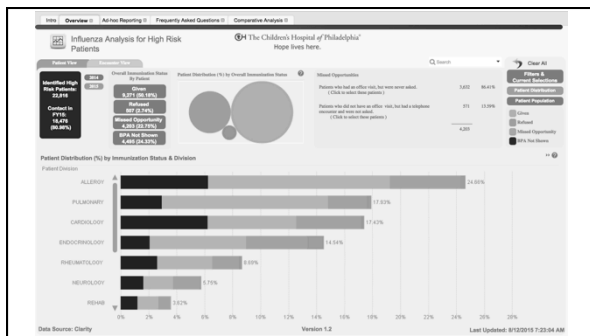


High-Risk Influenza Dashboard




- AAP recommends influenza vaccination for all children, especially those with certain chronic illnesses
- Department of Pediatrics undertook a project to improve vaccination for high-risk specialty-care patients
- Epic alerting & workflow was supplemented with an analytics tool to understand end-user behavior
- Also allowed us to provide QI-style metrics
- Between FY13 and FY14, saw 20% improvement
- Between FY14 and FY15, saw another 50% improvement






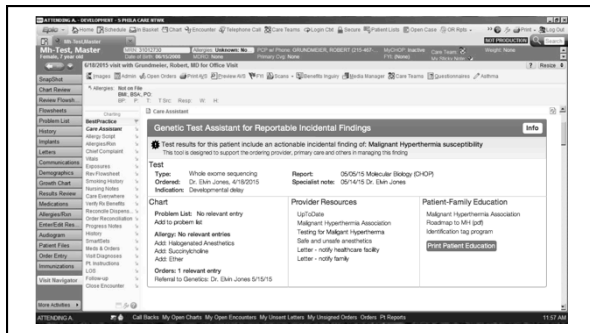
Care Assistant & Epic Integration



- EHR built to document. Digital health data can mean digital intervention!
- R&D Technologists + Clinical Informaticians + HCI Analysts = Software framework and portfolio of ten decision support apps
- Improved outcomes e.g. immunization rates, preemie care coordination, asthma management.
- Vision: real-time predictive decision support

Credit: Jeff Remington, CHOP 2008
Funded by various grants & CHOP support.




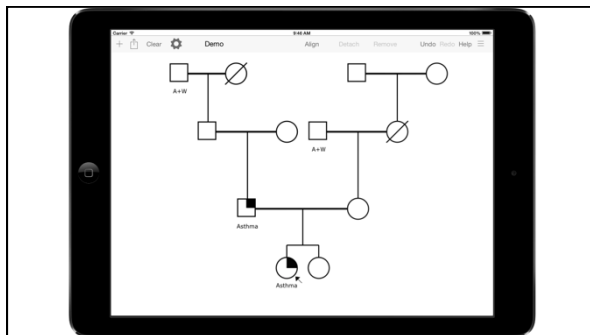


ProBand: Digital Pedigree & Algorithmic Risk Prediction


- ☐ Digital family history
 - ☐ Key to diagnosing congenital and other genetic conditions
 - ☐ State of the art is still hand drawing on paper, scanned into EHR
- ☐ Jeff Miller + Genetic Counselors = Multi-touch iOS app & enterprise server
- ☐ 1000's of families in Center for Fetal Diagnosis and Treatment, Genetics
- ☐ Over 1K downloads from App Store
- ☐ Piloting at Johns Hopkins University

Funded by NHGRI Clinical Sequencing Exploratory Research program grant.






PediCrisis




Available for iOS and Windows 8



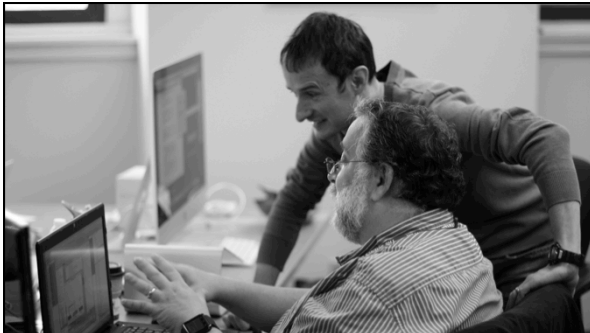
5 Innovation comes in all shapes and sizes

- From “Big I” innovation all the way to “little i” process innovation.
- There is value in developing a culture and process for innovation.
- Identify the correct patron up front and make sure incentives are aligned: what’s in it for A to pay you to build B?
- Learn to “pitch” your ideas – big or small - for traction.



Most of all, have fun!













6

Most of all, have fun!


- Some of the most creative and exciting work I've done in years.
- Startups are very different from hospitals, and the differences are enlightening.
- Valuable and portable skillset.
- Incredibly rewarding experience, enduring relationships.




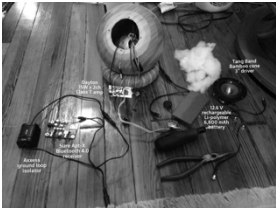





Product
Tang Band W3-13645A 3" Bamboo Cone Driver Part # 256-864
Speaker Cabinet Port Tube 1-3/8" ID Adjustable Part # 255-388
Dayton Audio SPA-385N HD Binding Post Pair Bath Nickel Part # 091-1247
Bluesooth Audio Receiver Board v2, 14EDR 12 VDC Part # 320-351
Dayton Audio DTA-2 Class T Digital Audio Amplifier Module Part # 300-385
Anneke AG3.5 3.5mm Ground Loop Isolator Part # 255-009
SPST Round Push Button Switch Click On/Click Off Part # 690-620
3.5mm Stereo Panel Mount Jack Part # 090-317
Panel Mount Metal DC Power Jack 2.1 x 5.5 mm Part # 090-495













Office of Innovation & Entrepreneurship

- Educate, Elevate, & Expand
- SPRINT Program
- Provide entrepreneurial support at any stage of development
- Penn Hackathon, Philly Codefest

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Thank You!

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