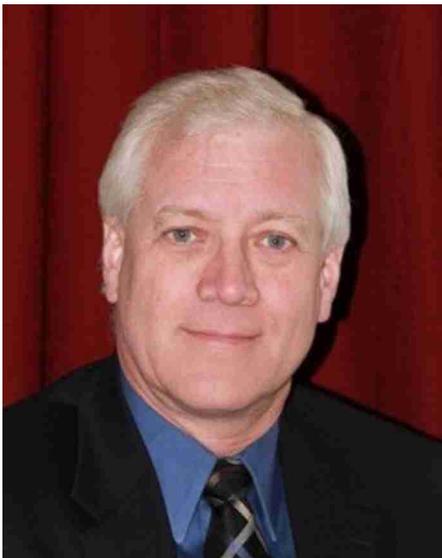


**Bringing to Market Solutions based on their mHealth Platform that incorporates Mobile, Tablet, Cloud and Physiological Monitoring Technologies for Early Screening and Diagnosis through Completion of Care, Preventice is helping Health Care Providers Achieve Higher-Quality Outcomes**

**Technology  
Mobile Health Solutions**

**Preventice  
10 South 5th Street, Suite 888  
Minneapolis, MN 55402  
800-509-0503  
www.preventice.com**



**Jon Otterstatter  
CEO**

**BIO:**

Jon has earned a reputation as a creative, solutions-oriented leader and technology expert. His skills and commitment to excellence have brought high value to global enterprises while returning above-average value for the stakeholders.

Prior to co-founding Preventice, Jon served as executive vice president and chief technology officer for SPSS, Inc. Here, he guided the stra-

tegic direction, budget, personnel and daily operations for the company's worldwide technology operations.

Jon also served as senior vice president of technology for ShowCase Corporation in Rochester, MN, and was a senior programming manager at IBM. Jon holds a Master's Degree in technology management from M.I.T., and a Bachelor of Science in computer science from the University of Wisconsin-La Crosse.

**About Preventice:**

Preventice was founded on the vision that a clinically validated mHealth platform could bring together mobile, tablet, cloud, and physiological monitoring technologies to address current health care needs. Our Preventice Care Platform allows us to work with leading innovators to develop new technologies that improve outcomes in cardiac care, allergy avoidance, medication adherence, and beyond. From early screening and diagnosis through the completion of a care plan, Preventice helps health care providers achieve high-quality outcomes.

**Interview conducted by:  
Lynn Fosse, Senior Editor  
CEO CFO Magazine**

**CEO CFO:** Mr. Otterstatter, what is the concept behind Preventice?

**Mr. Otterstatter:** The concept behind our company is to drive a tighter and stronger patient engagement model between a physician and a patient, or loved one and a patient. We think that patient engagement is the primary element whereby improvement can

directly affect health care outcomes. Examples are related to drug adherence or in reducing concern in how a person is complying against his or her care plan. Mobility, as you know, is rampant across the world. There are some seven billion people on the planet with around sixty to seventy-five million healthcare workers. If you think of the chasm between the two groups, mobile communication capabilities can help change the engagement model between patients and their healthcare worker.

**CEO CFO:** How have people been engaging these days and what do you bring to the table at Preventice?

**Mr. Otterstatter:** If you think about any care plan that a physician would prescribe to you, and it does not matter whether it is an illness or wellness opportunity, most practicing health-care institutions or primary care physicians follow some judgment, guidelines and approach. Throughout that care plan, there are opportunities for encouragement, for monitoring and education, for relationship and clarification of thoughts. At our fingertips, we have iPads and smartphones, what a wonderful way to interact. Let us look at a simple example with drug adherence. If a patient receives a six-day prescription for an ear infection, but starts feeling better after two days, she might decide not to take the medicine the remainder of the time; however, there is a clinical reason why it was set for six days. If you are not following through on the prescription, it is a shortcoming in our health-care system. Words of encouragement, a simple text reminder, or even

a little more education of why it is so important to take the drug for the period of the prescription are some very strong motivators for individuals. If it is at their fingertips with their cell phone or on a web page or an iPad, these are phenomenal tools that can help drive a positive effect.

**CEO CFO:** Are doctors ready for it?

**Mr. Otterstatter:** That is a great question and we do two things at Preventice to encourage adoption. We only think about the physician and the patient. Our approach is a significant statement of who we are. We do not practice medicine, so we can never assume that what we are creating or what we might visualize will be prescribed by a physician. I like to tell our team often that if it is not prescribed by a physician and/or not used by a patient, none of this matters. We have to think about the healthcare workflow. We have to think about the physician from the perspective of adoption and avoid just throwing more data at them and extending their workday. These are very well educated and professional individuals that care greatly about human life. We want to help simplify their lives. The real focus is how we dovetail the effectiveness of our solutions into their workflow. We cannot make their days longer, or their challenges greater, we have to simplify. The only way that we are going to accomplish that is by listening to physicians as we are creating the solutions. We have a very tight relationship with leading institutions that provide healthcare and we think about everything we do from their aspect and their angle. Then, of course, the inverse or the converse side is the patient and understanding the workflow of the individual patient.

**CEO CFO:** Where are you in the development and utilization, and what are some of the common uses today?

**Mr. Otterstatter:** We started the company with the vision that we can help fill this void, and we started focusing on mobile applications around the time of a new device called the iPhone. Now the Droid has come and

we are working aggressively on that. We have created well over sixty plus applications that have advanced different aspects of the patient engagement model between the physician and the actual patient end-user. We have built some applications that help a physician with prescriptions as with dosage calculators for some very difficult and challenging drugs. We have also built some patient applications that help people understand what triggers migraine headaches and captures those migraine headache triggers in a way that he or she can share with his or her physician. We most recently received 510k clearance from the FDA for a remote monitoring system called BodyGuardian. Think about the broader sets of problems we can tackle, where you have cardiovascular diseases or long-term pulmonary issues. We can now measure somebody's baseline and wellness remotely and bring back to

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**- Jon Otterstatter**

the physician the physiological parameters of an individual, their heart-beat, their heart rhythm, their respiration rate and movement. The efficacy of a care plan is improved by removing some of the subjectivity and allowing the objectivity of data to be part of the care plan.

**CEO CFO:** Who is using your products and services?

**Mr. Otterstatter:** When I look at the ecosystem of who is going to benefit, I think of the payers and the large health care providers and life science companies. In my judgment, that is the ecosystem within which a patient coexists. Our target is the large institutions and the three buckets; the payers, providers and the life science companies. They all have a motive to help improve our cost structure and the economics of healthcare but equally important is the efficiency of healthcare. For example, think of a

surgeon at an institution that performed heart surgery. If you ask that doctor what the objectives are to help a patient that just completed heart surgery, their motive is to get that person out of the hospital as soon as possible. They want the discharge to be safe and healthy. Being sick in a hospital is not really where you want to be. It is not only the cost, but also certainly the environment. The sooner we can get that individual to his or her home where they are comfortable in their surroundings, the more likely they will have a successful recovery. It is not only physical, but it also has a mental impact as well. Solutions from Preventice help this motive.

**CEO CFO:** The people that are less likely to follow the directions are also the least likely to be using devices; how do you bridge that gap?

**Mr. Otterstatter:** There are more technology-aware demographics than others and there are two things going for us: for starters, if you take our BodyGuardian Remote Monitoring System, presently it is a very unobtrusive and sticks onto your sternum with an adhesive material that is removable. We use Bluetooth or Wi-Fi to transmit the signals. It is a dedicated device and the interface is easy to use. The transmitter sits on a table and you do not need to carry it anywhere. We are advancing technology whereby the transmitter will not even be a cellphone. It could be a little lapel pin or a belt clip. It could be a very strong device that has no interface other than the button that you can push when you are not feeling well.

**CEO CFO:** You are in a somewhat crowded field and your concept is not unique although the way you go about it could be; would you tell us about your competition, and why people should look at your devices and apps?

**Mr. Otterstatter:** It goes back to where we started, with the simple adage that if a physician will not prescribe it, a patient will not use it. We do not practice medicine, we rely on those who practice medicine to drive

the direction we are going and the validation of what we created. Being a very tight partner to large institutions allows us that focus. We did not create a device to see who would use it, we created a device in collaboration with an institution that says we need one. The difference that I see from the competition is that many others are more technology oriented for technology's sake, versus Preventice, which is clinically oriented for the clinical sake. I like to tell the team that the technology is a very small part of the problem.

**CEOCFO:** Is there an app you would like to develop in a specific area?

**Mr. Otterstatter:** I think the future progression point is that we, as an industry, need to resolve some of the issues around the usability of the interface. It goes back to the question of whether the patient is getting a daily benefit. The types of solutions we are starting to work on are more encompassing and targeted to a given individual. Maybe it is complex where you would need SPO-2 to come together with a heart rhythm and activity to determine an aging problem. It is getting down into the specific demographic or the specific disease state or health or wellness condition where that value proposition becomes so prevalent and obvious that it is a pull for a solution versus trying to push it through a clinical trial. That cannot be done unless you are sitting there with a physician who says they have a hypothesis on how they can prove weight monitoring or weight reduction or can help a pulmonary condition or somebody with obstructive sleep apnea, diabetes, and heart failure. These are complex problems, but when you boil it down, you start to

look at the physiological inputs and how they are used in a care plan.

**CEOCFO:** Do you see the impending healthcare law as being a plus for what you are trying to do?

**Mr. Otterstatter:** I think it does play to the opportunity. If you think of the forcing factors across the world, a couple of variables keep surfacing. The cost of healthcare in every country continues to elevate and far outstretches inflation. The numbers are astronomical; just think of how much your insurance goes up every day and every year. In fact, \$2.6 trillion a year is spent on long-term healthcare in the U.S. The numbers are approaching 25% of GDPs in the world. This is just not sustainable forever. The second factor I would mention is the demographics, more specifically, the baby boomer population. These are people who are coming into their retirement years and in many ways, they have expectations of longevity yet they want to be remote, mobile and they want to be comfortable. They want their diseases and health challenges to not be an obstruction to the balance of their life. I believe that remote monitoring, remote wellness, remote education is an offering. That is a forcing factor; people are expecting more of their physicians. Unfortunately, the subtitle is that chronic diseases have gotten worse; just look at the obesity rate. We have some real issues in the world around chronic healthcare. Another forcing factor is the graduation of fewer physicians every year and the fact that those who are graduating, are becoming more specialized. The opportunity for a patient to go to his or her own practitioner to stay healthy is becoming more difficult.

**CEOCFO:** Cost of development and commercialization is expensive; how is Preventice faring along the lines of funding?

**Mr. Otterstatter:** We are still a small startup. We are roughly fifty-five people strong. We are very fortunate to have more demand than we can satisfy right now. It is very aggressive but it is a small business and you fight everyday for existence. We do not have the large capital resources that others have. We are very fortunate to have patient investors and very strong visionary investors who believe they are a key part of the healthcare supply chain and they have corporate mandates to have an effect on healthcare. I am very delighted about that.

**CEOCFO:** Why should the business and investment community pay attention to Preventice?

**Mr. Otterstatter:** Preventice has, in a short period of time, gained a reputation as a serious contender to be a disruptive catalyst for change. It comes back to that authentic clinical and scientific base from which we started. We are different than many other competitors who started with a great idea and helped build a tremendous device, but they have to push it through the system, versus being pulled into the system. We really get put into the positions where our technology and total solution becomes complimentary to the clinical practice. It is not only an inside pull but it is an opportunity to authenticate that our solutions are endorsed by institutions and have proven the subsequent positive value. It is then much easier to get traction in other markets.



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