

Healthcare CRM

March 2, 2015



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Healthcare CRM

Public companies

Company	Ticker	Price	Rating
athenahealth Inc.	ATHN	\$129.28	E
Salesforce.com	CRM	\$68.43	O
National Research Corp.	NRCIB	\$32.75	E
WebMD Health Corp.	WBMD	\$44.73	

Private companies

Binary Fountain	Klio Health
Emmi Solutions	LionShare
Evariant	Medicom Health Interactive
Gigya	Sharecare
Healthgrades	Tea Leaves Health
Influence Health	Vital Score
KareOutcomes	

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CRM market evolving, intelligently connecting with consumers and building a brand are critical

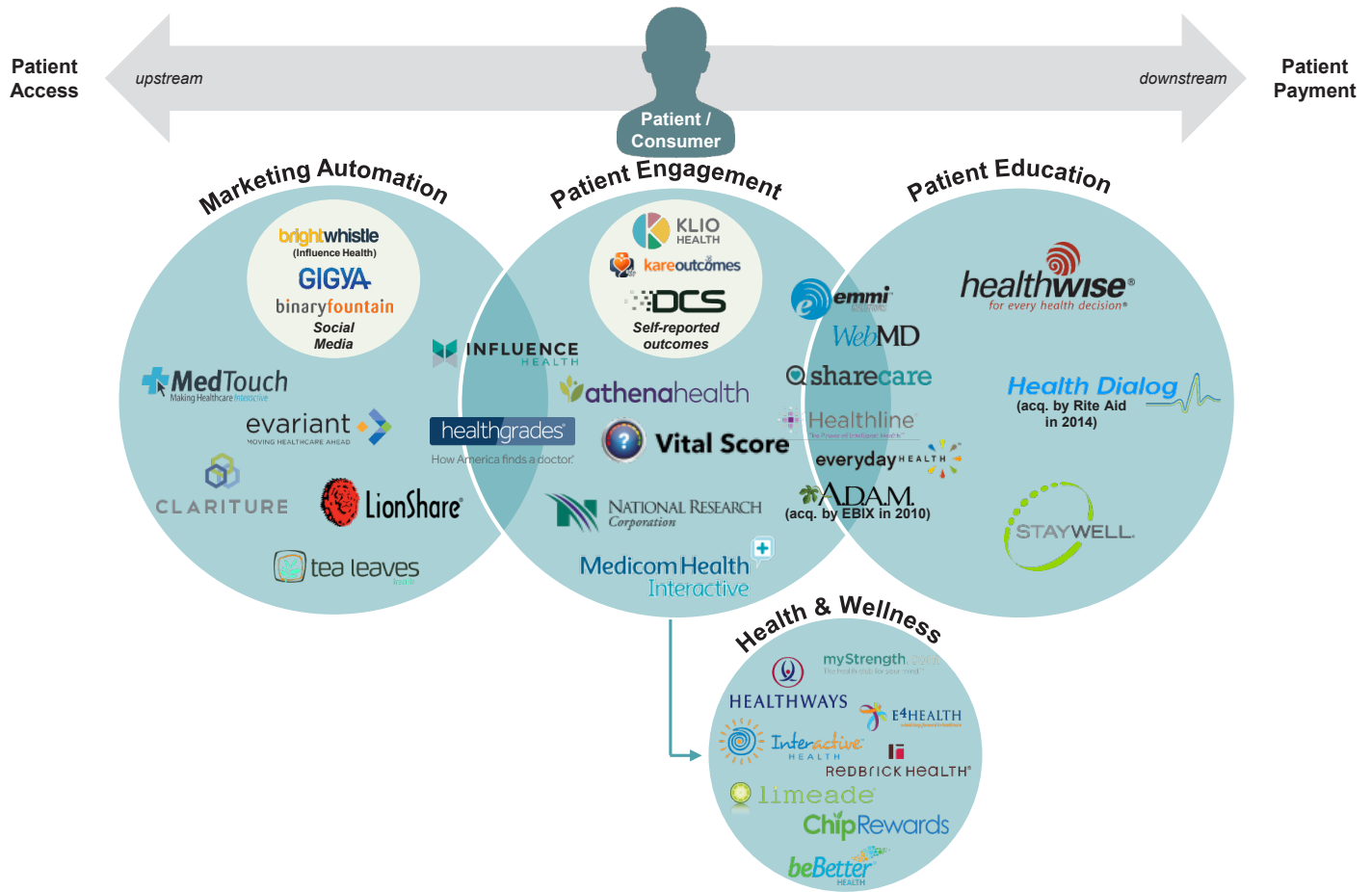
- While healthcare lags behind other verticals, the industry has been shifting from traditional forms of marketing to online channels and social media to drive volume/market share. Investments in a broad range of CRM solutions, including marketing automation and tools such as health risk assessments, are critical.
- Consumerism in the form of price transparency is one of many factors driving healthcare CRM, and hospitals and health systems now have to respond to price-sensitive patients and differentiate themselves based on convenience, quality, and brand.
- Building brand equity and loyalty requires hospitals and health systems to have a better understanding of consumer factors and provide consumers with a range of information and tools to become the preferred healthcare brand. Some notable products in these areas include NRC's Market Insight, Emmi Solutions' patient education programs, and Sharecare's AskMD.

MARKET OVERVIEW

A number of drivers are making the healthcare customer relationship management (CRM) market a dynamic and increasingly attractive opportunity. These include price transparency, increased competition and financial pressure, population health initiatives (including health and wellness), mobile, and social media. As shown in Table 1, the CRM market, as we have broadly defined it, encompasses several distinct markets such as marketing automation (including content management and social media), patient education, and patient engagement. It is linked to related markets upstream (patient access including scheduling and registration), downstream (patient payment), and tangentially to health and wellness. CRM narrowly defined consists of three core components: 1) the ability to append and enrich patient/consumer data, 2) the application of predictive analytics and modeling to target specific patients/consumers, and 3) the ability to measure results downstream and validate an ROI on the market dollars invested.

The market has witnessed a number of important M&A events and the creation of several large influential players, including Influence Health, WebMD, Everyday Health, and Healthgrades. The most recent M&A event occurred in mid-February when Influence Health acquired BrightWhistle. In 2011, Influence Health (then known as

TABLE 1
Healthcare CRM Landscape



Source: First Analysis.

MEDSEEK), acquired Third Wave Research Group (REACH3) for its predictive analytics platform.

Mobile revenue up

With 2015 projected revenue of \$615 million to \$635 million (up 6% to 9% vs. 2014), WebMD is the largest player in the healthcare CRM market, serving both consumers and healthcare professionals. During the fourth quarter of 2014, traffic to the WebMD Health network reached an average of 190 million (up 22% vs. a year ago) unique users per month, ranking it the 28th largest web property in the U.S. and the largest health property by a significant margin. Highlighting the shift to mobile, 36% of the 3.7 billion (up 19%) page views during the fourth quarter of 2014 were from a U.S. smartphone, up 36% from a year ago. Similarly, at Everyday Health, mobile revenue increased 90% year-over-year during the third quarter of 2014.

Shift away from CAHPS?

In its December 2014 quarterly earnings call, National Research Corp. (NRC) CEO Mike Hays stated “healthcare systems are increasingly competitive in the race to engage the customer and establish themselves as the patient’s lifelong brand for healthcare.” Furthermore, Hays suggested that 90% of the \$300 million-

plus spent annually by hospitals to collect CAHPS patient experience data (a regulatory requirement) should be redirected to building brand equity and loyalty because CAHPS data is used by only 5% of U.S. households. Given NRC is the largest CAHPS vendor in the nation and derives a substantial percentage of its revenue from the various flavors of CAHPS surveys, this is a provocative statement.

Increase in transparency

According to the U.S. Bureau of Labor Statistics, the prices paid by health insurers to acute-care facilities decreased by 0.1% in January 2015 vs. a year ago, the first ever decline since the government began collecting this data in 1998. The decline was driven by a 2.9% drop in Medicare rates. Medicaid was effectively flat, and prices paid by private health plans and other payers increased by 1.6%, the slowest rate of growth for any period since 1998. Several factors drove the decrease, including lower negotiated rates between insurers and hospitals and meager hospital price growth/inflation. This latter factor suggests hospitals may be competing more aggressively to capture patients and market share, and the price transparency movement driven by CMS, state laws, and a host of vendors such as Castlight Health is real.

As the traditional insurance market becomes a retail marketplace, healthcare providers must win the minds of consumers who are selecting which providers to see. They also need to react competitively based on price in light of increasing transparency. Inova, during a session at the Advisory Board's Future Health Summit in February, stated it has had to "normalize" prices to be competitive and find new ways to offset lost revenue. At the same conference, Baptist Health, which has a dominant presence in Miami, talked about how it was experiencing more retail shopping for care decisions, particularly in areas that are viewed as a commodity such as imaging. Baptist acknowledges it is the high-cost provider in the community. It is responding to price competition (partly from physician ACOs) on the outpatient side for discretionary services, including knee and joint replacements. Historically, Baptist has been able to justify its premium prices based on its cutting-edge technology, highly rated physician community, facilities, and service excellence. Today, Baptist acknowledges price is one of many factors that will drive market share, along with convenience, quality, and brand.

HEALTHCARE CRM COMPANIES

Patient Engagement

National Research Corporation (NRC)



Among our publicly traded universe, NRC has the potential to be one of the most significant players in the broader CRM market. NRC Market Insights has been one of the company's fastest-growing product lines, growing in excess of 20% in 2014. Market Insights measures opinions and behaviors of nearly 300,000 healthcare consumers annually, making it the largest online U.S. healthcare survey. Specific capabilities include Brand Insights to measure brand value and build brand equity and Advertising Insights to enable healthcare provider clients to pre-test advertising concepts prior to launch. NRC's Customer Connect solution aims to create a lifetime profile of each patient that includes patient experiences, self-reported outcomes, and activities of daily living (chronic conditions) given patients spend 99% of their time outside of a care setting. Customer Connect uses current offerings to collect information on attitudes, behaviors, and preferences while the patient is at home, plus secondary information.

EHR vendors

To a limited degree, the EHR vendors and their patient portal solutions are competitive threats. However, the EHR patient portals provide a limited subset of CRM capabilities such as screening or appointment reminders, and lack personalization, such as preferences for communication mode. Nor do they integrate external data such as demographics to enrich patient information. Tea Leaves Health, for example, appends existing claims data with more than 600 different lifestyle elements to identify patients for bariatric surgery based on BMI, subscription to plus-size catalogs, and other variables.

One success story among EHR vendors is athenahealth's athenaCommunicator. Since its general release in 2010, athenaCommunicator has reached more than 32,000 physicians, or 71% of its installed base at the end of 2014. It has played a critical role in helping athenahealth clients meet the patient engagement measures as part of Stage 2 Meaningful Use. athenahealth exited 2014 with 4.7 million patients registered on its portal, giving physician groups an important electronic channel to improve communications with patients and leverage its pre-packaged population health campaigns (cervical cancer screenings and adolescent well care visits). These automated patient outreach programs for population health have reached patients more than 1.1 million times and generated 150,000 scheduled appointments. A focus for 2015 is increasing adoption of the 16 different campaigns launched to date, as well as conversion rates to drive revenue and improved clinical outcomes.



Sharecare



Another emerging company to watch is San Francisco-based Sharecare. In January 2015, the company announced a strategic collaboration (including an undisclosed investment in Sharecare) with HCA to create new patient engagement solutions. Sharecare and HCA began working together in December 2013 with the launch of Sharecare's consumer-facing mobile health consultation app, AskMD.

In November 2014, Sharecare announced the acquisition of QualityHealth, a platform for identifying patients at large scale inside and outside of any care setting and motivating them to take health-specific actions. As one of the industry's

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What is AskMD? ⓘ

- Tell us about your health**
Enter a symptom or condition to start your consultation.
- Get your results**
See what might be causing your symptoms or learn to manage a condition.
- Get the help you need**
Find a nearby physician who specializes in your health problem.
- Be ready for the doctor**
Your answers and info are organized in an easy-to-reference section for your visit.

Get it on the App Store™

Source: Sharecare.

largest permission-based databases, QualityHealth has more than 50 million registered members and touches 100 million health consumers each month across 175 different health, wellness, and therapeutic categories. In addition, during 2014, CHE Trinity Health and Sharecare announced a partnership to provide consumers and patients with a personalized, localized engagement platform across the 20 states of the CHE Trinity Health system. The patient-engagement platform will provide access to Sharecare's scientifically-based health risk assessment called the RealAge Test, taken by more than 40 million people; individualized programs to promote general wellness in areas such as weight loss, smoking cessation, stress management, and diabetes prevention; digital health integrations, including the ability to connect health trackers and sensors; tools to locate a CHE Trinity Health physician, schedule an appointment, and communicate with physicians; and content to help patients prepare for surgery, therapy, or other clinical services and aid their recovery.

Emmi Solutions



Chicago-based Emmi Solutions is a leading patient engagement vendor that works with hundreds of hospitals across the U.S., including Mercy, Stanford, Presence Health, and Centura Health. It also works with payers such as Aetna, Humana, and HCSC. Emmi has delivered millions of prescribed programs across the continuum of care to drive better outcomes and ROI from reduced surgical cancellations, a reduction in congestive heart failure readmissions, and improved HCAHPS and HEDIS scores. Emmi's four key products are EmmiPrevent (auto-

Emmi and You

Knowledge is power. That's why access to information helps you work with your doctor to make the best possible decisions about your health. Through Emmi patient education, Cadence Health gives you a powerful tool to learn everything you can to take a more active and informed role in your health care.

What Emmi Offers

Emmi programs are a series of online presentations that make complex medical information easy to understand. With animated graphics and easy-to-read text, Emmi programs walk you through your upcoming surgical procedure, so you understand just what to expect. Emmi also has programs on chronic diseases such as diabetes and hypertension.

Most Emmi programs take about 20 minutes to complete. You can view them as many times as you like and share them with friends and family anywhere in the world.

Talk to Your Physician

If you are scheduled for surgery at Cadence Health, ask your doctor if there is an Emmi program that is right for you. If there is, you'll need an access code to view the program.

Already have an access code for an upcoming surgical procedure?

[View your Emmi program now*](#).

Emmi Programs you Can Watch Now

Here's your chance to preview an Emmi program now. No access code is needed.

[Patient Safety Program*](#)

[Wellness Programs*](#)

*By clicking on these websites, you are leaving the Cadence Health website. These websites are independent resources. Cadence Health does not operate or control the content of these websites.

Source: Cadence Health.

mated call campaigns to interact and reinforce key messages with patients, as well as collect vital information from patients), EmmiEngage (multimedia interactive programs available via desktop, tablet, or smartphone), EmmiDecide (empower patients to be active participants in their own healthcare via shared decision-making and enabling preference-sensitive treatment models), and Transition (automated call campaigns to help members transition from hospital to home). As shown above, the Cadence Health website features Emmi Patient Education. By clicking on the link “View your Emmi program now*” and entering a code provided by a healthcare professional, consumers can begin their “prescribed” patient education journey. There are additional links to Emmi patient safety or wellness programs, which are web-based presentations that make complex medical information easy to understand.

Marketing Automation

Evariant



The Evariant platform is built on Salesforce’s Force.com platform. Its solutions fall into two categories, patient and physician. On the patient side, there are three primary solutions: Patient Market Solver, Patient Marketing (CRM), and Patient Engagement. Patient Market Solver pinpoints targeted audiences for marketing campaigns by integrating data from a variety of sources (billing, clinical records, call center, and market intelligence) and leveraging predictive analytic models (co-morbidities, channel preference, and clinical propensities) to target the right audience. Patient Marketing is a multi-channel CRM solution to drive targeted, service-line growth and allow marketers to tag and track all digital assets such as display ads, social media, and paid search, as well as attribute marketing to clinical and financial outcomes. Lastly, Patient Engagement is an integrated web and phone console that can act as a standalone call center software platform or integrate with third-party call center platforms to improve discharge call follow-up to increase compliance with care plans, address patient satisfaction issues, and drive appropriate use of emergency services.

Salesforce.com



While Salesforce.com has minimal presence in healthcare, the company generated \$5.0 billion (up 31% vs. a year ago) in fiscal (January) 2015 revenue and has the capability to be a major factor. A number of companies use its platform to build solutions for healthcare, most notably Evariant. Its AppExchange offers a number of apps (SEERhealth credentialing, hospital rounding, and physician relationship management) for healthcare providers. One of the providers highlighted on its website is MissionPoint Health Partners, which uses Salesforce.com to manage its provider network. In 2014, Salesforce.com announced a strategic alliance with Royal Philips and an initial focus on care coordination and care collaboration to monitor patients with chronic conditions in their homes. Built on the Salesforce1 Platform, the jointly developed apps will integrate data from multiple sources (electronic medical records, diagnostic and treatment information obtained through Philips’ imaging equipment, monitoring equipment, personal devices, and technologies like Apple’s HealthKit) and eventually cover the continuum of care from prevention to recovery and wellness.

LionShare



A Midwest hospital partnered with marketing services provider LionShare to develop a multiple-touch direct mail campaign targeting individuals who recently moved into the market area and educate them about the healthcare system and

its physician group services. LionShare provided the hospital with a range of services, such as market area assessments that examine previous campaign performance to identify the best-performing zip codes and market gaps. It also provided creative development, crafting messaging points and determining a response mechanism. Using its business intelligence tool DIATA, LionShare was able to compare utilization and downstream revenue. After 15 months of downstream patient encounter data, the campaign delivered more than \$687,000 in additional net revenue and a ROI of \$6.34 in profit for every \$1.00 spent on marketing. Other use cases include redirecting emergency department volumes to primary care; driving volumes to outpatient pediatric centers by overlaying demographic, psychographic, and medical propensity information onto existing patient households to develop a profile; and targeting high-risk individuals for cardiovascular services that produced an increased number of screenings and ROI of \$4.73 for each \$1.00 spent.

Influence Health

One of the longest-standing and largest players in the market is Influence Health (founded in 1996 as MEDSEEK). Influence Health offers a care management system called Navigate, an enterprise content management system called Convert that leverages Microsoft SharePoint 2010 as its development platform, a patient portal called Empower, and Predict. Predict is a healthcare CRM system that uses predictive analytics (proprietary disease prediction models) to score which patients and prospects are most likely to develop a specific medical condition or use a medical service. Digital print, email, and web-based campaigns are then directed at the right healthcare consumers using the most-effective personalized communication medium to prompt action. The company's performance dashboard and campaign reporting capabilities make it easy for marketers to determine whether CRM strategy and campaigns are having a measurable impact on a hospital's strategic goals.



Source: Brightwhistle.

Beaufort Memorial Hospital, the largest hospital between Savannah and Charleston, turned to Influence Health after it recognized competition was increasing, traditional marketing efforts were not producing results, and it was not improving health in its community. Its goals were simple: drive service line revenue, encourage patient engagement, and improve health and wellness. Using Influence Health's predictive analytics, Beaufort Memorial was able to identify patients according to specific conditions or needs. It could then market early detection screenings, immunization campaigns, and physician and event campaigns. Using billing data and diagnosis codes associated with memory loss, Beaufort Memorial ran a campaign called Staying Sharp aimed at the elderly to attract patients to its memory center. In less than 13 months, it attracted nearly 2,000 patients and generated revenue of \$817,000 with a marketing cost of \$108,000, for an ROI of greater than 7X.

USA Health System in Mobile, Ala., historically allocated the majority of its advertising budget to local print ads in the Mobile Press-Register. When the newspaper began to reduce its publication frequency, the health system decided to shift these budget dollars toward online tools. Using social media to drive its digital marketing campaign for weight loss surgery, USA doubled the number of procedures over a two-year period to more than eight per month. Key partners include Influence Health and BrightWhistle (acquired by Influence Health), which provided a number of key services, including : 1) HIPAA-compliant storage of contact information, 2) lead generation management, which examines what ads are working and where users are coming from, and 3) expanded options for Facebook advertisements. BrightWhistle conducted best practices research for USA to learn the most-effective search keywords to use, key selling points of the procedure, targeted geographies, and patient profiles. BrightWhistle trained USA staff, such as nurse managers, to respond to leads and evaluate both clinical and financial information. Ultimately, the staff could schedule an appointment for a consultation or pre-operative check-up or deliver patient education resources such as Emmi Solutions.

Tea Leaves Health

Based in Roswell, Ga., Tea Leaves Health was formed in 2011. While it's a relative newcomer to the space, CEO Doug Zarvell has a long history in the space with prior stints at CPM, now part of Healthgrades, and REACH3, now part of Influence Health. Tea Leaves offers three core platforms: Patientology (360 degree view of consumers), Physicianology, and Decisionology. Our focus is on the first, Patientology, its CRM tool that offers information on existing and potential patients to understand the dynamics of populations. For example, Tea Leaves is determining which patients are at risk for heart disease based on claims data and diagnosis/procedure codes such as high cholesterol and hypertension. It combines this information with consumer profiles to feed into its predictive models. Tea Leaves' geographic information system interface helps users view, understand, query, interpret, and visualize information. It finds consumers, based on credit and lifestyle profiles, who might need high-value procedures. It helps foster relationships with non-patients and visualizes where patients live to understand where care settings need to be placed. It also finds areas of health utilization outliers and identifies consumers who inappropriately use the emergency department, motivating them to use other care settings.



Tea Leaves is working with a few innovative companies such as **Gigya** and **Binary Fountain**. Tea Leaves integrates Gigya's Social Login product to expand online consumer profiles. Gigya's cloud platform for customer identity manage-

ment has been adopted by more than 700 companies across many verticals, and the company has raised more than \$100 million since its inception. Tea Leaves integrates Social Compass and the Social Index from Binary Fountain to match patients to an ideal healthcare provider. Leveraging natural language processing technology, Social Compass monitors feedback from social media, surveys, Web commentary, and other meaningful sources of communication in real time to enable customized messaging directly to the healthcare consumer.

Healthgrades

Through its November 2011 merger with CPM, Healthgrades gained one of the largest CRM footprints in the industry. In November 2014, Healthgrades acquired COCG, a digital marketing firm, to expand its CRM capabilities. Today, more than 1 million consumers use Healthgrades on a daily basis to research physicians and hospitals. For hospitals, Healthgrades is focused on driving utilization, engaging patients, and helping physicians become more relevant and discoverable through its Patient Direct Connect product. Under Health Relationship Management, Healthgrades offers two solutions, CRM (Customer Relationship Management) and PRM (Physician Relationship Management). Healthgrades CRM uses patient and broader population datasets with predictive modeling and multi-channel communication methods to drive targeted campaigns and engage patients, particularly populations at risk. For example, Healthgrades data analysis can help a large hospital system better manage patients with diabetes and control costs associated with unnecessary admissions. Healthgrades identifies patients throughout the system diagnosed with diabetes but not compliant with HEDIS measures. It implements a targeted communications campaign to educate patients on the importance of compliance and encourages an office visit.



Health risk assessments

Health risk profiles or assessments are important tools for patient engagement that can prompt action and establish a direct communication with consumers. Legacy players in the space are Healthgrades and its HealthTools solution for online interactive personal health assessments, which are linked to its CRM database to trigger future campaigns and communications. Another noteworthy vendor is ADAM, acquired by Ebix in 2010 for \$66 million. ADAM sold e-learning content tools to hospitals and health plans. In the last quarter before being acquired, ADAM reported \$6.9 million of quarterly revenue, with the acquisition price representing a modest multiple of 2.4X annualized revenue. National Research Corp. provides health risk assessments to both payer (the primary focus) and provider clients. NRC has surveyed more than 3 million health plan members over the last 10 years including Medicare and Medicaid.

Medicom Health Interactive

A newcomer to this market is Medicom Health Interactive and its EVALIA personal health profilers. In conjunction with revamping its heart and cardiovascular website, Inova Health System licensed EVALIA Heart Health Profiler in 2011 to create a focal point to engage and capture users. Using social media channels and pay-per-click marketing campaigns, plus a call center to contact at-risk users for appointments, Inova has generated a strong ROI by attracting new and existing patients for appointments and procedures. Greenville Health System, the largest academic medical center in South Carolina, chose EVALIA Heart Health Profiler to 1) increase patient volumes, 2) refine the process of qualifying prospects for cardiology appointments, and 3) improve patient referrals into primary care. Greenville Health used a few methods to promote the profiler, including a




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Source: www.medicomhealth.com

digital strategy campaign called “Love Life” with a dedicated landing page. The company launched an email campaign to targeted consumers, and within the first week, more than 700 individuals completed the survey.

Medicom has partnered with BrightWhistle’s digital healthcare marketing platform, which was used to create, manage, and measure targeted Facebook campaigns that were designed to drive traffic to the EVALIA health profilers across five areas—breast cancer, heart health, stroke risk, knee and hip pain, and colorectal cancer. The results were impressive, with more than 100 profiles completed per week and more than 90% completed via a mobile device. Medicom has also partnered with Tea Leaves, which uses data from Medicom to establish direct communications with consumers and match the EVALIA health risk profile to downstream encounters.

Vital Score

Vital Score is a “new digital vital sign” intended to increase the rate of behavioral intervention in primary care practices as well as facilitate referrals for care management, medication adherence, or smoking cessation. Vital Score is modeled on the APGAR score, used to assess newborns after birth, and addresses the challenges of preventing chronic illness in primary care settings. Patients with meaningful connections to their providers have a higher degree of engagement and compliance, and the company’s goal is to help change unhealthy behaviors. Using a numerical scale of 1 to 10, Vital Score measures the health of patients based on their answers to question about exercise, smoking, sleep, diet, and drinking. The program requires patients to initiate their own self-improvement regimens, including wearing a Fitbit bracelet to establish baseline readings for activity levels, sleep patterns, and more.



Vital Score

Patient education and engagement

An important catalyst for patient education and engagement has been the EHR Incentive Program. As part of the Stage 1 Meaningful Use requirements, physicians had to provide patient-specific education resources. As part of Stage 2's core objectives, physicians were required to use secure electronic messaging to communicate with patients on relevant health information. Newly proposed recommendations for Stage 3 include patient-generated health data for physicians and hospitals. This menu objective requires physicians and hospitals to receive provider-requested, electronically submitted patient-generated health information through either 1) secure messaging or 2) structured or semi-structured questionnaires (intake form, risk assessment, and medication adherence survey). Integrating patient-generated data (portable diagnostics, remote monitoring, portable monitoring devices such as Jawbone, patient portal, and PHRs) into the EHR is likely to become more important, particularly for those patients engaged in shared decision-making with their physician. For providers, the motivation is to build a more complete health record with objective data, although there are many challenges to consider from a clinical (documentation in the EHR) and legal perspective (security and HIPAA).

A great example of the patient engagement movement is OpenNotes. The premise behind OpenNotes is that by giving the patient the opportunity to read and discuss visit notes with his or her physician or family, patient engagement will be higher. Visit notes include a variety of information such as health problems, diagnosis and treatment plans, why a lab test or certain medication was prescribed, and relevant care plan details. OpenNotes is supported by the Robert Wood Johnson Foundation and now provides access to clinician notes for 4.8 million patients. Clients include the University of Texas MD Anderson Cancer Center, which granted patients and referring physicians access to their EHRs, including notes via a secure Web-based portal. The two most common requests from patients accessing their notes are 1) correcting an error in the EHR and 2) translating medical terminology. OurNotes, funded by a grant from the Commonwealth Fund, is an expansion of OpenNotes and will enable patients to contribute their own medical data, alerting a physician to a mistake in the note or reporting how an antibiotic worked. There are ongoing pilots at Geisinger Health, Group Health, and Heartland Health.

Another important patient education initiative is Choosing Wisely, part of the ABIM Foundation. Choosing Wisely aims to improve the provider-patient relationship by offering evidence-based recommendations to help consumers make the best care decision based on their individual circumstances. Since 2012, more than 60 specialty societies have joined the initiative and created lists called "Things Providers and Patients Should Question." For example, one of the five recommendations from the American College of Cardiology states: "Don't perform stress cardiac imaging or advanced non-invasive imaging in the initial evaluation of patients without cardiac symptoms unless high-risk markers are present" as low-risk patients account for up to 45% of unnecessary screenings.

Patient-reported outcomes

An increasingly important part of patient engagement is the area of patient-reported outcomes. In 2014, Press Ganey, one of the leading patient experience and largest CAHPS survey vendors, acquired Dynamic Clinical Systems. We highlight a few notable vendors in this space below.

Klio Health



Boston-based Klio Health helps providers deliver better care of chronic conditions by enabling a clear understanding of how patients are progressing between office visits by measuring symptoms, evaluating treatments, and charting lifestyle. Klio Health helps patients and providers track symptoms and treatments related to chronic conditions to determine whether treatments and lifestyle changes are effective. The company should begin to benefit from regulatory changes impacting patients with chronic conditions. On Nov. 13, 2014, CMS issued the Medicare Physician Fee Schedule final rule, which included a new billing code for chronic care management services (CCM), which became effective Jan. 1, 2015. The base reimbursement rate for CCM services is \$42.60 per patient (who must be a Medicare beneficiary) per month. The final rule contains a number of billing criteria such as: 1) over the course of one month, at least 20 minutes of clinical staff time must be devoted to providing CCM services; 2) the patient must have multiple chronic conditions that are expected to last at least 12 months; 3) the provider must use certified EHR technology and create and update a comprehensive electronic care plan with access for the care team, other providers, and the patient. Importantly, these services do not have to be provided face-to-face and include monitoring a patient's conditions and reviewing data reported about the patient from a remote monitoring device. In addition, providers must provide a mechanism for a patient to communicate with the provider through telephone, secure messaging, Internet, or other methods.

KareOutcomes

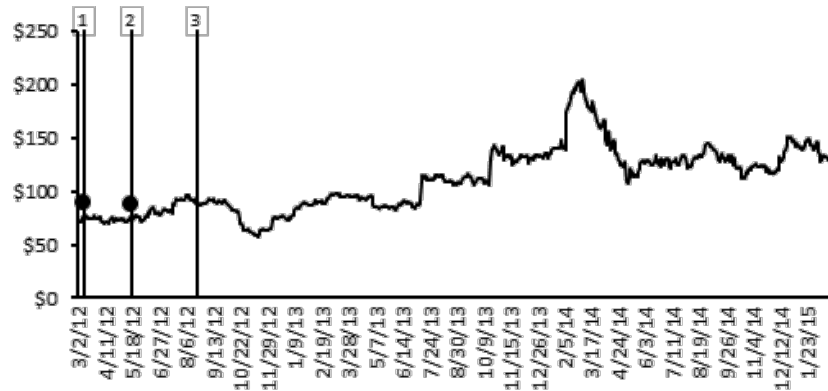


St. Paul-based KareOutcomes delivers CAHPS and custom designed surveys as well as patient-reported outcomes measurements. They track the patient experience through post-surgical care and help improve outcomes for total joint replacements, spine surgery, cardiac procedures, oncology, and other surgical subspecialties. KareOutcomes facilitates shared decision-making, initiates follow-up programs to complement a patient's preferences and lifestyles, and enables data collection and submission to registries such as the American Joint Replacement Registry. Mt. Tam Orthopedics is using KareOutcomes as a web-based data collection system to track outcomes following spine surgery with a series of standardized outcome questionnaires. The feedback from the surveys, filled out prior to surgery and at the six-week, three-month, six-month, and one-year time frames post-surgery, is used to improve surgical results. Mt. Tam points to the development of its spine surgery outcomes registry as a key component of its practice. It provides transparency of surgical outcomes, when patient perception can be influenced by social factors and a bias for surgery. Based on KareOutcomes, Mt. Tam can objectively show patients a surgery-specific report card for other patients who have undergone an operation at Mt. Tam.

**IMPORTANT DISCLOSURES AND CERTIFICATIONS
PRICE, RATING, AND TARGET PRICE HISTORY***

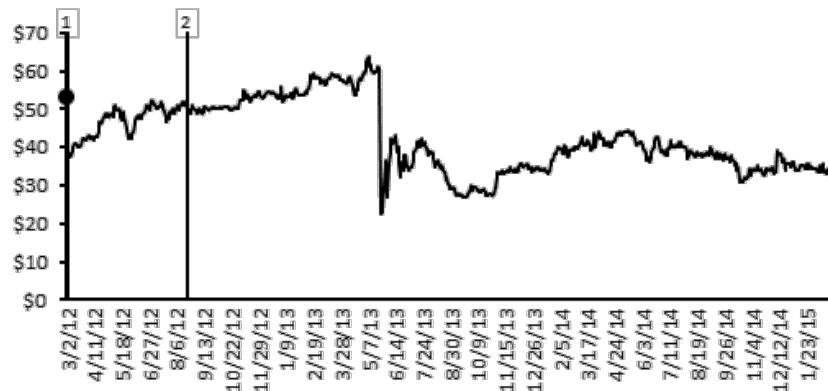
athenahealth Inc.

Key	Date	Close	Target	Rating
1	3/9/2012	\$76.00	\$89.00	O
2	5/17/2012	\$72.00	\$87.00	O
3	8/20/2012	\$88.23		E



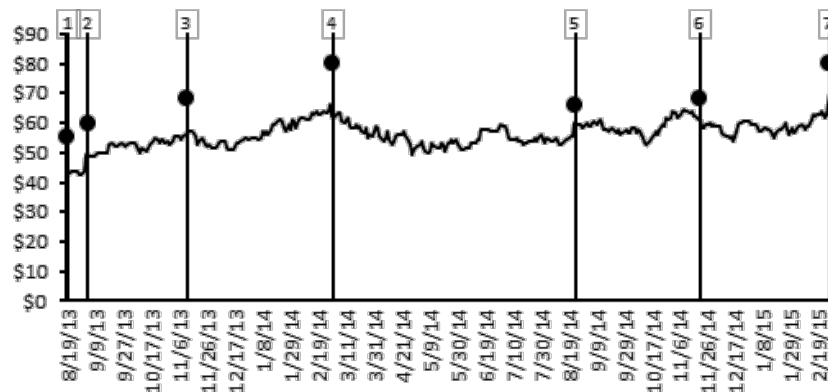
National Research Corp.

Key	Date	Close	Target	Rating
1	3/2/2012	\$37.97	\$53.00	O
2	8/20/2012	\$50.13		E



salesforce.com inc.

Key	Date	Close	Target	Rating
1	8/19/2013	\$43.44	\$55.00	O
2	9/3/2013	\$49.58	\$60.00	O
3	11/12/2013	\$56.71	\$68.00	O
4	2/28/2014	\$62.37	\$80.00	O
5	8/22/2014	\$59.80	\$66.00	O
6	11/20/2014	\$61.02	\$68.00	O
7	2/26/2015	\$70.24	\$80.00	O



*12-month price targets, if any, are effective with respect to the dates on which they are issued. First Analysis Securities Corp. does not provide 12-month price targets for stocks rated equal-weight or underweight. It usually provides 12-month price targets for stocks rated overweight. The data in this chart are current as of the last trading date prior to the date of this report.

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RATINGS DEFINITIONS*:

Overweight (O): Purchase shares to establish an overweighted position: Stock price expected to perform better than the S&P 500 over the next 12 months.

Equal-weight (E): Hold shares to maintain an equal-weighted position: Stock price expected to perform in line with the S&P 500 over the next 12 months.

Underweight (U): Sell shares to establish an underweighted position: Stock price expected to perform worse than the S&P 500 over the next 12 months.

*Stock target prices may at times be inconsistent with these definitions due to short-term stock price volatility that may not reflect large-holder/buyer valuations of the security.

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