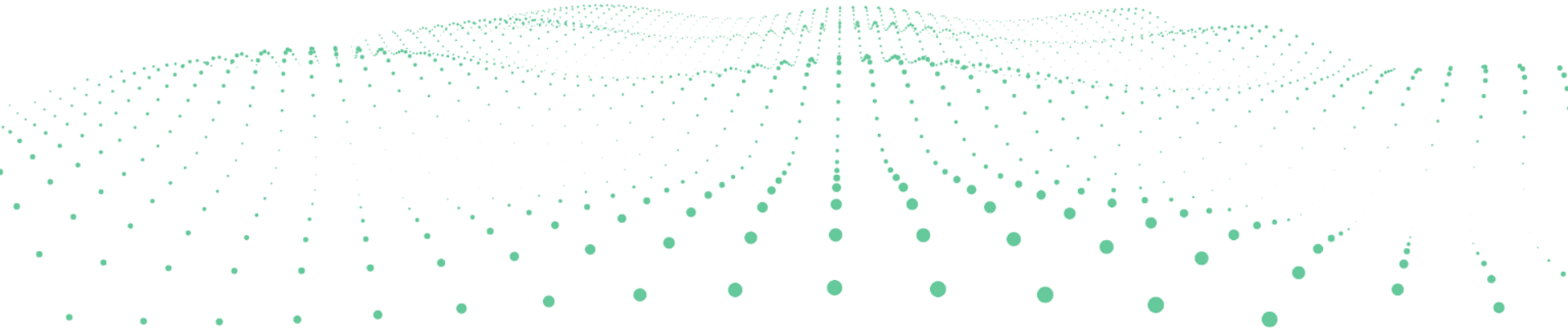




# The Rise of DTC Health Care

& Why The Patient is Now Your Customer



**Digital Health companies  
raised \$4.5B in 2018**

**Why now?**

The confluence of **5 key forces** has led to a massive telehealth wave that will define the future of digital healthcare for decades to come.

1. Evolution of Telemedicine Law
2. Decades Long Patent Cliff
3. Deductibles Increasing
4. Reimbursement Rates Decreasing
5. Healthcare Apps Made Easy(ier)

## 1. Evolution of Telemedicine Law

Providers can connect with patients on the internet. Over the last 5-10 years, states have changed the ways in which patient-physician relationships can be established.



**Asynchronous**



**Real-time**



**Real-time Audio  
& Visual**

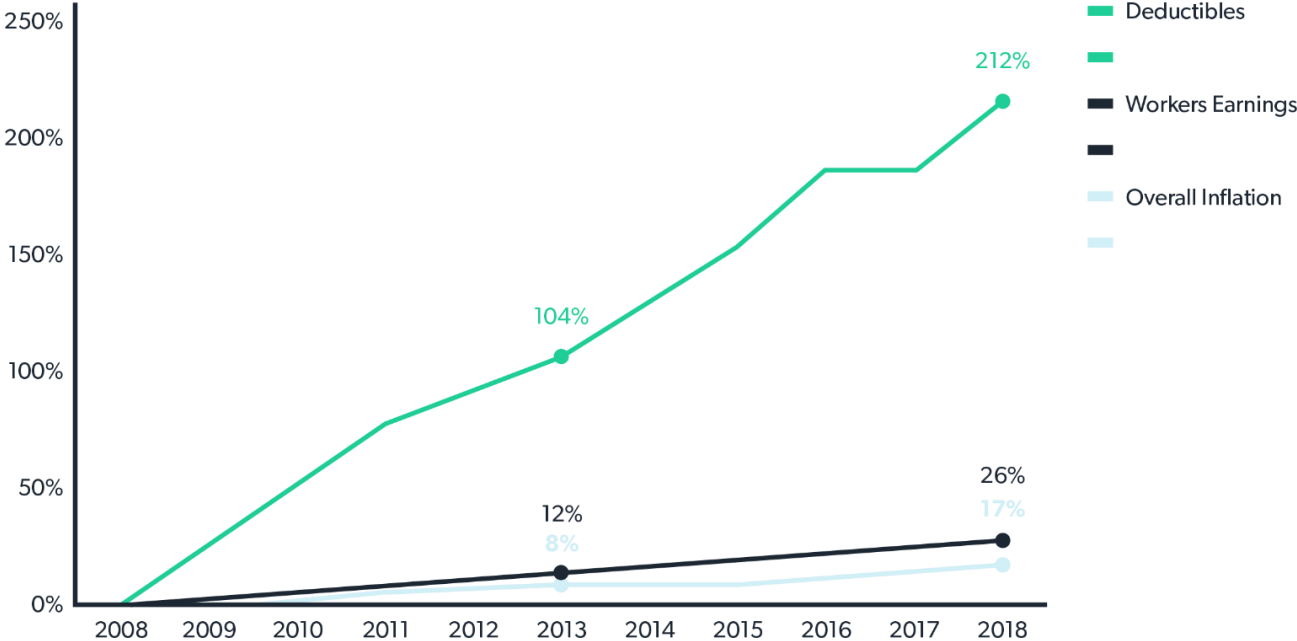
## 2. Decades Long Patent Cliff

Starting in 2008, and running until ~2024, patents for **some of** the most powerful drugs that treat **some of** the most common chronic conditions have expired.



# 3. Deductibles Increasing

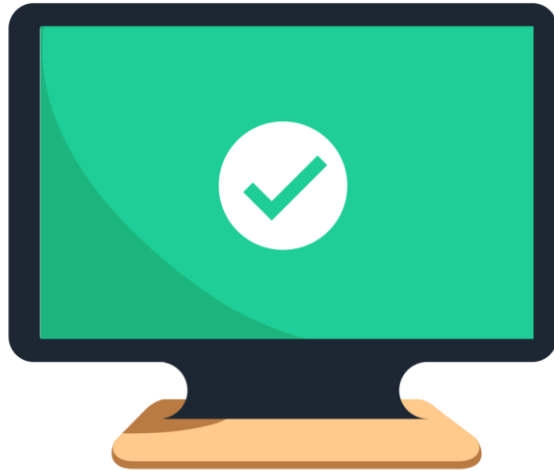
Kaiser study showed employer deductibles increased from \$303 to \$1,505 from 2006-2017, forcing patients to pay more and more out of pocket.



Source: KFF and KFF/HRET Employer Health Benefits Survey. Consumer price index, U.S. City Average of Annual Inflation (April to April); Seasonally Adjusted Data from the Current Employment Statistics Survey (April to April).

# Quick Recap





**Patients can be treated  
via the internet**



**Drugs for common ailments are  
decreasing in price**

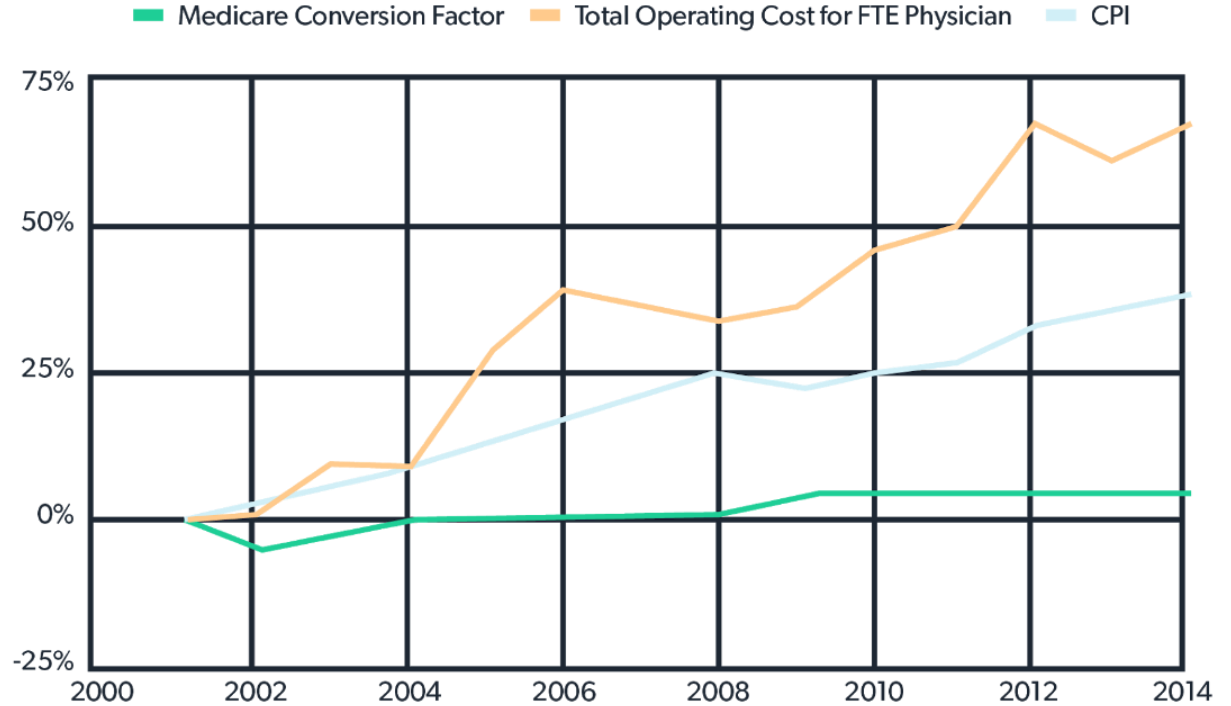


**Patients are forced to pay  
for more out of pocket**

**Patients (and companies) are able to leverage the most powerful distribution channel of all time at the exact same time prices are decreasing and out of pocket increases**

## 4. Reimbursement Rates Decreasing

Cumulatively from 2001-2014, while general inflation increased 33.4% and physician practice expense increased 60.6%, Medicare payment rates only went up to 2.9%!



## 5. Healthcare Made Easy(ier)

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At the same time, barriers to build HIPAA compliant software applications has **decreased** dramatically

The Google logo, featuring the word "Google" in its signature multi-colored font.The word "Accountable" in a simple, grey, sans-serif font.The word "stripe" in a bold, black, lowercase sans-serif font.The Slack logo, consisting of a colorful icon of four people and the word "slack" in a bold, black, lowercase sans-serif font.The Zendesk logo, featuring a stylized "Z" icon above the word "zendesk" in a dark teal, lowercase sans-serif font.The Looker logo, featuring a stylized "L" icon above the word "looker" in a purple, lowercase sans-serif font.

## 5 Forces

On the demand side, coverage is decreasing, prices are increasing and access is increasing. On the supply side, there is a tremendous shift in the labor force and reduction in barriers to entry.



**Evolution of  
Telemedicine  
Law**



**Decade  
long patent  
cliff**



**Deductibles  
increasing**



**Reimbursement  
rates  
decreasing**



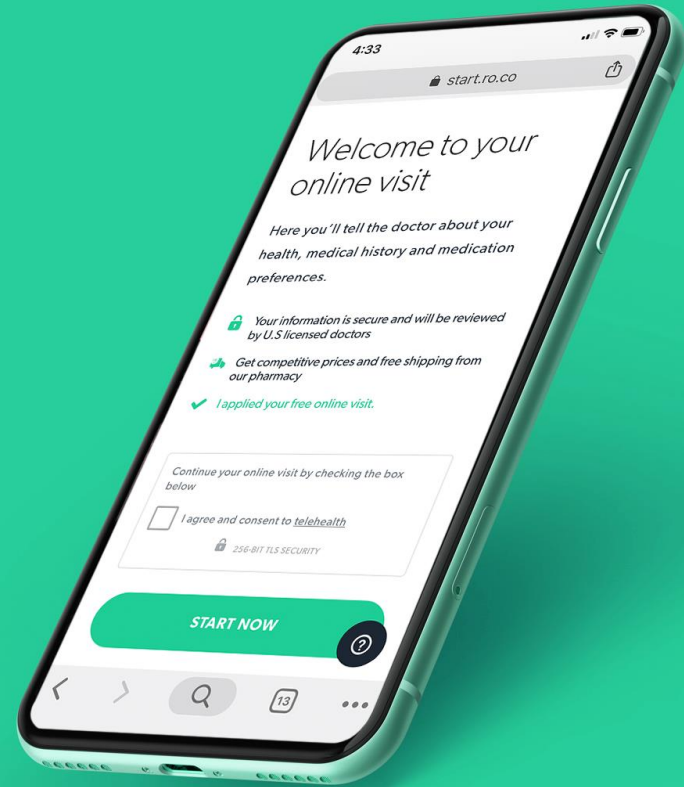
**Healthcare  
Apps Made  
Easy(ier)**

**Introducing**

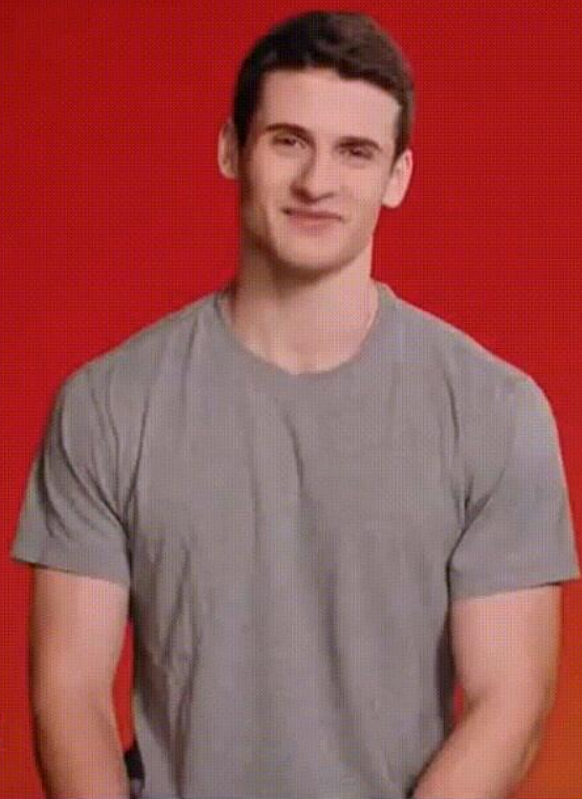


ro

**Mission driven healthcare company that handles everything from online medical treatment to the delivery of medication.**



**How did we start?**



**roman**



**GETROMAN.COM/TV**

MensHealth

URBANDADDY

Mashable

PLAYBOY

engadget

VICE

TC  
TechCrunch

METRO

The New York Times

INVERSE

Insider

CNN

Korbin

CNBC

very good light

MANDATORY

ADWEEK

PST@MPANY

NEW YORK POST

Forbes

BUSINESS INSIDER

The Daily Dot

metr

TRENDLINER

BUSTLE

Daily Mail.com

### Comical Ad Takes Aim at All the Thinty Veiled Metaphors in E.D. Advertising

Advertisement for the low-budget film



### A startup aims to help the 18 million US men diagnosed with erectile dysfunction pay attention to their 'check-engine light'

Ueli Henney, CEO

10 Dec 2015, 10:45 AM

5,538

FACEBOOK LINKEDIN TWITTER EMAIL PRINT



### Style

Money, fashion, beauty, love, social change, death. Plus cute animals.

MEN'S STYLE | MAGAZINE | WEDDINGS | FASHION WEEK



### Finally Putting Some Fun in Erectile Dysfunction

Show me, silver foxes! Cloud pharmacies will save millennial men from shame, sending trendy boxes of Viagra and hair-loss cream direct to home.

By Sam - By MATTHEW SCHNEIDER

### Men's health gets the Silicon Valley treatment

By Sara Ashley O'Brien @sarasafitgo

November 6, 2015 10:46 AM ET



Zachariah Reitano  
Roman Co-founder

### AN SNL DIRECTOR MADE AN ACTUAL, REAL AD FOR AN ERECTION PILL

If your laughing lasts longer than four hours, call a doctor

By Dave Karger



### Roman is a cloud pharmacy for erectile dysfunction

By Dave Karger

Facebook Twitter LinkedIn Email Print



"We've tested 11 experimental erectile dysfunction pills. By comparison with actual Roman's early start-up, we can't say we're impressed. The business of the new company, Roman, and its partner with customers, Zachariah Reitano, is getting a lot better."

### SNL Director Takes On Every Erectile Dysfunction Advertising Cliché



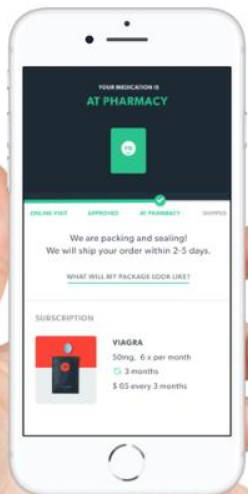
NATIONAL - CULTURE  
This Millennial-ized Erectile Dysfunction Ad Is Actually Pretty Hilarious  
Years of Lame ED Commercial Clichés, Packed into One Video

**How did we do it and why  
does it matter to you?**



# PRODUCT

END-TO-END SOFTWARE FOR ALL 3 NODES  
NO RELIANCE ON THIRD-PARTY FOR CORE BUSINESS



## PATIENT APP

Smart Online Visits  
Health Profile  
Medical History  
Secure Physician  
Messaging  
Treatment Plan & Guides  
Prescription management

## PHYSICIAN APP

Treatment Pattern Recognition  
Patient History  
Prescription Handling  
Surescript Integration

HEALTHCARE TRIANGLE

## PHARMACY APP

Rule-Based Fulfillment Routing  
Order Management  
Patient CRM  
ERM Integration

# OPS

FULL STACK OPERATIONS  
NO 3RD PARTY RELIANCE  
IN PHARMACY NETWORK



## PRODUCT

Personalized Doses  
Discreet Custom Packaging  
Premium Feel  
Moisture Proof Tested

### HEALTHCARE TRIANGLE

## NATIONAL MEDICAL PRACTICE

50+ Physician Network  
Licensed in 97.5% of country  
5+ Professional Corporations



## NATIONAL PHARMACY

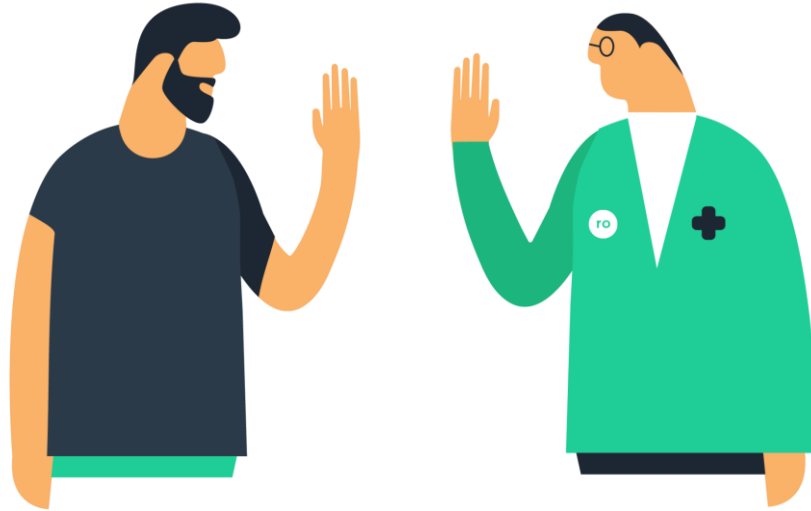
3 Licensed Pharmacies  
24/7 Patient Counseling  
Automated Smart Routing



## Ro benefits patients AND physicians

Ro does not have to choose between cost, quality, or convenience and can provide a viable alternative to traditional medicine for physicians, nurses, and pharmacists across the country

- Cost
- Convenience
- Quality

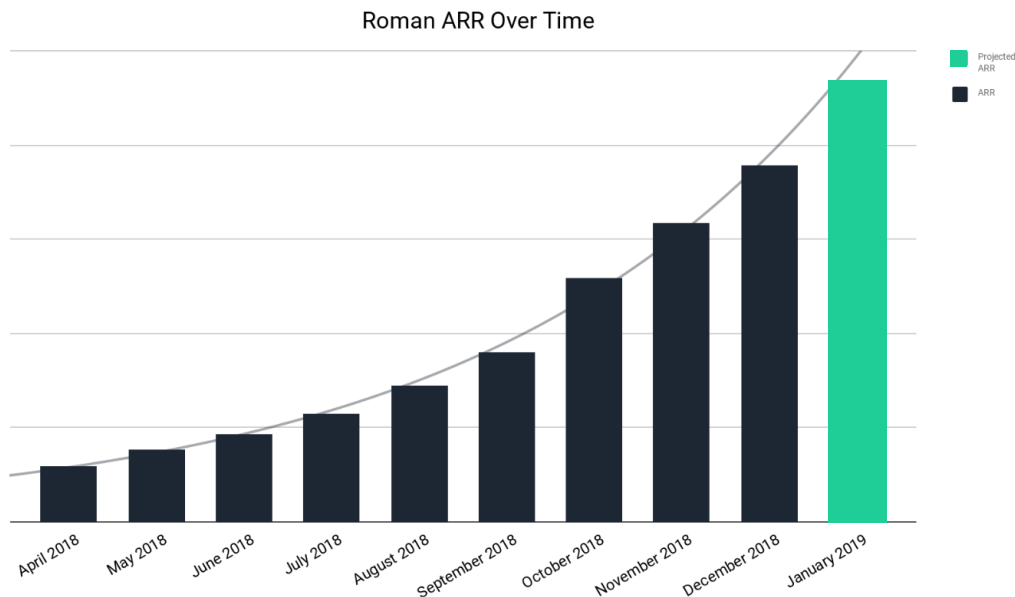


- Focus
- Flexibility
- Income



## And in the last 15 months...

Ro has increased revenue over 2,000%, facilitated over 1M patient physician interactions, expanded to 98.5% of the population, and has raised close to 100M to change the face of digital healthcare.



**Why does any of this  
matter to *you*?**

# Transparency to the Extreme

Unrivalled transparency has already permeated every other corner of ecommerce. Digital healthcare is next.

## Folate



600 mcg (1020 DFE) in Essential for Women

1000 mcg (1665 DFE) in Essential Prenatal

Source	Pisticci, Italy
Form	5MTHF Glucosamine Salt
Found in	Lentils, avocado, and oranges
Manufacturer	Gnosis

[Read Interview with Manufacturer](#)



SOUTHERN CHINA  
Dongguan

EMPLOYEES  
800

ESTABLISHED  
2000

Dongguan Leroy Far East  
Knitwears, Ltd.



Made in Dongguan, China

[See the factory](#)



Questions about fit? Email [fit@everlane.com](mailto:fit@everlane.com)

## Who makes our drugs?

95% of our members are on generic medication. Generics are a **key ingredient** in the Ro experience. Members ask us every single day who makes our drugs and where they are made.

Who makes your drugs? Has your team visited the facility? Is this the same Pfizer?

Member from Texas  
January 2019

Where are your drugs made? What is the company called? Who is the distributor?

Member from New York  
December 2018

Can you send me the website for the maker of your drugs? How do I know these pills are real?

Member from California  
January 2019

**Transparency of supply chain is  
becoming a value proposition.**

**Which means we will select  
the generic manufacturers that best  
align with our members' values**



Thank you

[Z@ro.co](mailto:Z@ro.co)