



Background

Alere Health: Empowering Individuals and their Physicians; Enabling Smarter Healthcare Choices

We are not a healthy nation. It is estimated that more than 60 percent of Americans are overweight or obese. More than 100 million of us have a chronic illness such as heart disease or diabetes. The next generation's future looks bleak as well; about one in three children are classified as either obese or overweight.

Millions of Americans wake up every day in poor health and in a healthcare system – that while changing – often remains uncoordinated, complex and difficult to access.

Compounding the realities of our nation's health status is that those most affected by poor health – payers, physicians and their patients – are also being challenged on multiple fronts:

1. To find solutions that make a difference in people's lives;
2. To have the ability to make informed healthcare decisions; and
3. To reduce inappropriate expenses and control overall costs.

Meeting these challenges will require an organization that can **connect**, **empower** and help patients and providers make **smarter** healthcare decisions. Alere provides the solutions needed today by offering a complete range of devices and services that seamlessly integrate real-time data collection, education and health management solutions through each stage of life – from preconception to end of life.

Alere: A History of Innovation

With its genesis in the early 1970s, Alere has evolved into a company unique in its ability to help improve the health of its program participants.

The history of Alere intertwines with some of the nation's most respected medical device and health management companies, which contributed such devices as the first infant home monitor to prevent Sudden Infant Death Syndrome in 1976 and the Daylink® Monitor, a biometric measurement device that transmits real-time health information to clinicians, in the 1990s.

Alere's parent company, Inverness Medical Innovations, Inc., a global leader in rapid point-of-care diagnostics, was founded with a mission of continuing to lead the industry in the development of innovative, consumer-focused diagnostic products.

Recognizing a significant need to bring rapid diagnostics and health management together, Inverness acquired and then combined three companies in 2008 to form Alere with the goal of embedding its diagnostic products in Alere's programs and services. These companies, all innovative leaders in their specialties, included:

- **Alere Medical** – the first company to offer in-home monitoring solutions that benefit both patients and providers,
- **Matria Healthcare** – the provider of the most comprehensive spectrum of health, wellness and productivity services, and
- **ParadigmHealth** – the nation's first and only expert clinical management company to focus solely on complex care.

Inverness continued to expand Alere in 2009, by acquiring industry leading Free & Clear®, a healthy behaviors company, and RMD Networks, Inc., – a communications portal tailored specifically to the needs of physicians and their practices.

Taking Business Strategy to the Next Level

To realign its strategy to bring healthcare management solutions and diagnostics closer to physicians, nurses and participants, Inverness in 2010 decided to bring most of its products and services together under a single global brand to create an identity that is easily recognizable to our customers.

As part of this rebranding project, the company looked at a number of potential names, both new and already in use by the company. Based on extensive research with investors, customers and industry experts both in the United States and Europe, Alere – a Latin verb that means “to care for” or “to support” – was selected. The company believes Alere best reflects our organization's commitment and dedication to improving the health of all participants.

As part of the global rebranding, the original Alere has remained a subsidiary, and we use the name Alere Health for legal purposes. However, we continue to use Alere when speaking to clients, and for marketing and branding purposes.

Alere: Bringing You Healthcare that is Connected, Empowering, and Smart

When Inverness brought three companies together to operate as Alere in 2008, we were able to combine the very best healthcare practices into the most patient-centered health management services available from a single provider in the industry.

In partnership with Inverness and its products and services, we will be connecting diagnostics and health management solutions to empower healthcare providers and the people they serve with the tools and information they need to make smart healthcare decisions.

The new global Alere provides healthcare that is **Connected, Empowering** and **Smart**. Working together, our highly innovative and successful companies:

- Connect the most complete range of devices and services that actively integrate real-time data collection, education and health management solutions,
- Empower individuals to make better choices, and
- Enable payers, providers and individuals to make smarter healthcare decisions.

Alere: Improving Healthcare – One Person, One Touch at a Time

While healthcare today presents numerous challenges as we embark on a new system and seek to provide healthcare coverage to all Americans, Alere is helping to accelerate a new healthcare model. Alere describes this new model as Personal Health Support, which means individuals are not only the focus and the center of care, but also have the tools, information and connectivity to their physician, and an extended group of caregivers to take a more active role in their own care.

Alere believes that in order to create lasting and meaningful change and to transform the health of entire populations, it must first engage the individual. To do this, Alere coaches, cares for and encourages individuals to take responsibility and to make the necessary changes to improve their health and positively influence outcomes.

The company's personal health support solution puts participants at the center of care by providing tools, information and resources that connect people to their physicians as well as extended caregivers. The company strives to help participants take a more informed and active role in their own care, operating under the belief that empowered participants make better choices that will enable them to more quickly achieve their healthcare goals. This approach creates "**smarter**" participants and providers.

Helping Individuals Make Lasting Change

More than **2,100 Alere healthcare professionals that include physicians, nurses and care managers** provide products and services that are evidence-based, effective, personalized and optimized for use in both the home and clinical environments.

The Alere team collaborates with each person to identify what areas they are willing to address and then helps them with making incremental changes over time. Alere wants each person to have an early positive experience that encourages him or her to continue in current programs, participate in new ones and to work on more challenging health-related issues. Alere's "participant-centric" approach is based on the company's belief that population health can only be achieved by starting at the individual level.

When the Alere team contacts a newly enrolled participant for the first time, instead of focusing immediately on the person's unhealthy lifestyle behaviors, such as smoking or failure to refill a prescription, they start a dialog about what is important to that person on that day. Behavior changes are determined based on the individual's health status, combined with his/her comfort level, personal goals and readiness to change. We believe this is how to most effectively inspire behavior change, build trust and keep each individual's interest long enough to make a difference in his or her health.

Delivering Integrated Solutions that Support Entire Lifespans

Alere's experience with 1,500 clients, including many of the nation's largest employers, health plans and government plans, helps us understand the needs, drivers and complexities of providing market differentiating services as well as controlling costs. The company's proven outcomes and integrated reporting demonstrate to payers the efficacy and efficiency of our programs for all of our constituents.

For Payers

- Alere's unique approach of connecting devices, tests and services increases efficiency and improves return on healthcare investments.

For Providers

- Alere better connects doctors and the community of care providers to information and activities about their patients enabling them to more appropriately and effectively direct care.

For Participants

- Alere provides personalized, actionable information that helps participants make more informed healthcare decisions.

Alere's services are organized under three divisions:

1. Health Improvement

- .. Wellness programs for all members of a population
- .. Disease Management programs for the chronically ill
- .. Case **Management** services for those with multiple chronic conditions, catastrophic illnesses and injuries, and cancer
- .. A Collaborative Care program to help providers better integrate care

2. Women's & Children's Health

- .. Maternal-Newborn Solutions that span preconception to first year of life programs
- .. High-risk pregnancy management for women at risk for pre-term births and with complicated, costly pregnancies
- .. Neonatal care management for pre-term infants who must be hospitalized in high-cost neonatal intensive care units

3. Technology Solutions

- .. Single platform technologies for in-sourced and outsourced solutions
- .. Rich outcomes and data reporting
- .. Health portals and analytics

Achieving Quality Care Through Connectivity and Integration

Alere believes that a comprehensive, integrated, clinically-driven approach can best meet the needs of participants and plan sponsors. Alere's programs and services are evidence-based and meet or exceed national standards of care. They are designed to complement and enhance one another, promote communication between healthcare professionals and providers and make the referral process easier while improving the health of populations. In short, these programs help to “**connect**” participants and providers with the programs needed to improve health.

One of the newest strategic solutions offered by Alere is Collaborative Care Solutions[®], a technology-based approach that enables care providers to function as an effective, coordinated team. The program also facilitates access and management of patient information across dispersed organizations and settings, and ensures that patients are receiving recommended, evidence-based care.

Another way Alere uses technology to connect participants is the *Personal Health Record*, which allows participants to create a completely confidential online record where they can store personalized health content in one place, including claims and pharmacy data.

National Recognition

Alere's disease management, complex case management, online Healthy Living Programs, health portal, NICU management and maternity management services offer Quality Assurance Standards certified by the National Committee for Quality Assurance (NCQA), the Joint Commission and URAC. We have earned the Joint Commission's Gold Seal of Approval for our OB Home Care program, and most recently, Alere became one of the first organizations in the nation to receive NCQA's Wellness & Health Promotion Accreditation.

Alere programs have also received numerous national awards. In the spring of 2010, the company was named 2010 Innovator of the Year by [Pegasystems](#), a leader in business process management (BPM).

Alere's Complex Case Management Program was awarded the 2009 Quality Impact Award for Greatest Impact on Health. This award recognizes a company, provider group or government initiative that has implemented a quality population health management program with proven impact on the health of the target population.

Advanced Technology Solutions

All of Alere's programs and services are supported and enhanced through advanced technology solutions. Alere believes in technology that is:

- .. Integrated: providing a longitudinal view of all participants
- .. Scalable: filling the needs of small employers and national payers
- .. Flexible: supporting software as a service, including turn-key solutions

Alere's technology innovations help create a competitive edge. They include service-oriented architectures, advanced business process management solutions, and enterprise services encompassing a sophisticated master patient index, data warehouse and touch engine technology.

The foundation for Alere's approach to technology is Apollo, a healthcare delivery system that provides a single, integrated and transparent online patient view to all care providers.

Alere's DayLink Monitor also reflects significant advances in care. By transmitting real-time health information to Alere's clinicians, DayLink – geared for higher-risk chronically ill individuals – records a participant's weight and answers pre-programmed questions regarding symptoms of chronic conditions or co-morbidities. This data is sent daily via a phone line to Alere's clinicians. This allows them to provide immediate guidance and/or alert the participant's physician if the symptoms show the patient requires immediate attention.

Changing Lives/Controlling Costs

The true testament to any health management company comes down to results – in the lives changed and in cost ratios. Below are outcomes for individual clients.

- .. For one client, Alere's Heart Failure program reduced hospital admissions by 65% for enrolled commercial participants and 50% for enrolled Medicare participants per 1,000 patients per year.
- .. A Diabetes program study conducted by Alere and verified by the client showed a 31% reduction in the all-case in-patient admission rate for the clinical intervention group compared to the 12% reduction for the control group.

- .. An 18-month cohort study of Alere's Complex Case Management program for one client demonstrated that for patients in the study for a minimum of nine months, there was a 37% decrease in hospital admissions, 37% decrease in hospital days, a 33% decrease in ER visits and more than an \$18,000 decrease in average utilization costs during the 18 months.
- .. Alere's Depression program for an individual client demonstrated a 29% reduction in all-cause inpatient admission rate from baseline to post-program and a 20% reduction in total healthcare costs.
- .. An Alere study of its Wellness program for one client showed that every dollar spent on wellness saved \$1.75 in healthcare and productivity costs.

Alere: Empowering Change

Combined with the world class diagnostic tests from our parent, Alere provides the most comprehensive range of diagnostic products, integrated devices and healthcare services available anywhere. The company seeks to **empower** participants to gain control of their health. They do this through education and health management from preconception to end of life, all stages of overall wellness, disease management, and complex case management, as well as specialized women's and children's programs.

By combining health management services with Alere's rapid point-of-care diagnostic products, Alere provides clients with the broadest and deepest portfolio of deliverables in the industry. Alere operates within a framework that changes behavior, one person, one touch at a time.

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