Heals Healthcare Case Study Bridging the healthcare ecosystem by digitising the journey every step of the way Date: July 2021

Background

Founded in 2017, Heals Healthcare is a digitally enabled healthcare platform that fuses patients, doctors, administrative staff, and insurers together in an all-encompassing ecosystem. In providing a truly end-to-end experience that would shift the industry, the Heals platform integrates services that were traditionally fragmented, managed independently, and costly. Heals' front-end mobile application, available in the Hong Kong SAR, the Macau SAR, the mainland China and Singapore, provides insights that allow patients to search for doctors, book appointments, and pay for medical expenses via digital payment solutions or medical cards.

This software helps to manage appointments, medical data and patient record, prescription, billing and drug inventory. Further linking this journey on the back-end, the platform also connects the ecosystem with insurers to support administrative tasks such as claiming medical insurance and facilitate payment processing. With patient-centricity in mind, Heals platform connects clinics, insurers and patients to optimise the user experience at the point of care.



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"What Heals is doing with HSBC is to create financing on drug procurement for doctors so they can have more flexible terms over time with the procurement of drugs. Another aspect HSBC is assisting is to allow doctors to receive claims from insurance companies faster by speeding up the transaction or financing from a monthly batch of claims being processed to a case by case, allowing doctors to get the money faster."

Ben LiFounder
Heals Healthcare



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Challenges

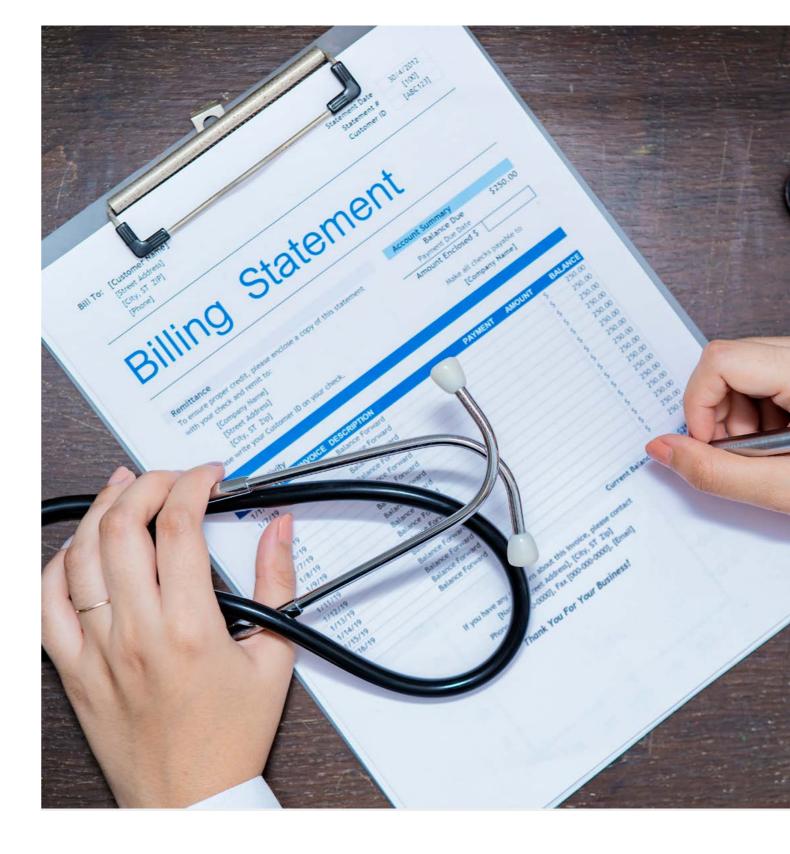
Consumer behaviour has evolved with many aspects of life managed on a mobile device, with the immediate consumption of information. At the store, consumers are given multiple payment channels that go beyond credit cards, and these expectations are no different for medical checkups.

Patients are faced with limited payment methods, with even fewer doctors who accept insurance. Because of the slower insurance reimbursement times from insurers (which can take anywhere from 90 to 180 days), doctors are not incentivised to accept insurance. Clinic fees need to be discounted from market rates in order to be eligible for insurance claims, further dissuading some doctors from participating in the insurance coverage network. So it is not surprising that only 17% of payments are made through independent insurance and employer-based insurance schemes. A constant demand that is met with fewer supply of doctors that accept medical insurance, consequently causes longer wait times for an appointment, and potentially additional wait time on the day itself. Costs of medical care, ease of understanding insurance policies and coverage, and status of claims, also set the tone for patient sentiment.

From the clinic perspective, administrative staff are also hampered with manual processes. Starting from the point of appointment bookings, patient check-ins, and medical records retrieval to claims management, all negatively impacting clinic efficiency. This takes away from the notion of patient-centricity and potentially leading to lower quality healthcare provided.

For insurers, while valuing the importance of health data, they may not have visibility on patient and medical data as there have been limited technology and industry efforts bridging the data exchange in the ecosystem. Traditionally, processing of claims was predominantly manual and paper-driven; in some instances, outsourced to a third-party agent incurring additional costs to the insurer, which may also be passed down to clinics and patients. The loss of digital data hampers the improvements in underwriting, customising services and identifying cross-sell opportunities to the doctors and end-users (i.e. the patients).

Inventory management of pharmaceutical supply is another critical component of the ecosystem which involves the management of supplies and ordering process on a regular basis. For clinics, it is often a fine balance between managing the uncertain demand and the amount of safety stock to have on hand before reaching expiration dates. Because of the fragmented market of clinics that operate independently, it is also difficult for pharmaceutical companies and distributors to adequately manage and track supplies.



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Transformation

By pinpointing the areas of improvement at each juncture of the healthcare journey, Heals has created an ecosystem using a single platform that fuses together an otherwise fragmented industry.

Reinforcing patient-centricity, a paperless, single-tap process using QR codes generated through the Heals mobile app can be used to book appointment and check-in upon arrival. Patients will feel the immediate favorable patient experience with shortened waiting times. The same QR code is also used by administrative staff to retrieve medical records, further streamlining clinic and doctor administrative processes. After the doctor's visit, the payment can also be settled using the same app through a variety of payment methods.

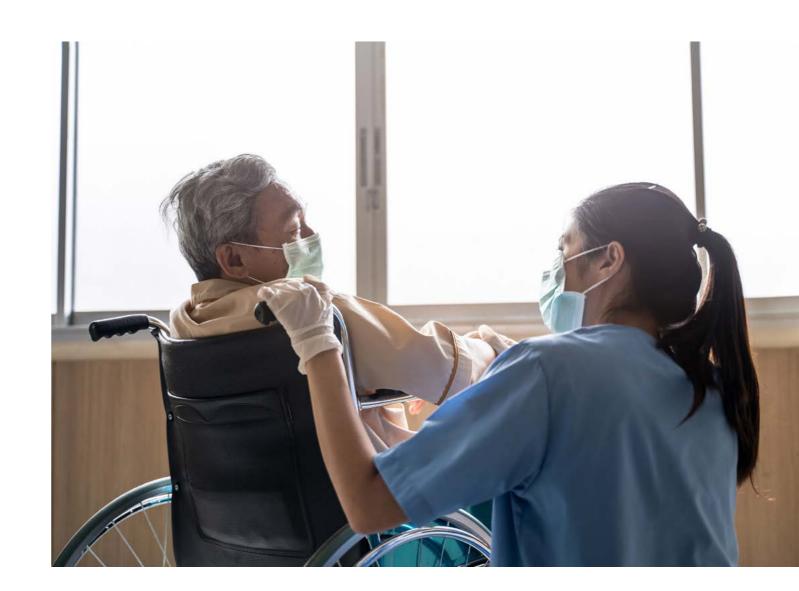
The clinics and hospitals have observed faster settlement times for patient payments with the use of digital solutions and QR codes. Working with Heals in the Hong Kong SAR as the pilot market with expansion in Singapore to follow, HSBC has launched a programme targeted at increasing the adoption of digital collections amongst the clinics and hospitals. On a single platform that is safe and automated, payment methods are extended beyond credit cards to include e-wallets and realtime payments, with medical data embedded in the same QR code. Leveraging the power of the ecosystem, Heals can benefit from data collected every step of the journey. The information used in the initial booking through to the medical check up to the payment can help to make the experience streamlined for all. Not only does the availability of the data simplify the reconciliation process on the administrative side, but also automates the internal processes that were previously manual in nature.

Having transformed the patient and clinic journeys, the company is now at the juncture of perfecting the insurer's experience. With data and visibility being critical components for insurers, Application Programming Interfaces (APIs) will help to seamlessly integrate and automate the data flow between insurers and clinics. Automating the data transferred to insurers will alleviate the paper-intensity of the reimbursement processes by digitising the workflow. APIs will also pave the way for the transfer of meaningful information by enabling a direct connection between patients, clinics and insurers. In turn, enabling insurers to create products and services that better tailor to the needs of the patients. In the near future, the flexibility of the same front-end patient application can open up white labeling opportunities used by the insurance industry to improve patient experiences while enabling data driven analytics and insights.

To complete the final component of the ecosystem, the Heals platform will soon benefit pharmaceutical companies as well. The Heals Drug platform is a business-to-business (B2B) platform bridging pharmaceutical distributors and private clinics. This platform will be linked to clinic management software which will enable efficient allocation of pharmaceuticals to fragmented private clinics through a centralised system. Clinics can also benefit from this platform as it helps to supports inventory management by monitoring supplies on hand. For the distributors, it will help to better predict procurement volumes ensuring medication is deployed where it is most needed. Once launched, the Drug platform will efficiently manage pharmaceuticals in order to allow patients

to have access to medication and therapies that can alleviate suffering and save lives.

HSBC believes in Heals' vision to bring better healthcare experience by creating a more digitalised and cohesive ecosystem. Could there be future possibilities to venture into personal financing for medical equipment, or utilisation of credit cards programmes for better working capital management in the ecosystem?



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Successes

- Unifying an otherwise fragment landscape to bring about much-needed growth in the sector
- With the placement of Heals' platform, increase in insurance acceptance among Heals clinic software users from 2% to 13% in a single year
- Heals mobile application will reduce a clinic's insurance reimbursement time from 3-6 months down to 1 months. For patients, they will receive insurance reimbursement claims within 7 days, a staggering reduction from 4 weeks previously witnessed
- Insurers are estimated to observe administrative cost reduction from 30% down to 5%
- By eliminating costs and time inefficiencies created by administrative friction across multiple layers, clinics/doctors are able to benefit from a 26% cost saving
- Overall positive improvement to the healthcare journey experienced by patients, clinic administrative staff and insurers

Note: The above figures are provided by Heals Healthcare



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