



Creating a Consumer Health Business Unit

The Leadership Institute Roundtable



Scott Powder, President

November 3, 2021



Agenda

- Advocate Aurora Enterprises (AAE) background and strategic rationale
- AAE structure and operating model
- AAE current and future strategies

AAE Vision

To be a national leader in consumer health and wellness by building a portfolio of innovative consumer health and related companies.

By creating synergy among its portfolio companies and with traditional care delivery, AAE will create a unique ecosystem to help people live well.

Why Consumer Health?



Consumers continue to invest in their own health – represents a sector of more than \$1 trillion



Core business experiencing structural declines in profitability – need new sources of growth and profitability.



Clinical care only one of many factors impacting a person's health – need broader services offering to fulfill our purpose.



Core business of clinical care delivery remains episodic - ability to impact health requires increasing duration and frequency of customer interactions.

TRANSFORMATION 2025

Destination Health

**Transform
the Core**

Safety
Health Outcomes
Growth
Financial Health

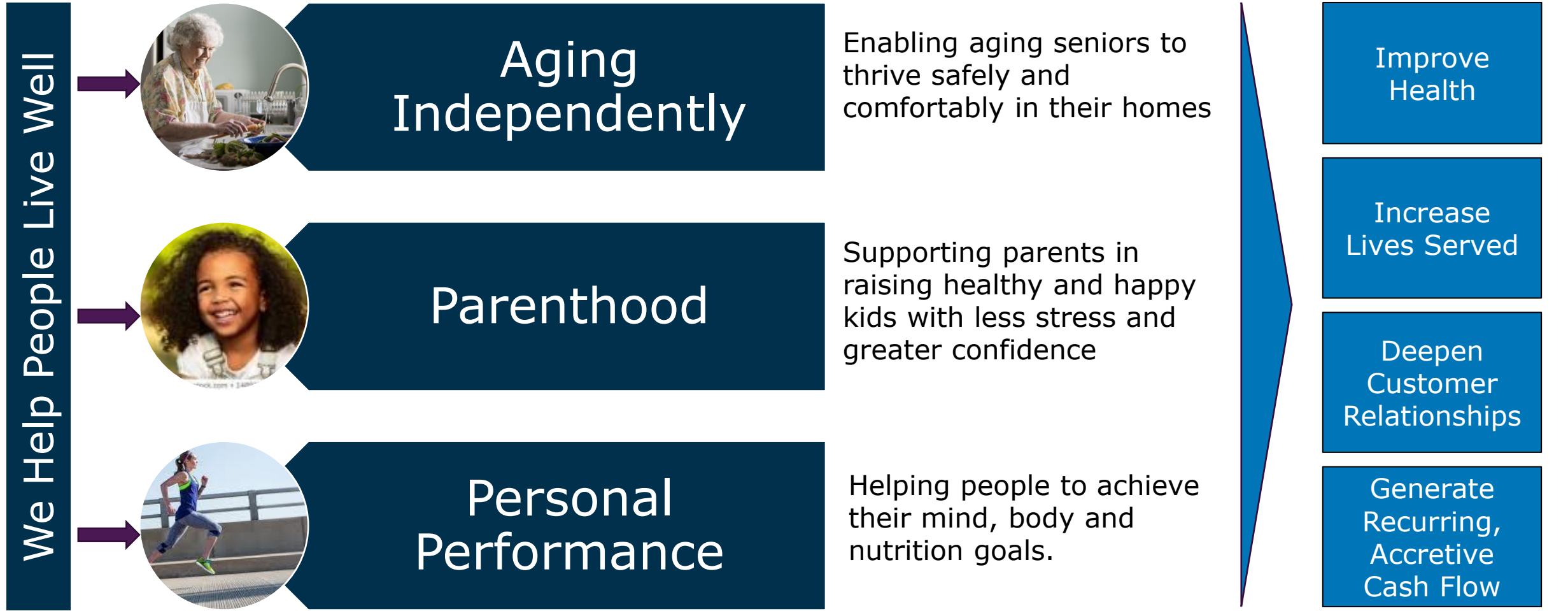
**Consumer
First**

**Anytime,
Anywhere
Access**
**Personalized
Experience**
Self-Service

**Whole
Person
Health**

New Care Models
**Consumer Health
Business**

AAE Focus and Goals



AAE Structure and Operating Model



Separate and dedicated management team



Separate and dedicated capital budget



Dedicated board



Select exemptions from corporate policies and processes



Minimal integration of portfolio companies with core

AAE Leadership Team



Scott Powder
President
Advocate Aurora Enterprises

Category Leader:
Aging Independently



Sheetal Sobti

Category Leader:
Parenthood

Open

Category Leader:
Personal
Performance



Dave Fergus

Transaction
Team Leader



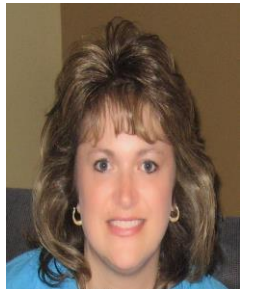
Dipa Mehta

AAE
Operations
Leader



Charu Mehta

Executive
Assistant



Linda Annese

Category
Team

Category
Team

Category
Team

Transaction
Team

Operations
Team

AAE Recent Activities

[Send a Release](#)

Advocate Aurora powers personalized telenutrition platform Foodsmart to \$25M+ Series C round

Investment marks the first for Advocate Aurora Enterprises, a new subsidiary of one of the nation's largest health systems, bringing consumer digital health solutions to the forefront to help more people live well.

APR 09

[MORE ON PATIENT ENGAGEMENT](#)

Advocate Aurora Enterprises acquires Senior Helpers

This is the second investment for the newly-created Advocate Aurora Enterprises, which was formed to invest in care beyond clinical care settings.

[CLINICAL IT](#) > [DIGITAL HEALTH INNOVATION](#)

Advocate Aurora Enterprises Leads Funding Round for Xealth

Banner Health, ChristianaCare, Cone Health, Memorial Hermann, Nebraska Medicine, Novant Health and Stanford Health Care also invest in digital therapeutics platform company

David Rath

Sept. 21, 2021

Portfolio Snapshot

Category	Company	Equity Amount
Aging Independently	Senior Helpers	Control
Parenthood	Wumblekin	Control
Personal Performance	Foodsmart	Minority
Cross-Category	Xealth	Minority

Investment Criteria

Criteria	Comments
Ownership	<ul style="list-style-type: none">• Defined pathway to $\geq 20\%$ ownership.• Preference for control over time.
Stage	<ul style="list-style-type: none">• $\geq \\$10\text{M}$ in GAAP revenue.• Annual revenue growth of $>20\%$ and/or EBITDA growth of $\geq 10\%$• Positive EBITDA or short runway
Check Size	<ul style="list-style-type: none">• $\\$10\text{M}$-$100\text{M}$ with flexibility for compelling opportunities
Partners	<ul style="list-style-type: none">• Open to co-investors• Actively seek health system partners where appropriate

AAE Transaction Pipeline

(As of 10/25)



AAE Future Focus

Aging Independently

- Medical Alerts
- Remote Patient Monitoring
- Other DTC Products (e.g. home medical equipment, hearing aids)

Personal Performance

- Digital Fitness/Exercise Solutions
- Sleep Solutions

Parenthood

- Strategy Refresh Underway

?