



The Way to
Wellville
five places. five metrics. five years.



**Investing in Health:
*Let Communities
Show the Way***

Building Healthy Communities
Federal Reserve Bank of Cleveland
October 23, 2014

Rick Brush
HICcup.co

What's the return on \$2.9 trillion?

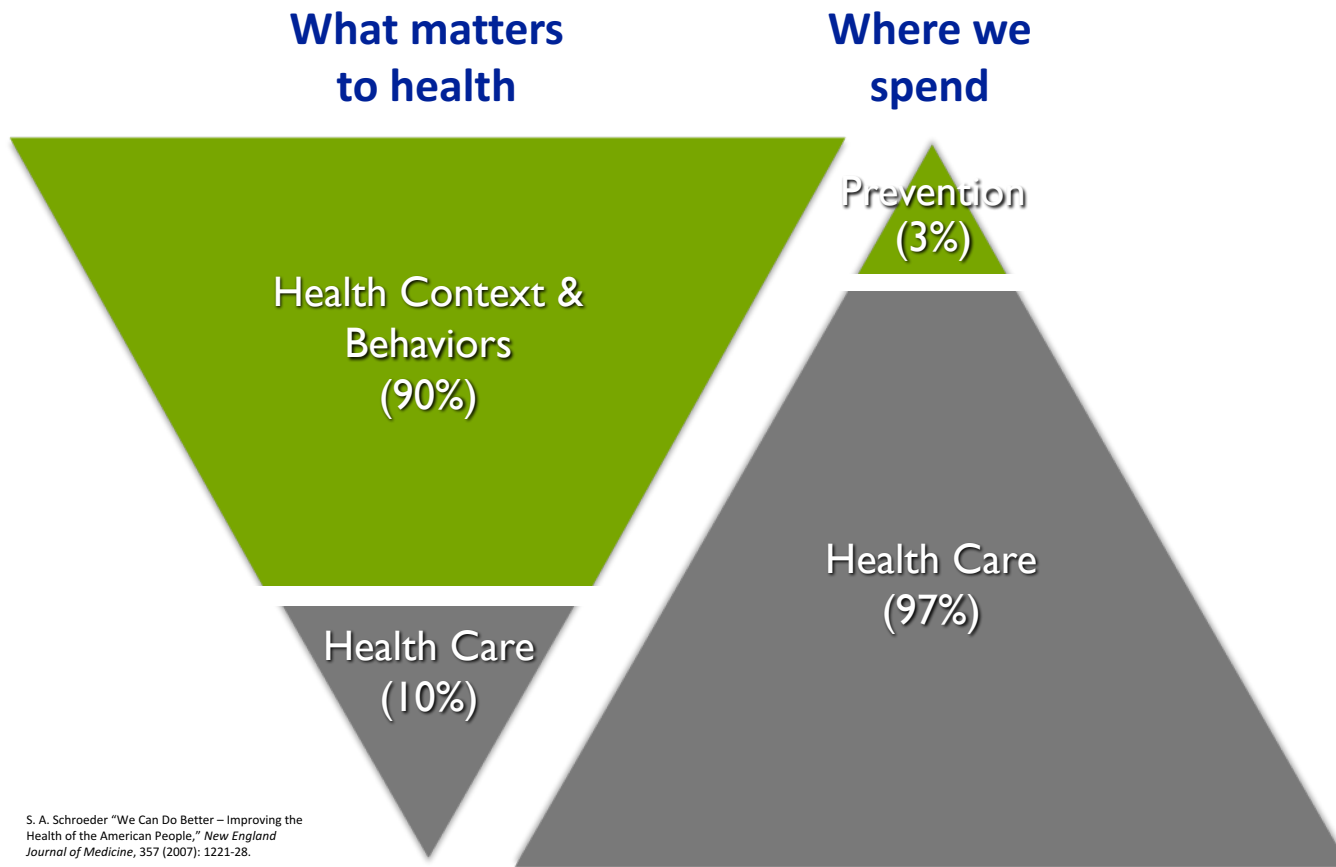
What matters to health

Health Context &
Behaviors
(90%)

Health Care
(10%)

S. A. Schroeder "We Can Do Better – Improving the Health of the American People," *New England Journal of Medicine*, 357 (2007): 1221-28.

What's the return on \$2.9 trillion?

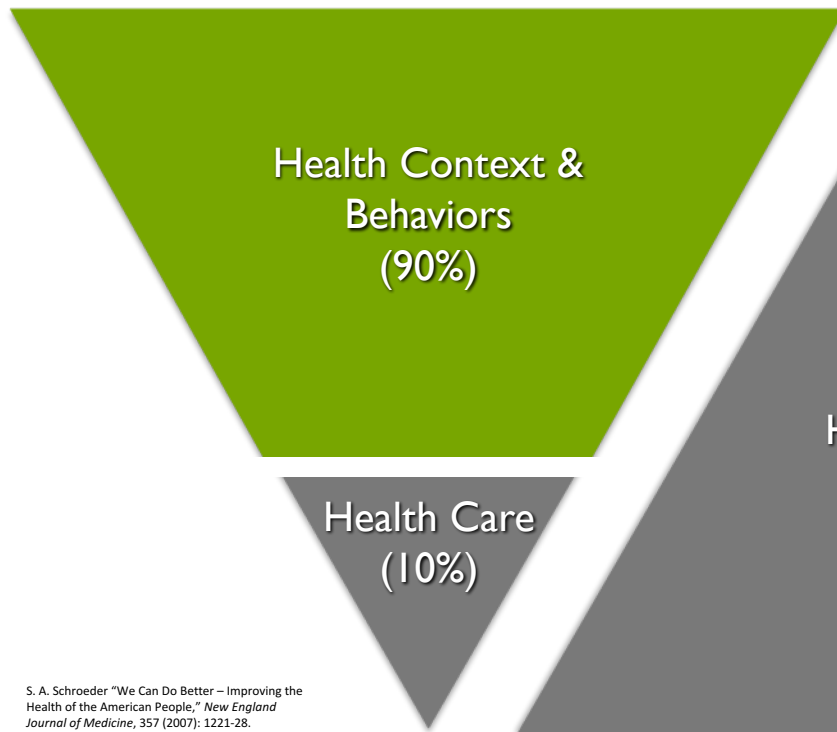


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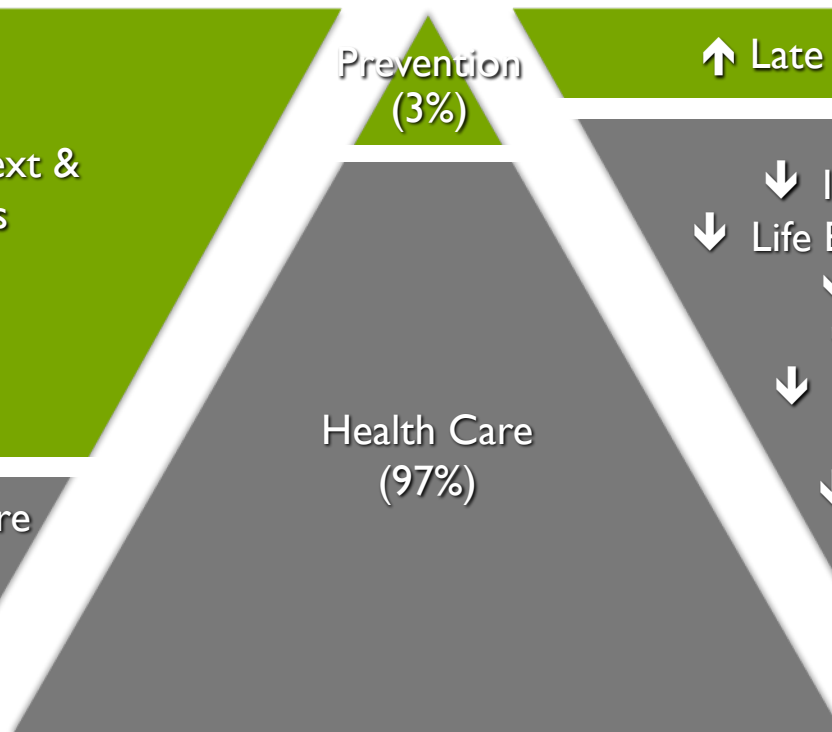
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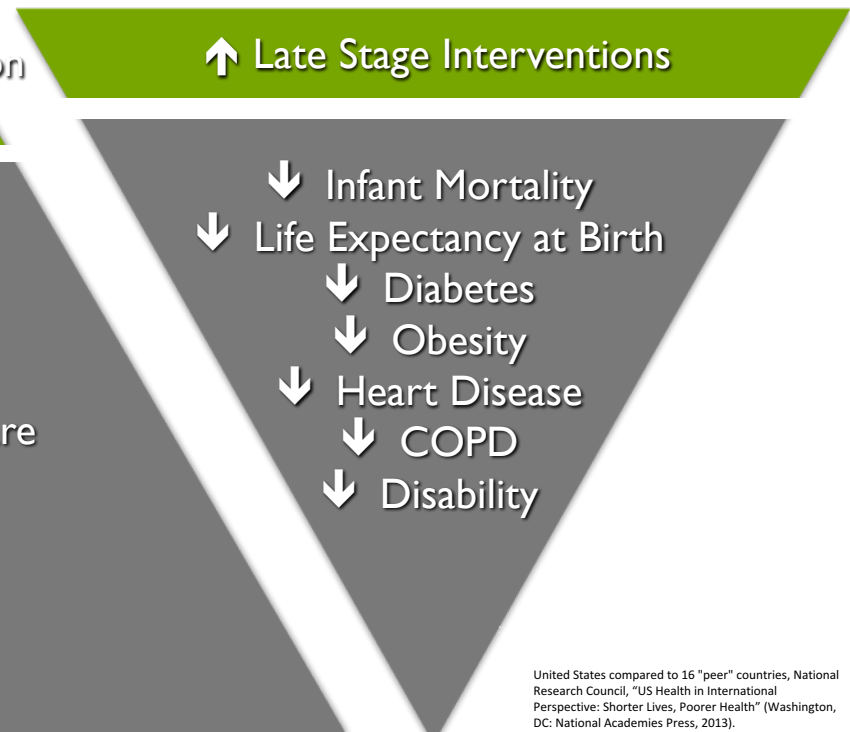
What matters to health



Where we spend



What we get (outcomes: ↑ better, ↓ worse)

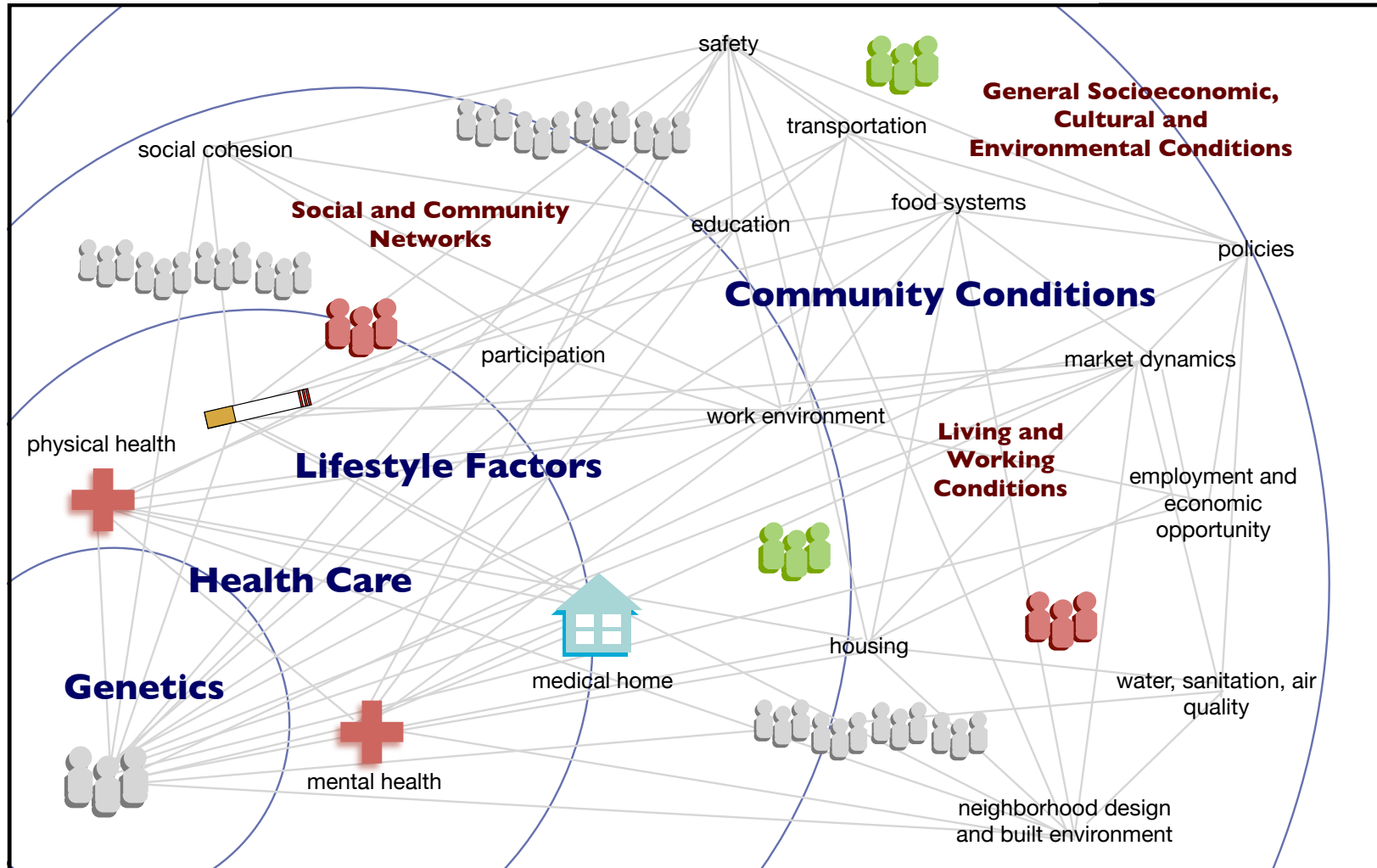


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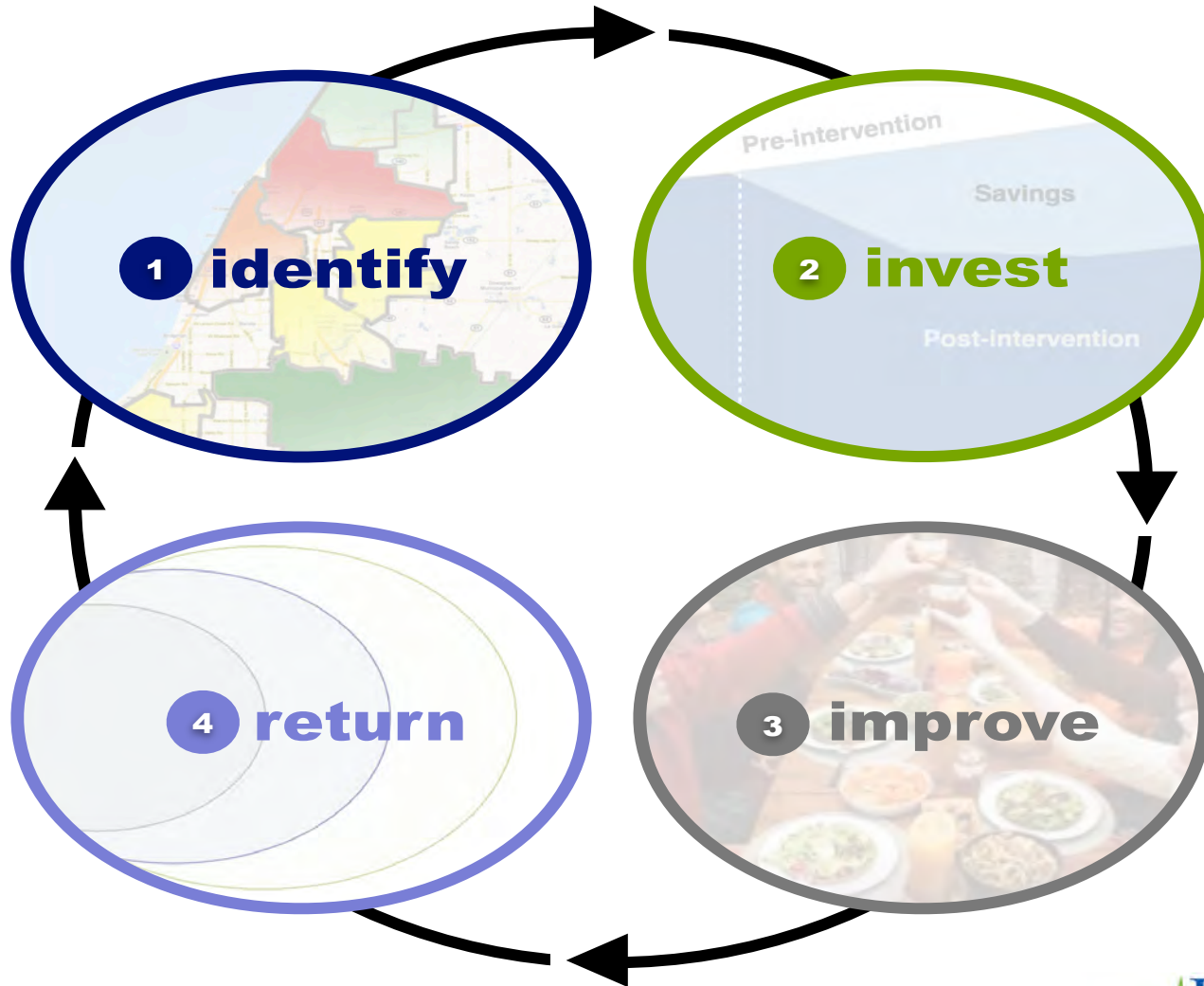
Centers for Medicare and Medicaid Services, "National Health Expenditures" Table 1, (Washington, DC: CMS, Office of the Actuary, National Health Statistics Group, 2012).

United States compared to 16 "peer" countries, National Research Council, "US Health in International Perspective: Shorter Lives, Poorer Health" (Washington, DC: National Academies Press, 2013).

really
✓
What matters to health?



Health-impact investing



An opportunity?

the Atlantic

October 19, 2014

<http://www.theatlantic.com/health/archive/2014/10/getting-private-investors-to-fund-public-health-projects/381628/>

Getting Private Investors to Fund Public-Health Projects

With social-impact bonds, people can recoup the money they've fronted—as long as the initiatives hit their health targets.

ANNA GORMAN | OCT 19 2014, 12:30 PM ET



Dalia Mondragon administers an inhaler to her son, 10-year-old Renato Silva. (Heidi de Marco/KHN)

FRESNO, California—Inside her single-story home in the dry and dusty Central Valley, Dalia Mondragon scarcely sleeps. Several times a night, she tiptoes into her children's rooms to make sure their chests are peacefully rising and falling.

"People with lots of money are anxious to invest at least a portion in things like this, especially if you give them a reasonable return."

Health-impact investing: Childhood asthma in Fresno CA

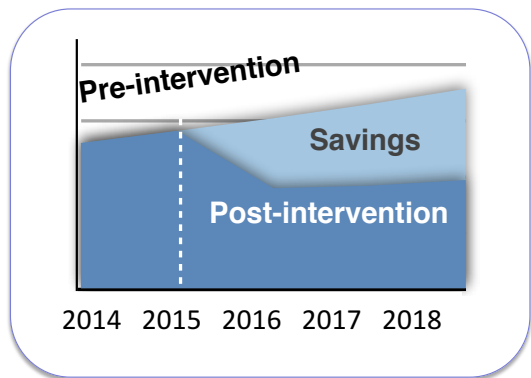
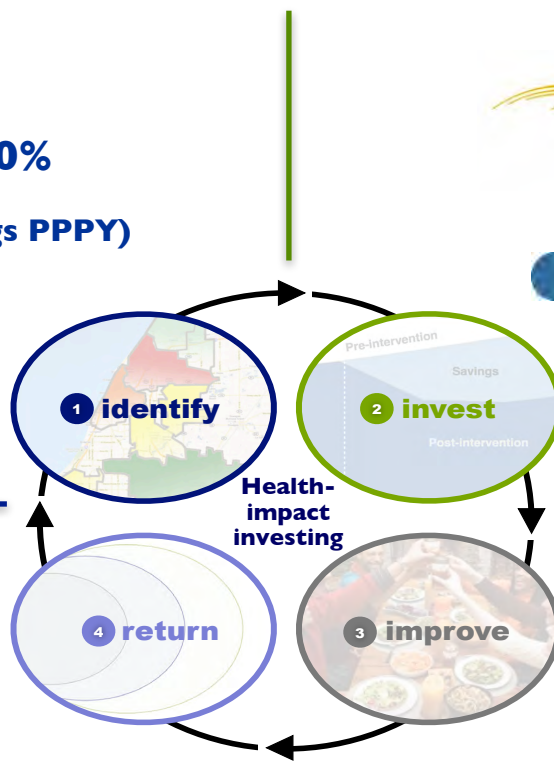
16,000 children (potential)
↑health, ↓ER 30%, ↓IP 50%
\$1K-\$5K (estimated net savings PPPY)



**grant funding for
200 children**



**investors for
scale up**



RCT using insurance claims data
Validated by third-party actuary



**Home-based education &
environmental remediation**

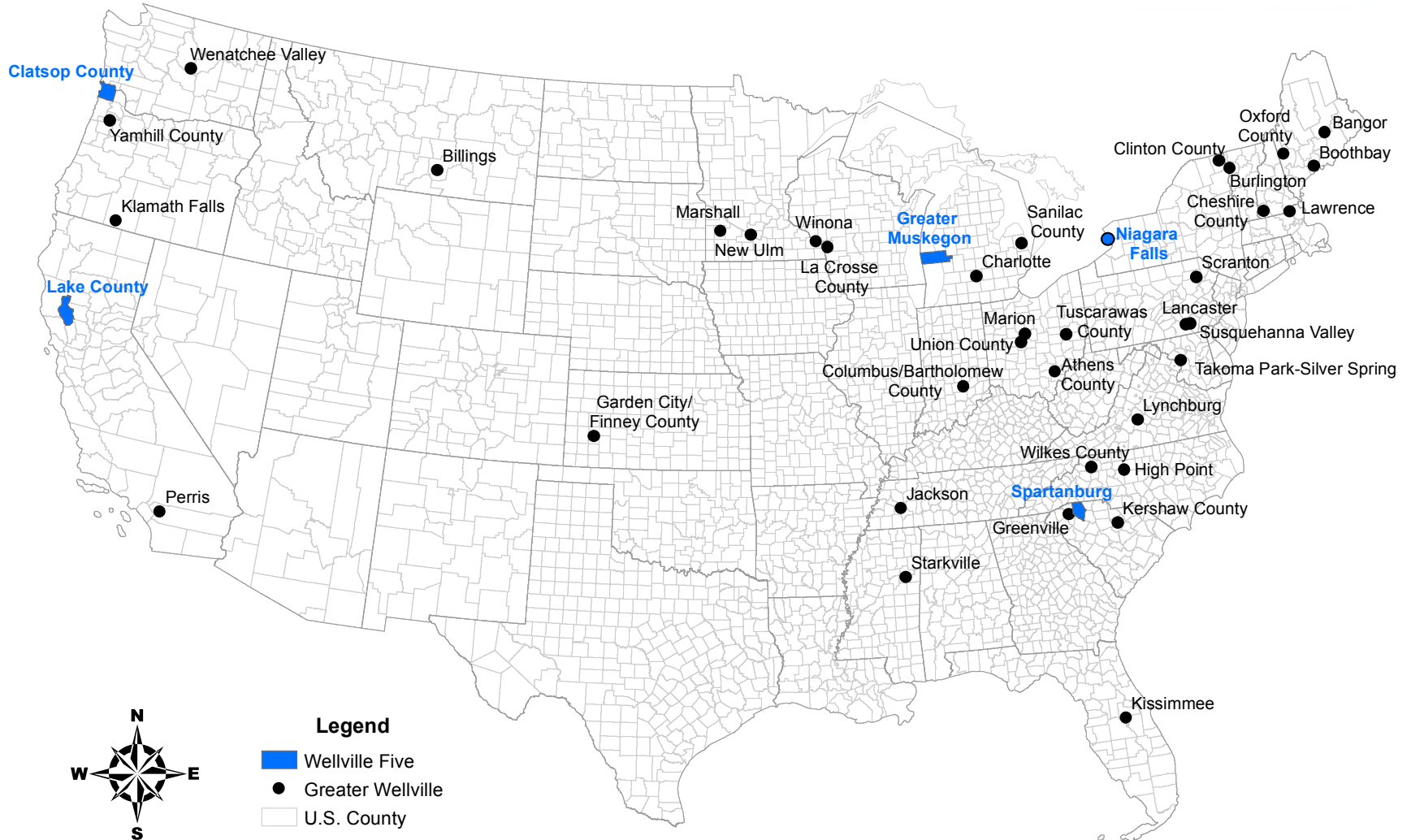
Health-impact investing at a *community* level

The Way to **Wellville**

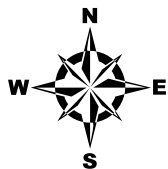
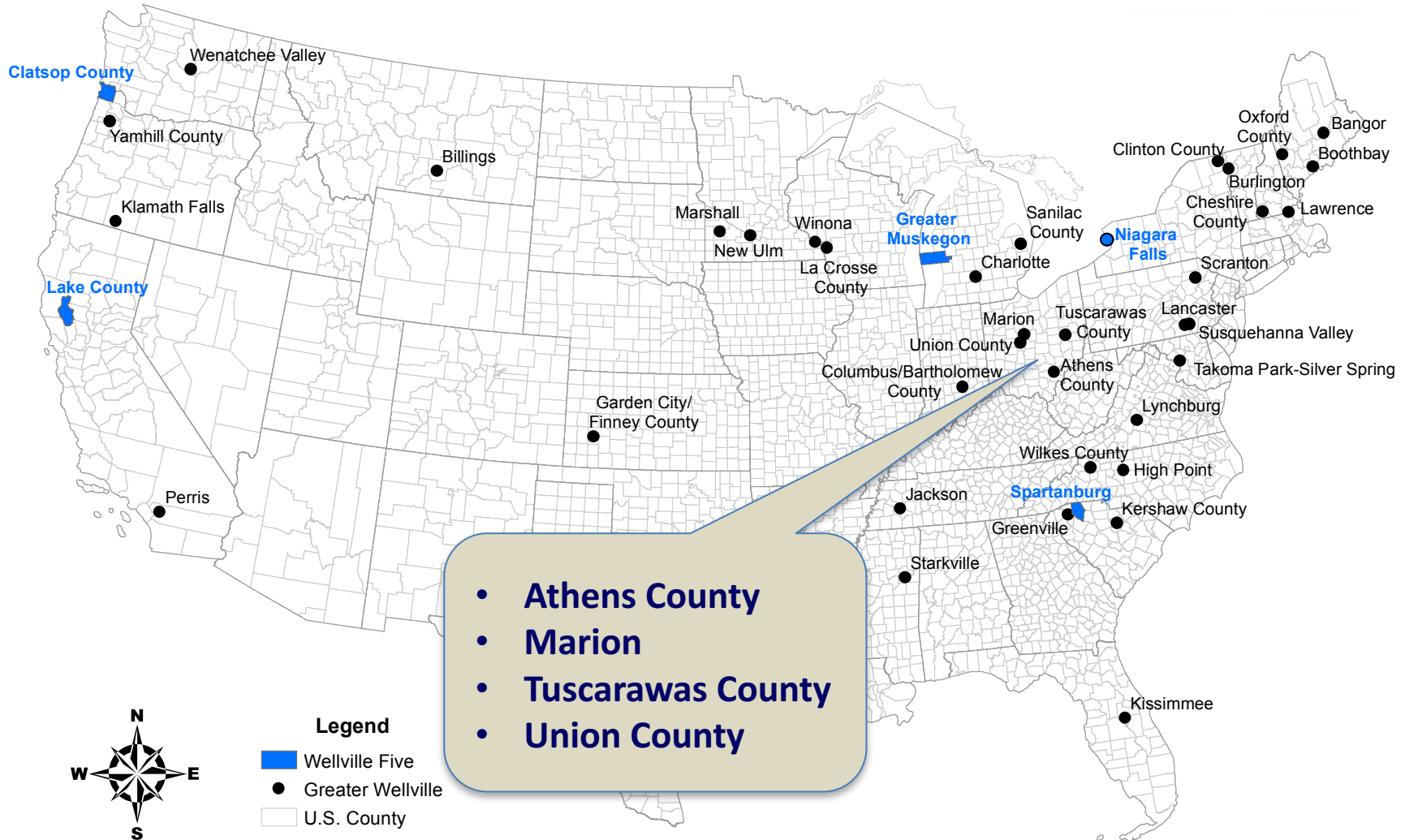


five places. five metrics. five years.

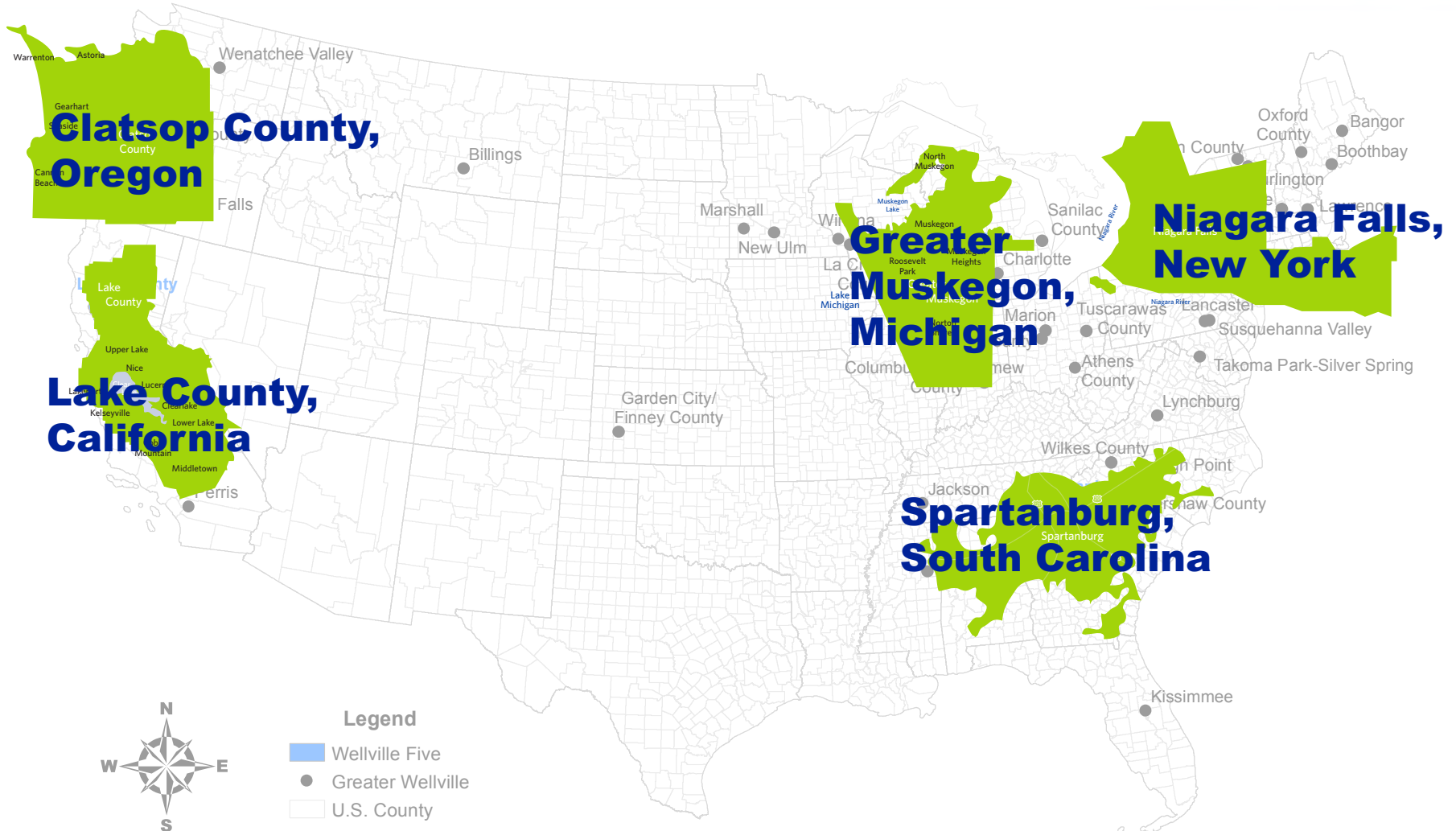
42 communities applied



42 communities applied → 4 in Ohio



Wellville Five + Greater Wellville network



Let communities show the way



The *community* is the startup – and the product is *health*.

Health Capital Market

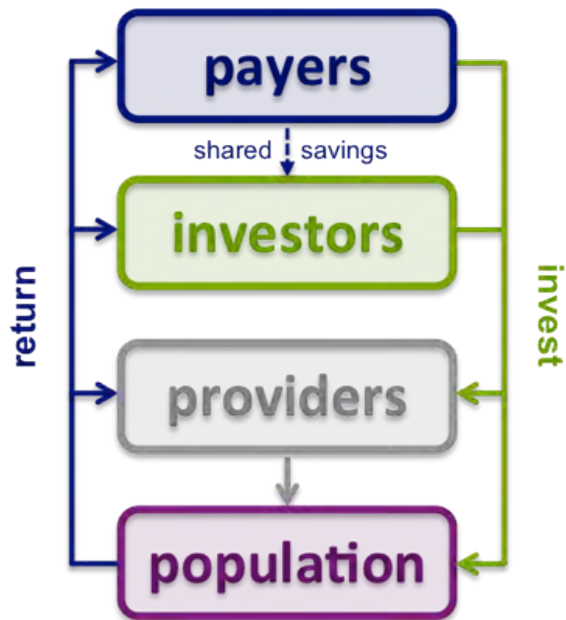
*community-led
(re)investment*

+

*portfolio of
investable solutions*

+

*“capital stacks”
financing*



social/cultural

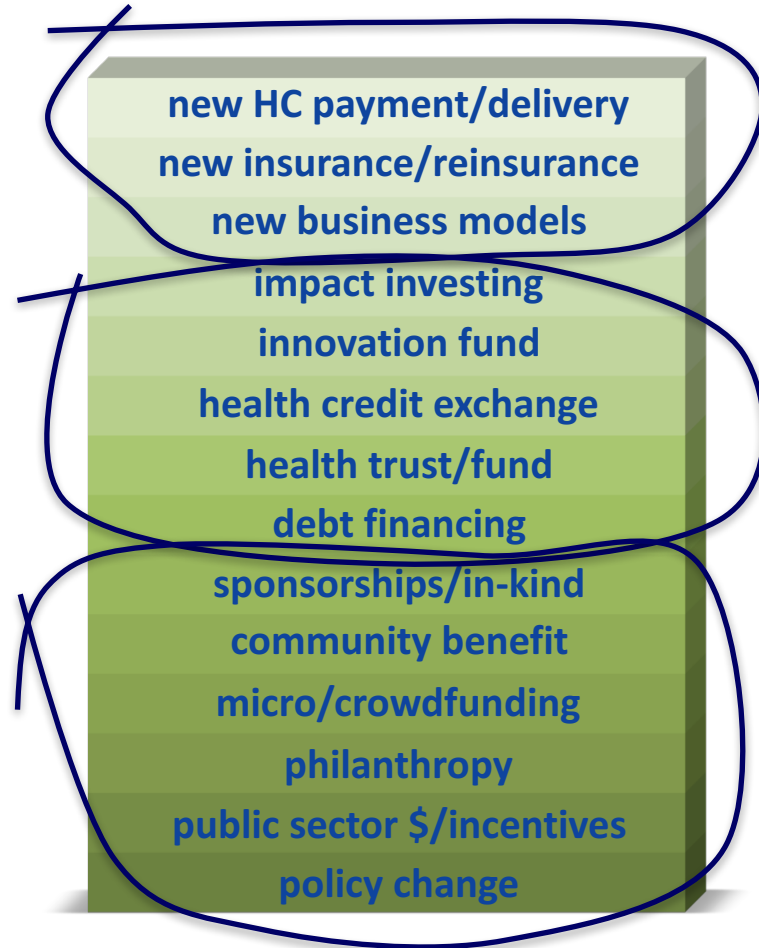
community conditions

self-management

new health system

- new HC payment/delivery
- new insurance/reinsurance
- new business models
- impact investing
- innovation fund
- health credit exchange
- health trust/fund
- debt financing
- sponsorships/in-kind
- community benefit
- micro/crowdfunding
- philanthropy
- public sector \$/incentives
- policy change

Health Capital Market



Get involved



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