Episode 25 – Digestive Health Part 2: Oshi Health's clinical, whole-person view

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NARRATOR: Welcome to The Cure For The Common Company, a podcast series looking at innovations in the world of employee health and wellbeing. Steve Blumenfield and other experts from Willis Towers Watson's health and benefits practice are talking to entrepreneurs and industry leaders who break ground to meet the needs of today's workforce and deliver benefit solutions that can separate employers from the back.

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STEVE BLUMENFIELD: Hey, Sam.

SAM HOLLIDAY: Hey, Steve. How are you?

STEVE BLUMENFIELD: Great. Hey, Chantell.

CHANTELL SELL: Hey, Steve.

STEVE BLUMENFIELD: Hi, everyone, and welcome to The Cure for the Common Co. podcast. This is Steve Blumenfield, head of strategy and innovation for Willis Towers Watson's Health and Benefits North America. Today I'm extremely excited to continue to highlight the emerging digestive health space by looking at digestive disease reversal through an end-to-end clinic-based care model known as Oshi Health.

Sam Holliday, CEO of Oshi joins the pod today. Welcome once again, Sam.

SAM HOLLIDAY: Thanks, Steve. It's really great to be here and talk about this topic.

STEVE BLUMENFIELD: And great to have you here. I'm also joined by a savvy and insightful pharmacy and digestive health expert colleague, Chantell Sell. Thanks for joining us, Chantell.

CHANTELL SELL: Sure. Thanks, Steve. Happy to be here.

STEVE BLUMENFIELD: Excellent. Well, let's get into it. Sam, tell our listeners a bit about yourself and what led you to Oshi.

SAM HOLLIDAY: So I've been in health care for 20 plus years, always looking at how we can bring technology to improve the delivery of care and help more people around the country. I was working in diabetes for a number of years and we saw the impact that food had. And we saw the emergence of some of the virtual clinics being built to really take the walls off of the care delivery for diabetes.

And we saw great results, great outcomes. And all of that collided with my personal experience. My mom lives with a GI condition, irritable bowel syndrome, which 15% to 20% of people have. And she learned that some of the food she was eating were triggering her symptoms.

She eventually figured out how to change her diet to get the condition under control. But a couple of times she's also landed in the emergency room, and we realized after the fact, it was triggered by anxiety. And so all of that came together.

And my sister lives with Crohn's disease. And we've really seen her journey. And we just -- we saw that there were different ways we could deliver care and that virtual care model would be really conducive to the things my mom and sister needed.

STEVE BLUMENFIELD: Wow, that's something, Sam. So is there some relationship to the fact that these are your relatives and they both have these severe GI issues?

SAM HOLLIDAY: Yeah, sometimes there are hereditary aspects to GI conditions, so definitely on my mind a lot. I'm constantly tracking my own GI health and trying to use some of the tools that we teach our own members just to keep myself healthy in the gut. But it's been the inspiration, really, to say we think we can deliver better care to more people and really help people that might not realize the kinds of care they could be getting.

STEVE BLUMENFIELD: Glad to hear you're not the cause. That's what I was thinking that might be the case, Sam.

So, Chantell let's talk about this disease impact and especially the impact on pharmacy.

CHANTELL SELL: Yeah, it's huge, Steve. So you mentioned diabetes, Sam. And we know about 34 million people in the U.S. have diabetes but double that, 66 million actually have a gastrointestinal disorder. So what does that what does that mean?

So we have inflammatory bowel syndrome, which is IBS. So that's estimated to be about 10% to 15% globally. And 60% of those cases are often severe. And another common condition is Gerd, gastroesophageal reflux disease. The prevalence in North America is estimated at 18% to 28%, so really significant.

STEVE BLUMENFIELD: Yeah that's enormous. And one of the things that is most striking and most disturbing we've mentioned on this pod before is the pharmacy impact. And I think we've got some stats you can share about just how big that spend is getting and could become.

CHANTELL SELL: Yeah. Yeah, so we are expecting a 35% growth from 2015 till 2022, so next year 35% growth. So that is $35.7 billion up to $48.4 billion. And I think the drug pipeline specifically speaks to this, because there are over 300 drugs that are in pipeline for gastrointestinal disease. About a third, a little less than a third, are for that inflammatory bowel disease, the Crohn's disease, ulcerative colitis and the rest for other digestive conditions.

So significant cost impact from a pharmacy perspective and we'll see many more drugs coming to market.

STEVE BLUMENFIELD: And many of these are specialty meds too.

CHANTELL SELL: Yes.

STEVE BLUMENFIELD: So, yeah, the punch line here is: Find a way to manage this if we can before it gets to medication. It's hitting a massive number of people. There are other ways to do this and to look at this. OK, so that's the backdrop.

Sam, we've seen solutions in this space, which is still forming. Like, this always happens in these spaces. You have kind of point solutions taking a position here, a position there until somebody lands on the whole solution, and then the pieces start to get added to others and the accumulation happens and suddenly there's a standard of care, if you will, in a new paradigm for treating conditions.

So we've seen pure digital apps, we've seen microbiome analysis being added to those or separately, we've seen coaching with analysis, we've seen some measurement devices that are interesting and compelling, and we've even seen some purely cognitive behavioral therapy and the like based solutions to hit at some of the approaches that you said your family has been subject to. But Oshi is the most robust and comprehensive we've seen thus far. Can you give us Oshi in a nutshell?

SAM HOLLIDAY: Yeah, I appreciate you saying that. And you're right. There are a bunch of different approaches that are being taken to help people with GI conditions, which is great. I think this is an area that's been underserved. There are a lot of people, as Chantell mentioned, in those stats out there suffering, many times in silence.

And so what we did, is we looked at what was out there and said, we're not sure that you can solve the whole need of the person suffering unless you can deliver the medical care they need, and really bring that to them wherever they are, whether that's at home, in the office, wherever they happen to be.

And there's a couple stages to this. You need to go through getting the correct diagnosis and that's not simple in GI. It's not like diabetes where I worked where you can prick your finger at home, low cost, and you can get a number that tells you how you're doing.

In GI, you really do need to track your symptoms. You need to understand how might your food be impacting that. How might your stress and anxiety or your hypersensitivity to feelings from your stomach be impacting how you're doing? And so that's complicated and it's harder to diagnose these conditions. A lot of times you need to try therapies, and then see whether you're responding to those and monitor your symptoms along the way.

And so when we looked at all of this in terms of the best care out there, we decided to put it all together and bring it to the member. And what does that mean? It means we're actually a clinic. So we can diagnose you. We can order tests that will help us get to a diagnosis. We can prescribe you a medication if that's appropriate.

But more importantly, the two pieces really missing in a lot of care are dietary interventions and psychosocial interventions of the cognitive behavioral therapy. And all of those have been proven individually. And there's even a study showing that if you put all of this together, it gets better outcomes and a lower cost of care with a better experience. Yet, we really haven't designed our health care system in the U.S. to deliver that and there's a lot of reasons why that we could talk about.

But Oshi is a full clinic model, where we do everything from diagnosis to ongoing whole person care inclusive of dietary and psychosocial interventions.

STEVE BLUMENFIELD: Thanks, Sam.

CHANTELL SELL: So, Sam can you just explain why Oshi for the employee? Like, tell us a little bit about what that member journey is like.

SAM HOLLIDAY: Yeah, absolutely. What often happens when people start experiencing GI symptoms, they'll go to primary care and they'll often start there. They'll explain what's going on. Simple testings usually done to figure out if it's lactose intolerance or something more simple that we do have a good test for. Oftentimes that doesn't answer what's really going on, and many times they're referred at that point to a gastroenterologist.

Unfortunately, wait times for GIs as a new patient are very, very long, prior to the pandemic were one to two months. I think that's only getting worse with all the procedures that the GI clinics are trying to catch up on post pandemic. And so it takes a long time to then get in and see somebody.

And as one chief medical officer for a health plan told me, what happens then has been over medicalized. A lot of procedures are then done to try to rule out the really bad things, the cancer, inflammatory bowel disease.

Even though those are very low likelihood in a lot of these people. But that's what we do, we sort of try to rule out all the bad things, order all the testing possible just to arrive back at the answer that was most common, which is: it's probably irritable bowel syndrome, chronic constipation, chronic diarrhea.

Now, the gastroenterologist knows, OK, probably this person needs dietary and psychological interventions. Those work in many cases better than the medications that are available. But the GI clinics don't staff those providers. Oftentimes they don't even know a GI-specialized dietician or psychologist in their area.

And so they send somebody home with a piece of paper about the low FODMAP diet, maybe a suggestion to go see a psychology, trained psychologist, and the member is now stuck. They don't really know what to do. They might be prescribed a medication. Again, they are only 20% effective, many of the IBS medications, and so they're stuck. They try that, fail go back to the GI care. So that's -- and then they go back to primary care who's frustrated that the GI didn't solve the problem. So everybody in this situation is frustrated.

And so, really at Oshi we've rethought that and said, instead, what if the primary care physician refers to the member to Oshi, our first appointment will be 45 minutes long, where we really take the time to unpack the history, what's going on? What does the this symptom pattern look like? That's all done through telehealth, very easy to access. Our appointments are usually available within two weeks.

STEVE BLUMENFIELD: Is that a GP? Is that a nurse? Is that a trained technician?

SAM HOLLIDAY: It's our GI specialized providers. Physicians and nurse practitioners--

STEVE BLUMENFIELD: OK.

SAM HOLLIDAY: --who are experts in GI care. And they're following the protocols that we've designed that help them really reframe how to diagnose these conditions in a more value-based way.

The tradition, as I said, is to just go straight to all the testing and procedures. We really try to understand that symptom pattern and say, hey, is there a conservative therapy we can test here and monitor you closely over the next couple of weeks?

And so that's what we do. And many of those people, we might order a lab test but we get them straight into see our dieticians and psychologists to start to figure out what their triggers are of their symptoms and what they can do to manage that going forward.

CHANTELL SELL: So you're saving time for sure, it sounds like just--

SAM HOLLIDAY: Absolutely.

CHANTELL SELL: --based on everything I just heard. And they also are able to use an app, right? There's a component of this to help them schedule.

SAM HOLLIDAY: That's right. So all the booking is easily done through our app. Again appointments are available very quickly. You attend the appointment through telehealth through our app. You see your provider. And after the visit, you get a care plan delivered to the app that helps you know, OK, and remember, OK, these are the things we talked about. This is what we're going to try next.

And then we have symptom and food tracking and mental health tracking, that we'll ask the member to do for a couple of weeks until their next visit so that we can see what's going on between these interactions.

And what I think is really important is, we're not asking the member to try to connect all these complex dots themselves, right I think this is where I struggle with these purely self-management apps that are out there. It's too hard to connect the dots. You really need an expert GI specialized provider to help you figure this out and to iterate.

And I think the other part is you need an accountability partner, so we use health coaches who really follow up to say, are you hitting any barriers in implementing this care plan into your day-to-day life? Whether it's the food side, how are the behavioral interventions going? Is this working?

And so we have that accountability plus the tracking but with the expert that's interpreting and helping you iterate through til we figure it out. And that takes, in many patients, four to six months to really figure this out and get them to a sustainable solution.

CHANTELL SELL: So, Sam can you give us just a day in the life of a member with a condition and the clinicians that they're going to interact with and the whole care team really?

SAM HOLLIDAY: Yeah, absolutely. You start your journey with us meeting the GI provider, who's going to be there with you throughout your care. They're really leading and coming up with the care plan, figuring out what's going on, what do we want to try, and then monitoring your progress through that.

They're going to then loop in our GI specialized dieticians and psychologists. Typically, our members meet with the GI dietician or psychologist every two weeks and between that, they're doing the tracking of their food and their symptoms then following up on that, they're trying the next thing in the sequence on the diet program, for example.

So a lot of times you eliminate basic foods, then you see how that changes your symptoms, then at your next visit you'll check in with a dietician and go to the next step. Maybe it's now reintroducing foods that don't seem to be triggers until you really figure out what's going on. And same thing on the psychology, it's people will learn the tools and they visit with the psychologists, try them on their own for a few weeks then have the follow up about what's working, what's not, and learn the next set of pieces.

So that's the journey. It's a combination of technology you're using between visits, and then these touch points through the app with the different clinical team members. And a coach who's messaging you each day, checking in, how's it going? They're there if you have questions and they can provide you some answers or escalate it up to other members of the care team who can get back to you through the app very quickly.

And if you have an emergency, you just reach out to us and we get back in touch with you within hours. As opposed to many times we hear people tried calling the GI office, didn't get a response so they went to the ER.

STEVE BLUMENFIELD: Yeah.

SAM HOLLIDAY: We can really avoid a lot of that.

STEVE BLUMENFIELD: Sure can. So that whole experience you described, is that happening through a portal in virtual? Is that happening through texting? Just to get a little more detailed on that.

SAM HOLLIDAY: Yeah, it's through the Oshi app, and it's much -- the experience is very much like FaceTime. If you've used FaceTime or doing a Zoom call on your phone, it's through our app so it's secure. And, yeah, you're just interacting with your providers through that. You can schedule your appointments all through the app. It's very easy.

And the messaging is all, again, in our app for security purposes so that it can be integrated in. You can see your care plan there, message with your team, and use some of the tracking tools.

CHANTELL SELL: So if they need in-person care, you're all virtual but if they do need that extra resource you can help to refer them out as well?

SAM HOLLIDAY: Yeah. And this is a really important piece. We, first of all, are aiming to only use the in-person procedures when they're truly appropriate, and sometimes they really are. Someone could have an alarming symptom that we really need to make sure they check for IBD. It looks like something that could be IBD, Crohn's, or ulcerative colitis.

And so at that point, we try to understand what benefits and what is the network that the employer has put in place for their employees, usually through the carrier. And our care coordinators will help the member navigate that to find the highest value local either ambulatory surgery center to go get a colonoscopy or endoscopy, or a GI provider.

If they need to be seen quickly in person, it will actually help people schedule that. We'll call the office. We'll make sure they get the records of what we've already sort of tested and uncovered. So that's a very smooth experience for the member.

And so we make sure that they're getting care not in the hospital where it's very, very expensive but the same procedure done in an ambulatory environment is usually a quarter of the cost. So we also want to make sure people are just getting the care in a cost effective but high quality way.

STEVE BLUMENFIELD: About what percent of the time, Sam, is that necessary?

SAM HOLLIDAY: We're seeing that in a very small percentage of our members at this point. I mean, it's in the 10% to 20% range, not the 100% range that you often see.

CHANTELL SELL: So that's lower cost for potentially for employers a higher member experience. And just talk maybe a little bit about, I think, the other really important thing for employers in terms of just absenteeism and presenteeism.

SAM HOLLIDAY: Yeah. Yeah, well, and also nobody wants to go get a colonoscopy or endoscopy. I've had one, wasn't the worst but a lot of people like to avoid it if they can. So we also actually help people get comfortable with even going to get the procedures with the prep side of it.

But, yeah, the impact for employers, in particular -- I think this is underappreciated. There's surveys that show two days of absenteeism per month from people with IBS and eight days of presenteeism per month. It's a massive impact. Many of these people also really don't want to go back to the office. There was an article I posted actually called Pooping In The Office Is Going To Stink.

[LAUGHTER]

People with GI conditions really like to work from home because there wasn't that stigma around, why is this person going to the bathroom? Why are they stepping out of the meeting in the middle? The flexibility of work from home was really great for a lot of people with GI conditions. And so it highlights the stigma but that workplace productivity impact is massive.

And we can help people get this sorted out so that we minimize these symptoms, and they don't get in the way of work. Also importantly, they don't get in the way of life.

STEVE BLUMENFIELD: Got I ask for a second here, where'd you publish that article?

[LAUGHTER]

SAM HOLLIDAY: I posted that one on LinkedIn, I did not write it.

STEVE BLUMENFIELD: OK.

SAM HOLLIDAY: But what's fascinating--

[INTERPOSING VOICES]

STEVE BLUMENFIELD: So, wait, it wasn't like Highlights magazine, right? This is professional--

SAM HOLLIDAY: Yes, this was a legit publication putting this out there to point this out, that this is a real issue. Well, what struck me, though-- and this is sad but this is the reality of the stigma. The people they interviewed didn't want to give their real names because they were worried their colleagues were going to read the article.

You see the stigma around GI and-- I think this is why it hasn't gotten enough focus. A lot of times they're are related to sort of where mental health was. People aren't coming into the office saying, hey, I'm really struggling with my mental health, I need solutions.

But then as people have really unpacked what's going on there, we figured out, and employers have recognized and started doing a lot for people and their mental health. And I think GI is really the next area where you're going to hopefully see this, and that's part of why I decided to talk to you guys today.

CHANTELL SELL: We've got to destigmatize it for sure.

SAM HOLLIDAY: Yeah.

STEVE BLUMENFIELD: Well, we've got an emoji just at the ready we can use.

SAM HOLLIDAY: Yeah, I'm glad you bring that up. So we've -- it's kind of funny when we found both in our member outreach as well as to reach your employer audience. Putting a poop emoji in the subject line of an email --

[LAUGHTER]

SAM HOLLIDAY: -- always gets people's attention.

CHANTELL SELL: Communication strategies, yes.

STEVE BLUMENFIELD: Yeah, you don't get many work emails with that. But it's funny to talk about stigma about something that people do -- every living being on this planet has the same endpoint let's say. And it's just -- but it is something that can be embarrassing to different kind of stigma than we think about for mental health.

But there's actually -- the problem is so bad that people will do almost anything to avoid those awkward situations. And we shared a stat -- I don't know, Chantell or Sam when you guys want to talk about this stuff that you found, but another very compelling stat at how important this is.

SAM HOLLIDAY: Yeah, I guess I'll share this one. It highlights that just the amount that these conditions like IBS impact people's life. The stat was basically from a survey of people living with IBS. And they asked, what would you be willing to give up for one month of relief from your IBS?

And so, I think, my three favorite ones were 40% of people would give up sex to have one month of relief from IBS.

[LAUGHTER]

That is shocking. 25% would give up their cell phone, and 21% would give up the internet for a month. So you realize through that like, wow, this is really impacting people's day to day life. And it doesn't need to be.

STEVE BLUMENFIELD: Just to be clear, this isn't people who, like, are in the category where they can't enjoy any of those, right?

[LAUGHTER]

SAM HOLLIDAY: That's correct. That the average age of this population, I think, it was in the 40s. That's another interesting part of this space, is it really starts young. It's hitting the working age population even more than many other conditions. Unfortunately, IBD is often diagnosed in the teenage or early 20 years, Crohn's and ulcerative colitis.

IBS tends to come on later, a little bit later in life but it's still mostly 30s and 40s. So squarely hitting people that are working age and getting in the way of doing their job.

I think the other part is -- and we don't have great data on this, but worker's compensation and medical leave claims related to IBS. I know my mom has gone on leave related to hers and -- we don't have great data but we know this is having a huge toll that employers really -- it is hitting their bottom line in one way or another, direct costs and all these indirect.

CHANTELL SELL: We are seeing that when we're doing analyses ourselves. I think it is in the top five conditions for a lot of employers now so it's really quite impactful for sure.

SAM HOLLIDAY: Yeah, and, I mean, I'm excited because we're starting to get people reaching to us out saying, hey, we've actually seen now that GI is in our top two or three cost drivers. And they're starting to look for solutions but it's still an emerging category.

STEVE BLUMENFIELD: Yeah, one of those things that we talked about on a couple of prior discussions we had on related topics or this topic were that, the data has not always been collected in a way that reveals just how enormous this topic is and how many people are impacted by it. But once you start looking at it that way, it's just -- it's impossible to ignore. It's driving spend, especially as more and more expensive medications are aimed against it.

So, Sam, Oshi -- I'm not sure what to make of that Oshi, is that like a candy bar? Is that to do with a body of water? What is Oshi?

SAM HOLLIDAY: Yeah, it's funny most people assume it means -- there's a Japanese word, oishi, which means delicious, which is relevant too. There's another one in sumo Oshi, which is to push, also could be relevant --

[LAUGHTER]

-- for bowel movements, it is neither of those. It actually was originally open source health information when we were thinking about how do we give the best information to patients, to their physicians to enable care and so it turned into Oshi and here we are.

Then there is an urban Dictionary definition, which I won't go into. It's not appropriate for radio but you can go look it up. Definitely Google it, also relevant.

STEVE BLUMENFIELD: So I don't know if that's what this is, but I'm tempted to -- lets see, o, s, h, i. I'm tempted to put a T at the end of that.

SAM HOLLIDAY: You got it.

STEVE BLUMENFIELD: All right, there we go. And now we've got poop emojis. We've got -- adding Ts to the end of o,s,h,i. I think we've hit an all new low with this high in the possible.

SAM HOLLIDAY: You're welcome.

STEVE BLUMENFIELD: Help us understand the benefit of this whole person clinical orientation that you take versus some of those different types of solutions that are out there. Look, anything is better than nothing and some of these are quite good, but why is it that all these pieces are better together?

SAM HOLLIDAY: I think one is the member experience of actually getting your clinical care and having all these tools brought to you with, not just doing self-management on your own, but knowing there's a clinician, who's an expert, who really knows you on the back end of it. Things that we can do that nobody else in the space yet can do.

Nobody can prevent those avoidable procedures. To do that, you really need to be a clinic who has expert GI clinicians who is really unpacking what's going on, getting prior medical records. Really treating you as a patient. We like to call everybody members, but, yeah, really treating you.

Two, we can prescribe medications. Point solutions are not able to prescribe medications. We can also prescribe them though as an adjunct to these other interventions, the dietary and psychosocial. Our view is, you really need to have all of these tools to get the best outcome for people the most quickly and to avoid some of the costs that you see. And so we have levers to do that nobody else in the space does.

STEVE BLUMENFIELD: So what I'm hearing in that is, it's different to be prescribing when needed when you're working with somebody daily, maybe even multiple times a day as they're confronting a problem. Giving them tips, two-way communication.

This isn't an appointment every two months to see if it was effective based on what was written down on your little diet sheet, but rather it's a constant exchange. And then when you have to escalate to a drug, it's because it's needed at that point. You can monitor in real time its effectiveness. That's the kind of image I'm getting of the way this works.

SAM HOLLIDAY: Absolutely, and we can prescribe as a starting point while we implement the dietary and psychosocial interventions. And in many cases, we can take people off those medications. We can de-prescribe, de-escalate once these other things, more sustainable lower cost things kick in. And so that obviously creates a lot of cost saving opportunity.

But also people don't want to be on these medications. They all have side effects that people would rather avoid.

CHANTELL SELL: Not to mention the cost too.

SAM HOLLIDAY: And the cost. And I think, another one in terms of the landscape out there, there are now some digital therapeutics, one of which has FDA approval doing cognitive behavioral therapy. And if those are cost effective, that's great and we are the most natural prescriber of those digital therapeutics.

What I think is more powerful about our model is we can wrap around it this clinical care, the support, the implementation, and we'll just focus our psychology visits on answering questions, sort of personalizing what they might have learned through a digital therapeutic.

But we can also support them on the dietary. We can write prescriptions to complement that digital therapeutic. So again, I don't view them those as competitive to what we do. Actually, view us as the most natural customer for those companies. So just to sort of reframe the competition a little bit.

CHANTELL SELL: Yeah, that's really helpful. So, Sam, it's five years from now and your face is on the cover of let's say your favorite business journal, what do you think the headline should read?

SAM HOLLIDAY: I think the headline would be, Oshi Health has freed millions of people from the shackles of their GI condition. We really want people to not have these conditions and these symptoms get in the way of their life and be productive at work. I mean, that's really what we're all about.

STEVE BLUMENFIELD: Freed from the shackles. All right, now, based on our earlier comments, I was afraid where that one might go. Glad to hear you talked about shackles in that discussion.

SAM HOLLIDAY: Yeah, that's right. It's more about -- you hear from these people all the time that they start avoiding going out of the house for social events. When they do -- if you have a diarrhea predominant IBS, you're mapping out where the bathrooms are anywhere you go and -- so we just want people to not have to do that, right? To be free to go to these events, to see their friends, to go to dinner, to go to work and not have to worry about this.

STEVE BLUMENFIELD: How have your discussions been with employers?

SAM HOLLIDAY: It's been great. I think a lot of people -- and you can never tell this going into a conversation with somebody, they've been impacted, or their husband, or their wife, or their siblings, somebody close to them has been impacted by one of these GI conditions and has been through trying to figure this out. Has been through the multi-year diagnostic journey -- the wait times, the medications that don't work. Trying to figure it out on their own and struggling and suffering. So a lot of people really open up when we start talking to them.

And also now I mentioned many of them are starting to see the costs pop up and realizing that there's a solution out there. I had one tell me, I've known about this. I've been through it. I just didn't know there were solutions. And so I think many are excited that there are now things that can help people in their population to manage this better.

STEVE BLUMENFIELD: All right, these people that you work with, these clinicians, they sound a bit like they're heroes. Let's talk about if Oshi where a mythological creature or a Greek god or goddess, what would Oshi be?

SAM HOLLIDAY: Yeah, I love when you ask everybody this question. For us, I like Asclepius, who was a god. He was actually the son of Apollo.

STEVE BLUMENFIELD: Asclepius?

SAM HOLLIDAY: Asclepius. A S C L E P I U S. Tough one.

STEVE BLUMENFIELD: OK.

SAM HOLLIDAY: But he was the son of Apollo and he was known as being the best healer. He eventually learned to be even better than his dad, better than Kyran who trained him. And so really our goal is to help people heal from their GI condition and learn to minimize its impact. And so I thought that was the best frame of a mythical god for our company.

STEVE BLUMENFIELD: I've not heard that one. I was educated today. I did not know --

CHANTELL SELL: You learn something new every day, thanks.

[LAUGHTER]

STEVE BLUMENFIELD: Any thoughts if Oshi were some kind of animal or creature?

SAM HOLLIDAY: Absolutely. I'm going to educate you probably on this one too. Crocodiles. I don't think anybody has said that yet. It's not just that they're strong in their fast, those are great too.

But what I think most people don't realize is crocodiles have the most powerful digestive system in the animal kingdom. They've actually evolved to be able to reroute blood flow to increase the acidity of their stomach. But not only that, they also swallow rocks to help break up food as it goes into their system. So I just find that so amazing that this animal has evolved. And I relate it to us again teaching people the tools to have the best digestion possible and the minimal symptoms.

STEVE BLUMENFIELD: Wow, so thanks for sharing your R&D roadmap. You'll be -- if we see people being prescribed small rocks to ingest you'll understand that crocodiles have really fully infiltrated the clinical team.

[LAUGHTER]

Very impressive, Sam. Very impressive.

CHANTELL SELL: Can you just explain why this isn't the way normal people are treated in the system today?

SAM HOLLIDAY: Yeah. And this was a big part of our learning. We asked the five whys to try to figure that same question out. Like, why isn't this the normal way? We all know it works.

At the end of the day, it comes down to reimbursement. Unfortunately, dieticians and psychologists and their services have not been reimbursed very well for GI conditions and other things like diabetes historically. And so they then don't go into any kind of GI specialized training. So there's not enough GI specialized dieticians or psychologists out there.

We want to be one of the biggest trainers and specialized training programs for this workforce. Because there's not reimbursement, the clinics have a hard time justifying the cost of staffing them. So really, it's just been a payment model gap.

And so we bundle all of the care from Oshi into one payment that reflects the value we're creating in terms of avoiding cost and creating a better experience for the member so that we don't have to get stuck in this problem of fee for service and what it does or doesn't cover in which situations.

CHANTELL SELL: And can I just re-emphasize that entire model is the care team, it's the dietician, it's the psychologist, it's the coach, it's the nurse practitioner, it is the gastrointestinal physician. So it is the full medical home for digestive conditions. So I really want to just emphasize that.

STEVE BLUMENFIELD: It's amazing. It kind of -- I get chills thinking about entrepreneurs, innovators saying, yeah, we get that there's limitations in the system, but we're going to figure out a way to get the care to people that need it. And it's actually going to save money and let people do the right things. But let the experts do the right things for the benefit of the consumer and we'll figure it out on the back end and payment. That's just great.

SAM HOLLIDAY: And we hear from a lot of our clinicians that they love practicing in this model. They've always wanted to and it's because of what you just said, right. We'll worry about the payment stuff. We'll let

you practice the way that you've wanted to practice for a long time and we'll bring you the other people on the team, the dietician.

CHANTELL SELL: It's a win-win, win-win.

SAM HOLLIDAY: Absolutely.

STEVE BLUMENFIELD: Sam, all the members of this care team, that sounds like it could get costly. How does that work financially for the employers that it makes sense?

SAM HOLLIDAY: Yeah, so what you typically see is fee for service, where each visit and encounter is billed and there's codes to bill, monthly monitoring. We really take all of those. And what's hard is it's variable. Some people it takes two months and less intervention to get them to the outcome and sustain it. Many people it takes much longer. It can take six months to really sort this out and get to a sustainable place.

We don't want a bill fee for service. The incentives there are for us to bill more. So instead, we just create a fixed price. For us to deliver this therapy, we'll commit to a fixed price for the employer and we'll show our value through the things that we can avoid that you'd typically be paying for if your employee had gone to get care in the traditional system.

CHANTELL SELL: So, Sam, what else are you reporting on in the care of these patients back to employers today?

SAM HOLLIDAY: So we're doing a few things. We are showing obviously, satisfaction is huge. We had amazing testimonials from our members about how much they love getting care in this model and just even providers that actually listen to them and don't dismiss them. A lot of people feel dismissed with these conditions. So satisfaction's one.

Two, is symptom improvement and symptom control. These are the leading indicators that we have actually gotten somebody better right now. But the control really indicates that this person feels ready to take this on and maintain this progress on their own. And so that's a leading indicator.

We're doing a study now that'll help us next year have more data on our ability to reduce the total cost of care, so reducing utilization. And there's a couple of buckets to think about. We can avoid some procedures so I mentioned that and these are endoscopy and colonoscopy that can be thousands of dollars each.

We avoid trips to the ER and all the testing that occurs when that happens. Most of those happen because people don't have symptoms under control, so again, why that control metric is important, or because they don't have a quick way to get in touch with a provider who already knows them. And so again, we solve that through this care model.

And the third bucket is costs of medications. And so we do that in two ways. When we can and when it's safe and appropriate, de-escalate people off high cost medications for their GI need. And two, in some cases where we're able to treat people with IBD and figure out you know what? They also have IBS.

We talked about how complex it is to know the difference between the two conditions. But 30% of people with IBD also have IBS. And so you have to treat those differently, which can avoid escalations in biologics for the people that have both by treating the IBS with a dietary and psychosocial intervention. And so all of that creates an ROI on that fixed price that we offer for this type of therapy.

STEVE BLUMENFIELD: Well, we're excited. We're excited to see Oshi grow and we're excited to see how this space continues to evolve. Sam, thanks so much for educating us on Oshi.

SAM HOLLIDAY: Thanks so much for the chance, appreciate it.

STEVE BLUMENFIELD: Yeah, I'm going eat some rocks. And Chantell, as always, it's great to see you.

CHANTELL SELL: It's been a pleasure. Thanks so much.

STEVE BLUMENFIELD: And Thanks mostly to you our listeners of The Cure For The Common Co podcast. We appreciate you listening. If you like the show, please remember to subscribe and to rate us and to tell your friends. Thanks, everyone have a great day.

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