

## Experts Share the 'Real Deal' on Making Provider-Life Sciences Strategic Partnerships Succeed

Seeking viable strategies to advance patient care, enable innovation, and sustain their businesses, life sciences companies, hospitals, and health systems are breaking from siloed traditions to join forces. Through these strategic partnerships, they pool resources, share risk, and reinforce the value propositions for new therapies.

The main drivers of these partnerships are economics, technological advances, and population-scale management. Access to an unprecedented amount of data and the ability to analyze it also brings companies together to determine how to use that data to inform and improve patient care.

Navigant, a Guidehouse company, recently hosted a panel discussion on best practices for creating successful partnerships, featuring the following life sciences and provider leaders:

- Anand Chokkalingam, senior director of Clinical Research, Gilead Sciences
- Joseph Grzymski, chief scientific officer, Renown Health
- James Lu, MD, PhD, co-founder and chief scientific officer, Applied Genomics, Helix
- Anthony Slonim, MD, DrPH, president and CEO, Renown Health

"We're good at clinical care, that's our sweet spot," Slonim said. "The motivation for us is all about improving the health of our community. In Nevada, we consistently rank in the bottom five in the nation from a health perspective statewide, so there's a huge opportunity. That's why we're all in. But the only way we could get into the game of research was to find the right partners who can help us."

Renown Health has partnered separately with Helix and Gilead for two different, population-based initiatives. Nevada's most comprehensive and integrated healthcare network, Renown Health maintains electronic health records for more than 1 million registered patients.

In 2016, Renown and the Desert Research Institute established the <u>Healthy Nevada Project</u> (HNP), the nation's first community-based population health study, and partnered with Helix in 2017 to carry out a largescale genetic screening and research initiative to identify deterrents of disease



and improve clinical care. The project aspires to offer genetic testing to every Nevadan interested in learning more about their health and genetic profile, and ultimately to develop and expand to drive positive health outcomes nationwide. The HNP already has generated a significant amount of data.

"Our vision for the company is to create the tools and infrastructure to enable people to get high-quality sequencing and be able to use it in all contexts of their life," said Helix's Lu. "But you have to generate clinical evidence to justify why you would actually sequence everyone. In Renown Health, we've partnered with a health system that's working on population determination, population health, and using genetics on a population-level basis to avoid risk. We have very aligned interests."

In a separate partnership, <u>Gilead</u> <u>Sciences and Renown Health</u> have collaborated to collect and analyze genetic and electronic health data. This data will be used to inform the discovery and development of new treatments for nonalcoholic steatohepatitis, a chronic form of liver disease characterized by excess fat in the liver, inflammation, and liver cell damage.

Data collection and analysis are key components of both projects.

"We're going to see more and more of these types of relationships, because people are starting to understand that these data provide a lot of value," said Gilead's Chokkalingam. "If you dig into them, you can answer really interesting real-world questions. However, the expertise required to answer the question you want to answer can't be done by one organization." While timing, mutual interest, and motivation drive life science companies and providers to seek and form partnerships, several critical factors enable sustained success for such partnerships, the panelists agreed. These include mutual respect and integrity, shared values, transparent communication, and genuine intent to carry the project long term.

"Commitment at the highest level of leadership means this has legs — it's going to stay, and it's going to go forward," Chokkalingam said. "It takes an awful lot to understand the cause of a complex disease, and it takes an awful lot to convince a leadership team that this is the right target for us to move forward with."

That commitment needs to come from the top down and across, and to gain the commitment often takes persistence. In Gilead's case, Chokkalingam said there were people convinced early on it was the right move. They communicated that conviction further and further up the chain until a champion was finally secured.

A successful partnership also requires a jointly agreed-upon legal framework and governance, along with a strategic plan and road map to carry the project from concept through milestones and delivery. Beyond these, a mutual understanding and acceptance that not everything will go exactly as written or according to plan is pivotal, panelists said.

"It's always harder and takes longer and costs more than you thought," Renown's Slonim said. "That's in part because you're navigating water that nobody else has navigated. But you can't be afraid to fail. You've got to go with it." Across functions, realistic expectations need to be understood, maintained, and communicated consistently, panelists agreed. That realistic outlook includes understanding the inherent challenges and limitations of being innovators, especially when it comes to "the people aspect" — internally and externally.

On the inside of a partnership, panelists pointed to the differences in the outlook and operations of different business functions.

"The way science operates is incremental progress," the Renown Institute's Grzymski said. "And sometimes businesspeople and lawyers don't want incremental, they want punctuated progress. The lesson there is wrapped up in good communication and flexibility, recognizing that there has to be some median between what's put on paper and what actually is going to achieve the hypothesis or the end result."

Furthermore, achieving that end result often requires compelling patients and physicians to change.

"Generating data is probably the easiest part," Helix's Lu explained. "To enact the outcomes and achieve what you want, that involves changing the behaviors of physicians and patients. It doesn't even matter if it's positive. It's just different. The hardest part is often behavioral change." Renown's Grzymski said: "How do you really inspire people to understand that they need their own behavior change? I don't have the answer for that, either at an organizational or societal level. But it's a profound problem in Nevada and everywhere else."

To help address that behavioral change need, the Healthy Nevada Project has executed targeted marketing communications efforts to generate awareness of the initiative, gain media coverage, and ultimately attract participants. And it's working.

"It's not like we've cracked the code on how to get people to change their behavior better," Slonim said. "But having a good marketing team and an extremely articulate supportive governor really helps launch a population health study."

The invitation-only event, "The Real Deal to Life Sciences and Healthcare Providers Partnerships," was held in San Francisco before a live audience of leading industry decision-makers, scientists, and researchers from global and multinational life sciences companies. Navigant's Rich Bajner, a healthcare partner, moderated the discussion, and Sheldon Ng, a life sciences partner, provided opening remarks.

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