



HCM391: Health Care Entrepreneurship

Course Syllabus

Fall 2015, Tuesdays and Thursdays, 12:00-1:20pm, CPC Auditorium

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Course Scope and Mission

Delivering basic health care advances worldwide and continuing to increase the quality and span of life (in an affordable manner) represent some of the major societal challenges of our time. Addressing these challenges will require innovation in both medical technology and the ways in which health services are delivered.

Through a combination of lectures, readings, cases, guest speakers, and your own entrepreneurial work outside of class, we will examine the key features of concern to prospective health care entrepreneurs: (1) sources of health care innovation; (2) the many “customers” in health care: patients, doctors, hospitals, insurers, and regulators; (3) the powerful established firms with developed clinical and sales expertise; (4) the investing community. Along the way we will develop a framework for thinking about what is different (and what is not) about the challenges of health care entrepreneurship.

The overall goal is to bring together a multidisciplinary group of students from across UPenn to explore the many opportunities to “do well by doing good” as health care entrepreneurs. This course will be useful for those interested in starting or working for an entrepreneurial venture in health care; those who will be “customers” of health care innovation; and those who desire to develop an entrepreneurial mindset to bring to work for established firms, finance, or consulting in the health care sector. We will spend time explicitly focused on each of these perspectives as we consider the issues facing health care entrepreneurs.

Course Prerequisites

Sophomore or higher standing suggested.

Required Readings

Cases will be available electronically via our course site with Harvard Business School Publishing. The link to this site and all other readings will be posted on Canvas.

Assignments and Evaluation

<u>Individual Assignments</u>	<u>Weight</u>	<u>Due Date</u>
Class Preparation and Contribution	30%	Ongoing
Sketch of Promising Opportunity	10%	Sep 22 (written, by 5pm); Sep 24 (present)
<u>Group Assignments</u>		
Customer Perspective Analysis	20%	Oct 22 (present); Oct 23 (written, by 5pm)
IVP DRAFT	10%	Nov 3 (written, by 5pm)
Investor Venture Pitch	30%	Dec 3, 8 (present); Dec 11 (written, by 5pm)

Course Format

This course consists of a mixture of: lecture and guest speakers, discussion of readings and case studies, and outside of class development and analysis of venture ideas. All three of these—especially the last two—will challenge you to go beyond being a receiver of ideas, facts, concepts, and techniques. Instead you will generate ideas, gather new information, analyze and evaluate alternatives, and formulate workable action plans.

Weekly Schedule

Class	Date	Topic	Readings/Preparation
1	Aug 27	Why Health Care Entrepreneurship?	
2	Sep 1	Where Do Great HC Ventures Come From?	Finding CA in Adversity
			Good Ideas . . .
3	Sep 3	A Health Care Venture Story I	Guest: Ani Vemprala, PicWell
4	Sep 8	Evaluating HC Venture Ideas	Where are all the HCEs?
			Case: ViaCell
5	Sep 10	Trends in Health Services Innovation	Guest: Shivan Mehta, CMI
6	Sep 15	Business Models for Health Care I	Entrepreneurs Need Strategy
7	Sep 17	Business Models for Health Care II	Case: Kyrus
8	Sep 22	<i>SPO Preparation (no class)</i>	
<i>* One page resume and one page SPOs due by 5pm, Tuesday, Sep 22</i>			
9	Sep 24	Sketches of Promising Opportunities	
10	Sep 29	"The Customer" in Health Care	Case: Heartport
11	Oct 1	Using Data	
12	Oct 6	<i>Team Work (no class)</i>	
13	Oct 8	<i>Fall Break (no class)</i>	
14	Oct 13	Health Care Marketing to Drive Adoption	Case: American Well
15	Oct 15	Finding Your Customer(s)	Guest: Aaron Goldstein, LifePatch
16	Oct 20	<i>Team Work (no class)</i>	
17	Oct 22	Customer Perspectives	
<i>* Customer Perspective Memo due by 5pm, Friday, Oct 23</i>			
18	Oct 27	Pulling it All Together	Case: NH Heart Hospital
19	Oct 29	Financing Health Ventures I	Case: Dermacare
20	Nov 3	Financing Health Ventures II	Guest: Gary Kurtzman, Safeguard
<i>* IVP Questionnaire due by 5pm, Tuesday, Nov 3</i>			
21	Nov 5	<i>Team Meetings with Instructor (no class)</i>	
22	Nov 10	<i>Team Meetings with Instructor (no class)</i>	
23	Nov 12	A Health Care Venture Story II	Guest: Hari Mahadevan
24	Nov 17	<i>Team Work (no class)</i>	
25	Nov 19	IP and Barriers to Entry	Guest: Dora Mitchell, UPstart
26	Nov 24	Growth and Exit	Case: Amylin
		<i>Thanksgiving Week Schedule (no Th class)</i>	
27	Dec 1	<i>Team Work (no class)</i>	
28	Dec 3	Investor Venture Pitches	
29	Dec 8	Investor Venture Pitches	
<i>* Investor Venture Pitch Memo due by 5pm, Friday, Dec 11</i>			

Details for Assignments and Evaluation

Class Preparation and Contribution

The in-class portion of this course relies on analyses and discussion regarding cases, readings, and guest speakers. For the 15 classes with reading/preparation on the schedule, there will be an online “Quiz”, requiring 1-2 bullet points of interesting comments or questions---simply doing this will give you a point toward the class preparation grade, making half of this grade “easy”. The most important part of these preparation assignments is that they will help you prepare to contribute your own analysis, conclusions, and recommendations during in-class discussion.

In a typical class, one or more class members will be asked to start the session by addressing a specific question. After a few minutes of initial analysis and recommendations, we’ll open the discussion to the rest of the class. We will try to build a complete analysis of the situation, determine the extent to which the materials in the readings apply, and address the problems and issues presented.

While you are expected to be an active participant throughout the course, please note that it is the quality of your participation that is most important. Criteria I will use in measuring effective class contribution include:

- (1) Is the participant a good listener?
- (2) Are the points made relevant to the discussion? Are they linked to the comments of others?
- (3) Is there willingness to test new ideas or are all comments “safe” (for example, repetition of case facts without analysis or conclusions)?
- (4) Do comments lead to a clearer statement of the concepts being covered and the problems being addressed?

Please note that I have a “no excuses” policy regarding absences—I trust you to use your own judgment about your reasons for missing class and whether you can afford to do so. Your class contribution grade will suffer directly for every absence beyond *three* missed classes. Use these “free” absences as you like (job interview, illness, personal matters, religious holidays). You may choose any day for a free absence except a day when you present. If you miss a day when an assignment is due, you still need to get it to me before the start of class.

Sketch of a Promising Opportunity

A concise outline of a venture opportunity and potential business model for implementing it. The written portion (*one page max*) is distributed in the class “opportunity book”, along with your resume, so it is best thought of as a companion to the verbal portion—it can be any format you like, as long as it captures the key elements we discuss in class. The verbal portion is a *60-90 second* “pitch” where you communicate the essentials of a venture opportunity. We will discuss examples in the first few weeks of class.

Customer Perspective Analysis

A *five minute presentation* and accompanying *two page memo* summarizing the expected response of the health care “customer” (patients, doctors, hospitals, insurers, regulators) to a venture opportunity. Examples will be distributed after teams are formed.

Investor Venture Pitch (IVP) DRAFT

An early outline/draft of the venture opportunity you would like to pitch to investors. This will allow you to receive interim feedback. The goal is to help you achieve excellence—it will be graded softly, but the more thought and effort put into this portion, the better feedback you can get! A template set of “questions every venture should ask early on” will be distributed after completing the customer perspective analysis.

Investor Venture Pitch

Your final product. A *ten minute presentation* and accompanying *ten page (or less) memo*, attempting to communicate the best possible business model for this venture and your ultimate recommendation whether or not to invest in this opportunity. Written examples will be distributed after completing the

customer perspective analysis, and we will watch and discuss an example presentation in one of the last class sessions.

Free Advice

Soapbox on Writing and Presenting

Each assignment in this course has both written and spoken components. Time is scarce, so communicating well is a critical skill, especially for an entrepreneur seeking to sell a vision.

Good writing is clear and concise. It is not easy (for most of us). Page limits for the writings in this class are short, so you will face hard decisions about what NOT to include. If you use a bunch of complex terminology or try to hit every potentially relevant point, you will run out of space. I will evaluate these assignments based on the quality of your writing as well as your ideas and analysis.

Like good writing, a good presentation is not an easy thing to do, but it is a valuable (critical?) skill to develop. We look at several examples of successful presentations in class, but always remember that *enthusiasm* and *preparation* both go a long way.

Soapbox on Teamwork

Course participants are required to form teams of 4-6 students whose talents, skills and knowledge (in the ideal case) are complementary. *Extensive group work outside of class is an essential part of this course.* Other factors crucial to your team's functioning are the management and coordination of group effort by appropriate means (telephone, e-mail, sub-group meetings, etc.).

When working as a group, the best advice I can give is to simply "be cool":

- Treat other members with courtesy and respect;
- Establish a positive and productive team dynamic;
- Contribute substantially and proportionally to the final project;
- Ensure enough familiarity with the entire contents of the group project/assignment so as to be able to sign off on it as original work;
- Meet the project timeline as established by the team.

Learning to work together in teams is an important aspect of your education and preparation for your future careers. Project work is challenging; conflicts can and do occur. Teams are expected to resolve disputes or misunderstandings as soon as they arise (and prior to submission of the final project).