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Health Care

Internet health-care companies target seniors, newborns

Kristen Bole

The flurry of Internet health-care companies is shaking out to two key sectors that insiders say are the only ones who really care: the chronically ill and parents with newborns.

On opposite ends of the cradle-to-grave timeline are the Health Hero Network Inc., in Mountain View, which is creating online monitoring for seniors, and BabyCenter.com, in San Francisco, founded a year ago by some new dads who found out exactly how hard it was to figure out which stroller or car seat was the best value, and decided to offer parents a midnight shopping entree to the \$18 billion baby-products industry. The site allows parents to compare various brands, with buying guides and points on what to look for and what to avoid, plus gift wrapping services. It also offers a chat line to doctors to answer basic baby-care questions.

The site is getting about 550,000 hits per month, according to co-founder and CEO Matt Glickman, who said the information site finally had the critical mass to launch a products store in late October. That, he hopes, will lure a good chunk of the \$7,100 that the average family spends on its newborn during the first year.

Meanwhile, Health Hero Network Inc. has grown from 5 people a year ago to 45 now, targeting the nurses and care providers who monitor the huge numbers of chronically ill patients now who are choosing to live at home.

"What we're creating is the communications platform for the senior community that needs ongoing health care," said Health Hero CEO Steve Brown, noting that the company chose to reach the care community because the patients who are most likely to have chronic diseases are least likely to use computers. "(Targeting the patients) misses the fact that the first people to need it are the last people to want all this

technology to get in the way."

The company created a simple, bedside monitor that seniors can plug into a phone line for ongoing contact with a nurse. That gives nurses the ability to keep an eye on their entire caseload throughout the day, answer simple questions online and check in with those who need it. The product, for which Health Hero landed \$8 million in new financing this summer, is still in its beta testing phase at 15 sites. Brown said he expects it to be fully commercial by the end of 1999.

Health care freedom of choice, or not

If the free market doesn't seem to affect health care, there could be good reason: Most people don't really have a choice. While many employers offer plans that give their staff a wider range of doctors now, only 1-in-6 employers with health coverage gives its staff a choice of plans, according to the Washington-based Center for Studying Health System Change. Even in large companies, with more than 100 employees, only 1-in-3 offers more than one option.

Even worse, only 1-in-4 employers who do provide options offer more than the basic plan descriptions to help their employees choose the best plan for their families.

Medical group FPA requests an extension

FPA Medical Management has asked for a 90-day extension from the bankruptcy court to give it more time to develop a reorganization plan that would reimburse physicians and other unsecured creditors. The medical group went belly-up in California this summer, leaving physicians in the lurch for care they had already delivered.

Now, the California Medical Association is reminding its doctors to file their claims by Nov. 16, while it files an objection to FPA's financing scheme.

Alameda County reopens health center

Alameda County Medical Center has opened its new outpatient health-care facility in Alameda. The 2,000-square-foot facility near the South Shore Mall replaces the 1,500 square-foot center on Santa Clara Ave. that closed in April because of weather damage. It is one of five such centers operated by the county's Ambulatory Health Care

Services.

Hither & Yon: Finally, some profits

- Chiron Corp. announced a key discovery in Hepatitis C research Oct. 30, which is expected to dramatically advance the development of new vaccines for the disease. Two days before, the Emeryville biotech had announced nine-month income of \$164 million, up from \$18 million at the same time last year.
- Perkin-Elmer Corp., in Norwalk, Conn., announced an 8 percent rise in revenues to \$348.3 million for its just-ended first quarter of 1999, largely due to a 35 percent rise in its order rate through its life sciences division, PE Biosystems. That division, in Foster City, showed a 16 percent year-on-year revenue rise this quarter, to \$222 million.

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