

FEATURED STORY



Q&A: Denise Prince, Geisinger Ventures

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As founder and managing partner for [Geisinger Ventures](#) and CEO of Geisinger Medical Management Corporation in Danville, [Denise Prince](#) is among the leaders of one of the most innovative and well-respected rural health systems in the country. Still, it wasn't until [Geisinger Health System](#) made national headlines recently thanks to prominent references by President Barack Obama that Prince's stature was fully realized. Prince recalls her mother beaming with pride when she read about the health system's successes in a national magazine.



"As if 20 years working at Geisinger wasn't quite real until it was in the AARP newsletter," jokes Prince.

If Geisinger is a national model of efficient and quality healthcare, the corporate venture arm headed by Prince is its innovative catalyst. It forms strategic partnerships with groundbreaking companies and translates medical innovation to practical clinical use in an effort to improve quality and service for Geisinger's patients. Prince spoke to Keystone Edge about how Geisinger's vision has spurred innovation.

Keystone Edge: What's all the national attention been like?

Denise Prince: While Geisinger Ventures is one of the leaders in innovation, this is a team of innovation, and it goes across our health system. We have innovators in research, a formal area called Clinical Innovation, and Ventures is just a part of it. That being said, there's been a tremendous validation of our efforts. I think there can be a presumption in some big cities or urban areas that if you're looking for sophistication in technology, leadership and innovation, you don't necessarily go to a rural area. Those of us who've been here for a long time know that urban or rural doesn't really make a difference, but what makes a difference is an organization. It's a culture and a commitment to trying new things, forgiving failures when those occur and continuing to keep the focus on employees.

People have been saying they heard about Geisinger in this or that forum, and it's created a lot of opportunities for us. Companies that were thinking about contacting us reached out. Companies that were negotiating with us, it renewed their interest in completing those negotiations. It's really been a benefit.

KE: What was the vision when you formed Geisinger Ventures in 2005 and how has it evolved?

DP: There was a lot of consistency right from the beginning. We had a recognition that there were assets in the health system and if they were directed or managed in a different way, they could bring more benefit both to the health system and the healthcare world at large. From the very beginning our role in support of the health system's vision is to foster innovation. Indeed, some of the original folks we recruited to our team are now part of our formal

Clinical Innovations department. All along, one of the goals for Ventures has been to generate capital for investment in our core programs. We're trying to leverage the assets in such a way so there's a financial benefit that goes back to Geisinger and ultimately benefits patient care. As we evaluate our opportunities, we always think about this: Is it something that's going to generate returns? If it's not, then perhaps it belongs in another aspect of our health system.

KE: How does that vision apply to Geisinger's lines of business?

DP: We wanted to use our brand benefit to assist with recruiting and retention. There's been physicians recruited to Geisinger and as they're evaluating their opportunity here, Geisinger becomes a more attractive place because of our innovation and ventures function. If physicians can practice, meet their patient care interests and research interests to the extent of their entrepreneurial focus, we provide a way to do that.

Another part of that is introducing new technologies to the health system. We're out and about in the venture community dealing with a lot of entrepreneurs. Start-ups contact us and tell us they have innovation and our group vets those things. When we see that they'll truly have a benefit, we'll make introductions and sometimes those introductions turn into formal partnerships. Sometimes just an introduction results in a vendor relationship. I can point to one or two handfuls of technology that are now in use at the health system that weren't around before Ventures.

Finally, we wanted to have a positive impact on economic development in our area. We're the largest employer for probably 20 counties. We employ about 13,000 people. When you grow as fast as we've grown, there aren't a whole lot of industries or companies that can say that, so the economic development community has always wanted to interact with Geisinger for that reason. Ventures provides a liaison for that interaction. All the members of my team are very active in economic development on the state or local level, everything from participating in a [Keystone Innovation Zone](#) and the local chamber of commerce. My partner [Jim Peters](#) is on the board of [Ben Franklin Technology Partners](#).

KE: How has the recession impacted Ventures' investments?

DP: We have businesses related to pharma, hospitals and a lot of retail, and really saw a lot of mixed impact. But the most positive impact has been on our convenience healthcare clinics. You're probably familiar with this kind of model where a nurse practitioner operates in small clinics in retail locations. People go to get flu shots or basic lab tests and don't need appointments. They're open seven days a week. We have a menu board, our pricing is transparent. We do take insurance but we're very affordable. What we've seen over the last six to nine months is a large increase of volume in those clinics (north of 30 percent). People need to have an efficient and value-based option for those kinds of services. Our clinics provide that. We have five in retail settings at the moment and one on site at an employer and some more in the works.

KE: What's one Ventures project of which you're particularly proud?

DP: One of the most gratifying ventures we've started has been [MedMining](#), which is led by my partner Jim Peters. It was a situation where we knew we had an asset that could benefit pharma research. We had electronic health

records for many years, so we have patient data and related data, like economic and technology-related data that goes back many years. Our patient population is pretty stable and there's a lot of research value in that data. So back when Ventures was only one person (me), and I was using an ad hoc committee of folks around the Health System to help get it launched, one thing kept coming up--there must be something we can do with all this data, a commercial model that would benefit pharma companies. From a conversation that started around a conference table, we proceeded to create a business model and business plan and now that business has been active for three years and been quite successful.

We've been able to create a company that employs a handful of people, has been profitable since year one, and most important it helps pharma and biotech companies better understand the impact of their drugs and devices on real people. When they do clinical trials, they limit the patients that participate so they don't allow people who are too complex because they want to skew results. But in the real world, those people with lots of conditions get those drugs. So we use our data to understand what's happening in a very detailed way with their test results and health outcomes, so that's a major benefit that trickles down to the patient. There's never any identifying info so the way we use the data is highly confidential and protected.

KE: How have you worked with universities and research institutions?

DP: Over time, particularly at [Bucknell University](#), we've seen much more appreciation for the value of intellectual property and the importance of interacting with the business community. Coincidentally, Bucknell developed its [biomedical engineering program](#) during the same time period we've developed. As they've grown that program, they've needed a partner for collaboration to help students with senior design projects.

We've had very fruitful collaborations over the last several years and Bucknell now has an office of sponsored research and intellectual property policies. They're developing cooperative relationships to help entrepreneurs, holding business plan competitions--just last week I was a judge at a business idea competition that was paid for with Keystone Innovation Zone funds held at [Susquehanna University](#). The first few years, we'd get a call from a school asking us to mentor a project. Now we've gone beyond that and have some institutional responsibility on both sides. It takes time, but it's going in that direction.