

Giving You
The *Power* to *Lead*

McKesson Provider Technologies



2006 HIMSS Investor Briefing

MCKESSON

Giving You
The *Power* to *Lead*

McKesson Provider Technologies



Larry Kurtz
Vice President
Investor Relations

MCKESSON

Safe Harbor Clause

Some of the information in this presentation may constitute forward-looking statements that are subject to various uncertainties and could cause actual results to differ materially from those projected or implied. These uncertainties are described in the Company's reports and exhibits filed with the Securities and Exchange Commission.

Giving You
The *Power* to *Lead*

McKesson Provider Technologies



Pamela Pure
President
McKesson Provider Technologies

MCKESSON

Agenda

- Performance Highlights
- We're Particularly Proud of....
- Giving You the Power to Lead
- McKesson Differentiation

Performance Highlights –Great Progress

2.4 million

logins/month

Horizon^{WP} Physician
Portal

800K

orders/month

Horizon Expert Orders

48% growth

Horizon Medical
Imaging



KLAS
Year-end Report

20 Products
in Top 3

Leadership in Medication Management

Last Year



Today

36M scanned bedside meds annually

63M scanned bedside meds annually

290,000 weekly warnings

475,000 weekly warnings

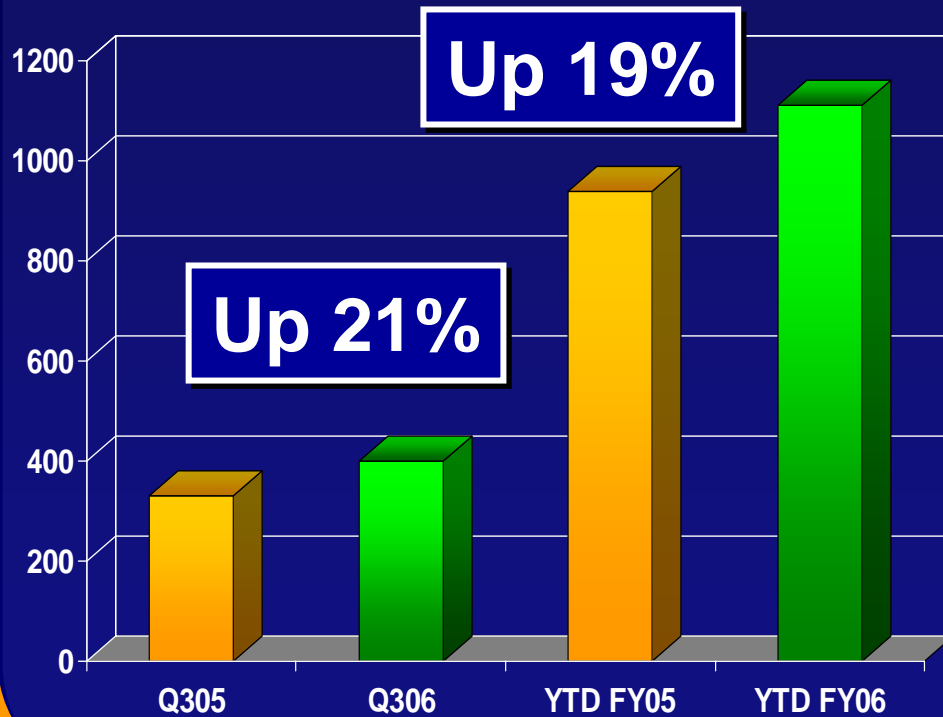
30,000 errors prevented weekly

96,000 errors prevented weekly

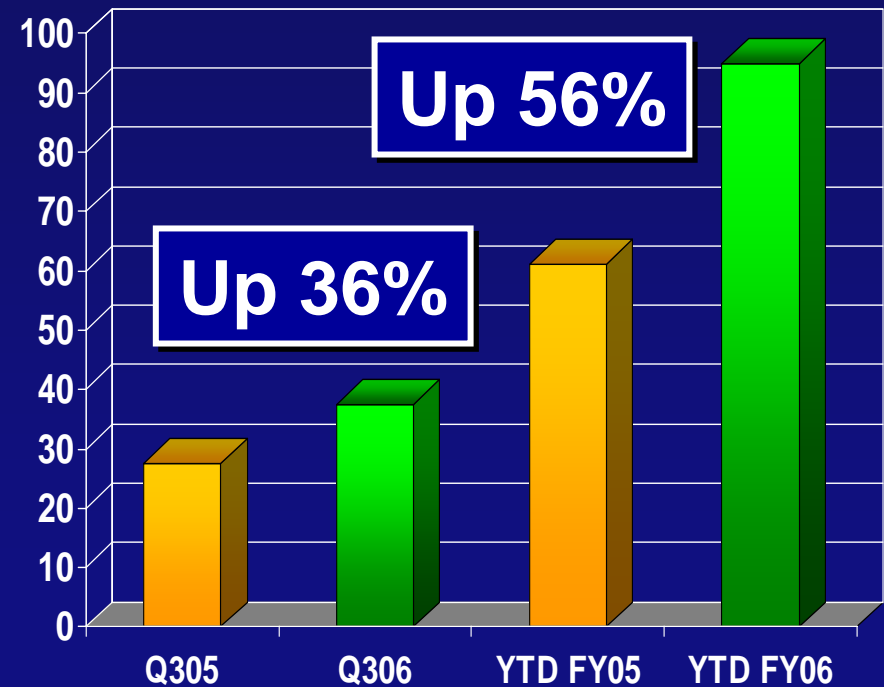
Considered more often than any other vendor for 2nd straight year (KLAS)

Strong Financial Momentum

Revenue



Operating Profit



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Duke University Health System

- Horizon Ambulatory Care for e-prescribing and electronic health records
- 80 health clinics and physician practices
 - 1,500 physicians
- Leverage success with Horizon Expert Orders
- Integration to enable continuity across care settings was key factor in the win
- Other factors included strength of e-prescribing and flexible deployment model

Triad Hospitals, Inc.

- \$1.3 billion clinical & business transformation project
- Value to McKesson: \$120 million in software and services to Triad, \$42 million to Perot for central data center operations
- Strength in BOTH revenue cycle & clinicals won deal



International Progress



United Kingdom

- 39 Trusts live on ESR, paying 108,000 employees

France

- First go-live of French army hospitals
- Win at Clermont Ferrand University Hospital
 - EHR initiative for 1,841 beds

Reduced Cost of Ownership

Cost of Ownership

- Services improvements
- Stacked installs
 - Reduce time 30-50%
 - Reduce cost 20-40%
- Linux – costs reduced 50% or more
- Standard hardware configurations and central staging

Services time to value product	Before (months)	Current (months)
Horizon Patient Folder	12	7
Horizon Meds Manager	12-13	6
Horizon Care Record	12	7
Horizon Lab	9	6
Horizon Surgical Manager	18	9

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Giving You the Power to Lead

Step 1 – Provide Physician Access

Step 2 – Deliver Image-Enabled Care

Step 3 – Eliminate Medication Errors

Step 4 – Drive Evidence-Based Care

Step 5 – Automate & Connect Physician Offices

Step 6 – Deliver Care in the Home

Step 1 - Provide Physician Access

Sign Charts

Review Results

Display Images
X-ray
CT Scan
Cardiology/Medcon

The screenshot shows a web browser window titled "Physician Portal - Microsoft Internet Explorer". The address bar contains the URL: `http://e2kportal/portal/index.jsp?pageID=pp_results&PID=19750&EID=A77860&PID=A01071000`. The main content area is divided into several sections:

- Sign Chart:** A table with columns: "RsltLvl", "Collected", "Ordered", "Item (Order Number)", "Dept", "Status", and "Priority". Below the table is a "New Sign Chart" button.
- Temperature Graph:** A line graph titled "Temperature (02/03/2001 00:00 - 04/04/2001 16:04)". The y-axis represents temperature in degrees Fahrenheit, ranging from 98.0 to 105.0. The x-axis shows dates from 3/12/01 to 3/16/01. A red horizontal line is drawn at approximately 102.5°F. The blue line graph shows a peak of about 104.5°F on 3/13/01.
- Medical Images:** Two images are displayed side-by-side. The left image is a chest X-ray showing the lungs and heart. The right image is a CT scan of the chest. Below the images is a small ECG waveform.

At the bottom of the browser window, the taskbar shows the system tray with the date and time "4:07 PM" and the text "Local intranet".

Step 2 – Image-enable Care



Radiology

Cardiology

ENT/
Endoscopy

Enterprise Medical Imaging Foundation

Building on Enterprise Foundation



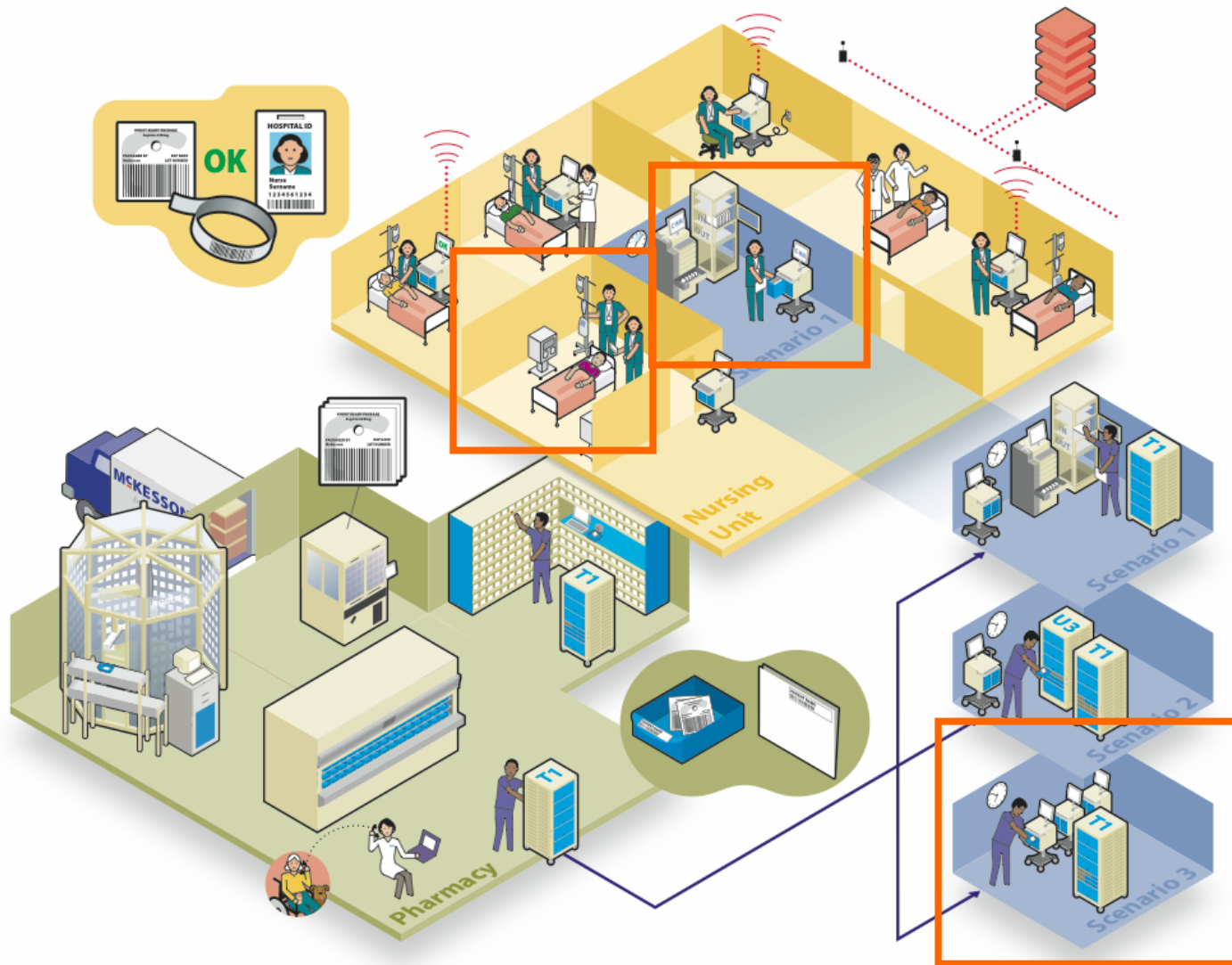
Step 3 - Eliminate Medication Errors

“From the Bedside Back”

- House-wide medication administration
- CarePoint-RN - reinventing the cabinet space
 - Decreases time to gather meds and supplies by 83%
 - Shortens documentation time by 30%
 - Reduces medication administration errors by up to 87%

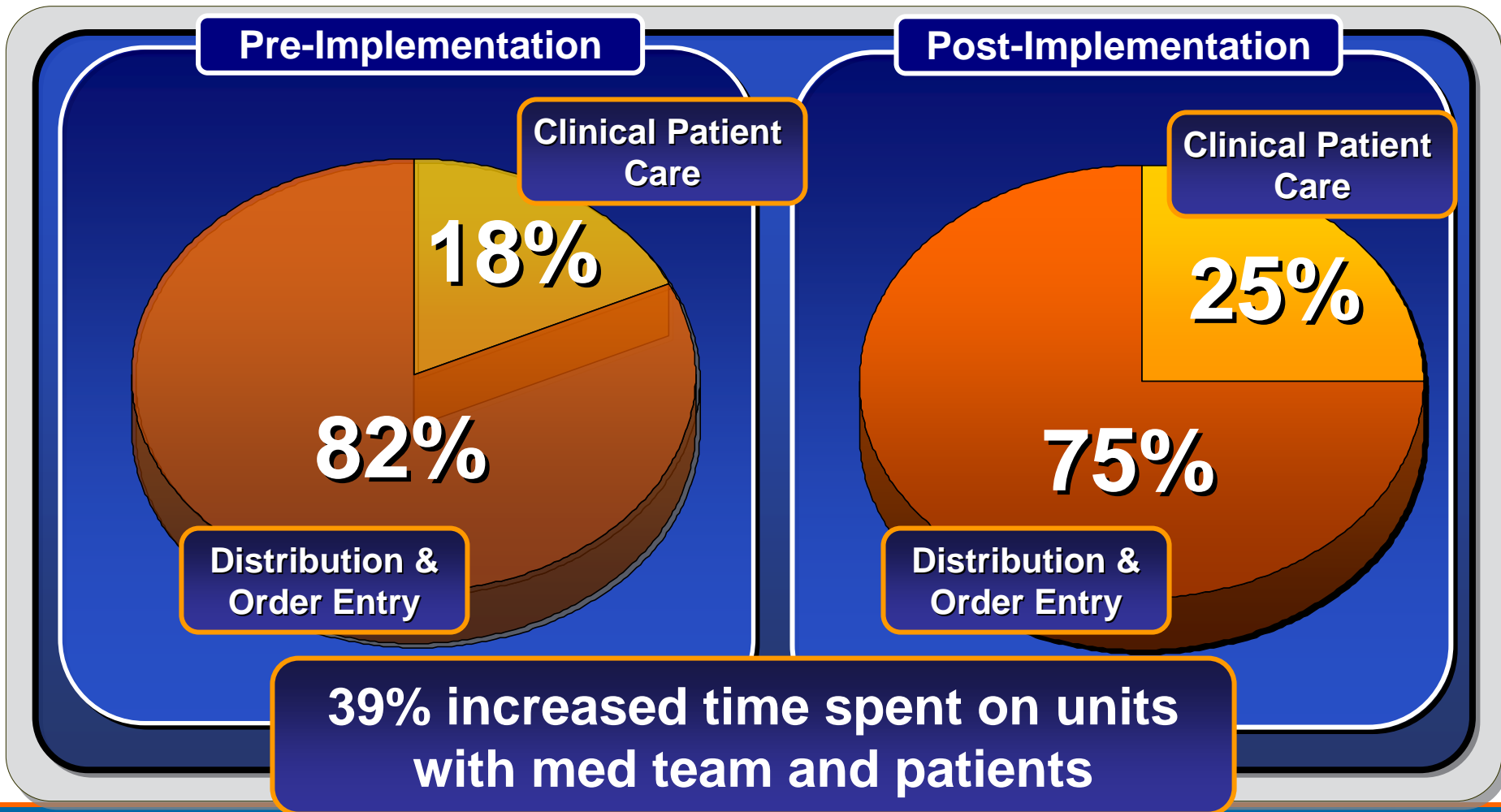


The McKesson CarePoint System: “From the Bedside Back”



Productivity - Pharmacy

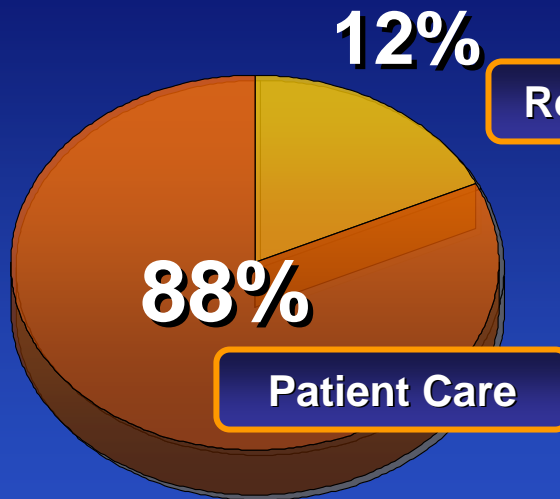
- Increased Pharmacist Clinical Intervention



Productivity - Nursing

Pre- Implementation

Post-Implementation



Retrieving Meds

88%

Patient Care

4%

Retrieving Meds

96%

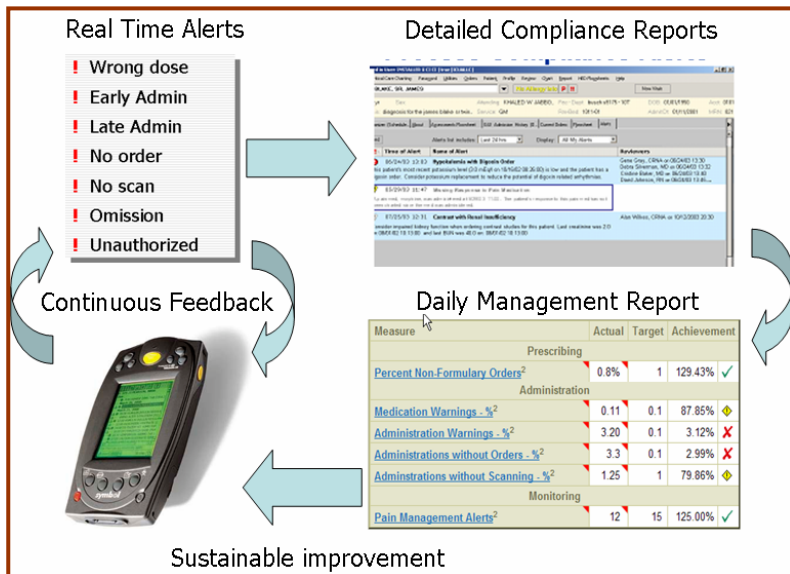
Patient Care

9% increased time spent on units
with med team and patients

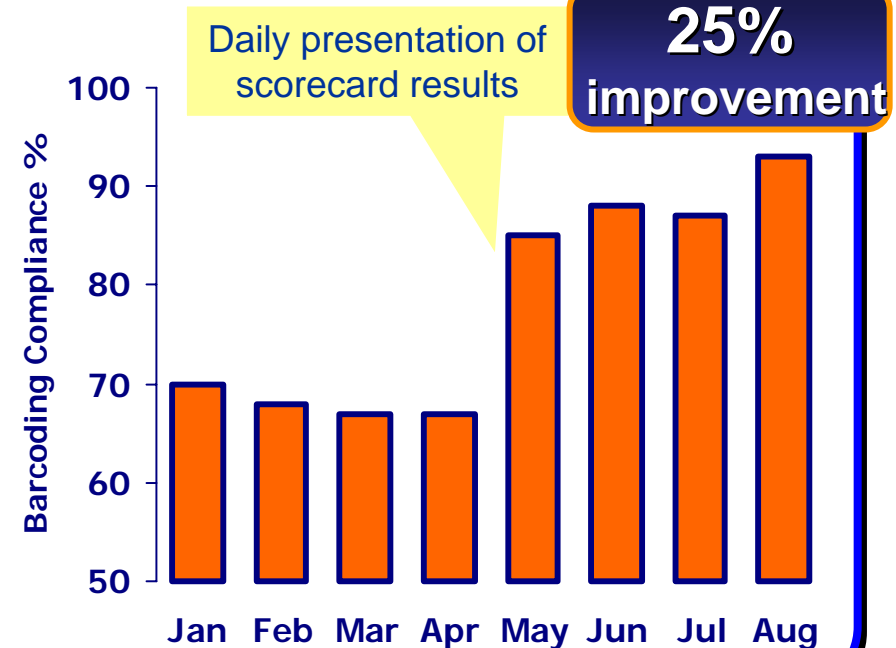
Step 4 - Drive Evidence-Based Care

St. Mary's Medical Center, Knoxville, TN Unit & staff compliance with bar coding for medication administration

The addition of daily scorecards...

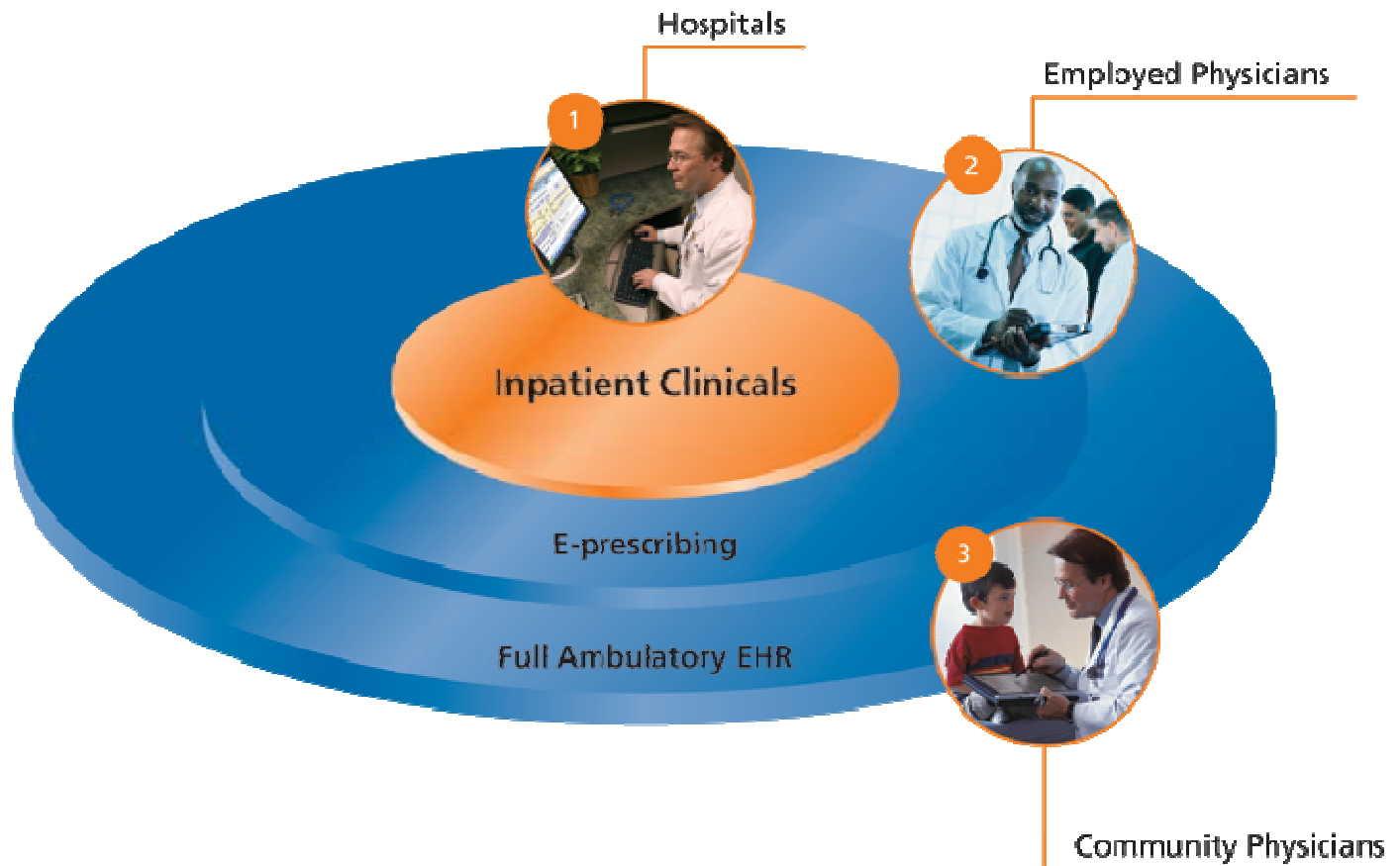


...results in superior performance.



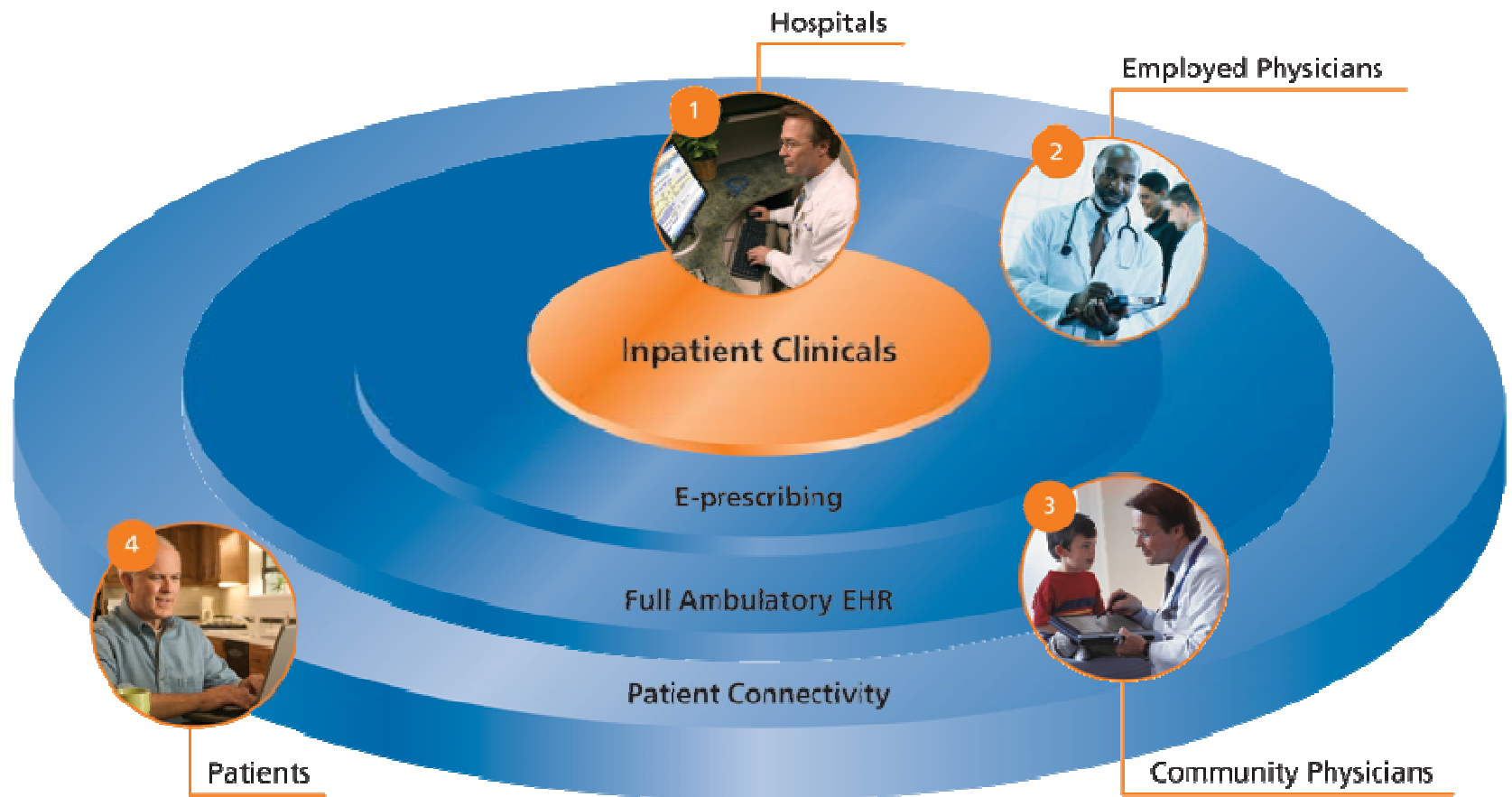
Step 5 - Automate & Connect Physician Offices

Incremental, integrated approach to physician alignment



Step 6 – Deliver Care in the Home Personal Health Management

Incremental, integrated approach to physician alignment



McKesson's Comprehensive Approach: Personal Health Management

Patient Portal

Office & Hospital

Patient
Kiosk



Patient
Vision



Encounter
Management



Home

Disease
Management



PERS



- pay bills
- schedule appts
- check eligibility
- e-visits

Patient Record

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- McKesson Differentiation

Clear Differentiation

- Ambulatory Care  Enterprise Care

Giving You
The *Power* to *Lead*

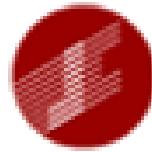
McKesson's Clinical Performance Leadership



Billie Waldo, MS, RN, BC
Vice President and General Manager
Medication Safety & Care Management Solutions

McKESSON

The Clinical Performance Mandate

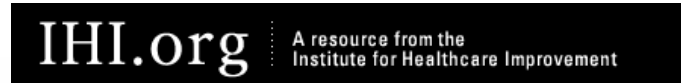


Joint Commission

on Accreditation of Healthcare Organizations



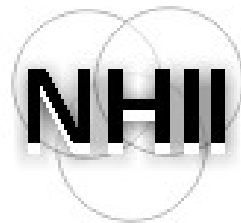
National Patient Safety Foundation®



THE LEAPFROG GROUP
for **Patient Safety**
Rewarding **Higher Standards**



Foundation for Health Care Quality



Investment Rationale for Hospitals

The Cost of Compliance:

■ Broad market view

- Average hospital spends \$250-500K annually on ***data collection alone*** (manual chart review to meet minimum standards)

■ Case example of total expenditure

- 383-bed community hospital in IL
- Estimated **\$2.5 million invested annually** to collect & report quality data
 - 10-20 FTEs gathering data & producing reports
 - 1,500 charts manually reviewed each month

Market Opportunity

Clinical Solutions

- Clinical workflow solutions that improve patient safety and reduce costs by eliminating errors, providing clinical decision support and reducing care variability.
- Current McKesson market share ranges from 12-20%¹ (higher for some applications)
- Estimated \$17.3 Billion in Clinical IT decisions in next 3 years²

Performance Management Solutions

- Solutions that link clinical, financial and operational data for the purpose of measuring the cost and quality outcomes of patient safety processes
- Current McKesson market share estimated 30%
- Estimated \$821 Million in Performance Management decisions in next 3 yrs³

Harnessing Data to Change Practice

What's the *quality* of the care you deliver?



Harnessing Data to Change Practice

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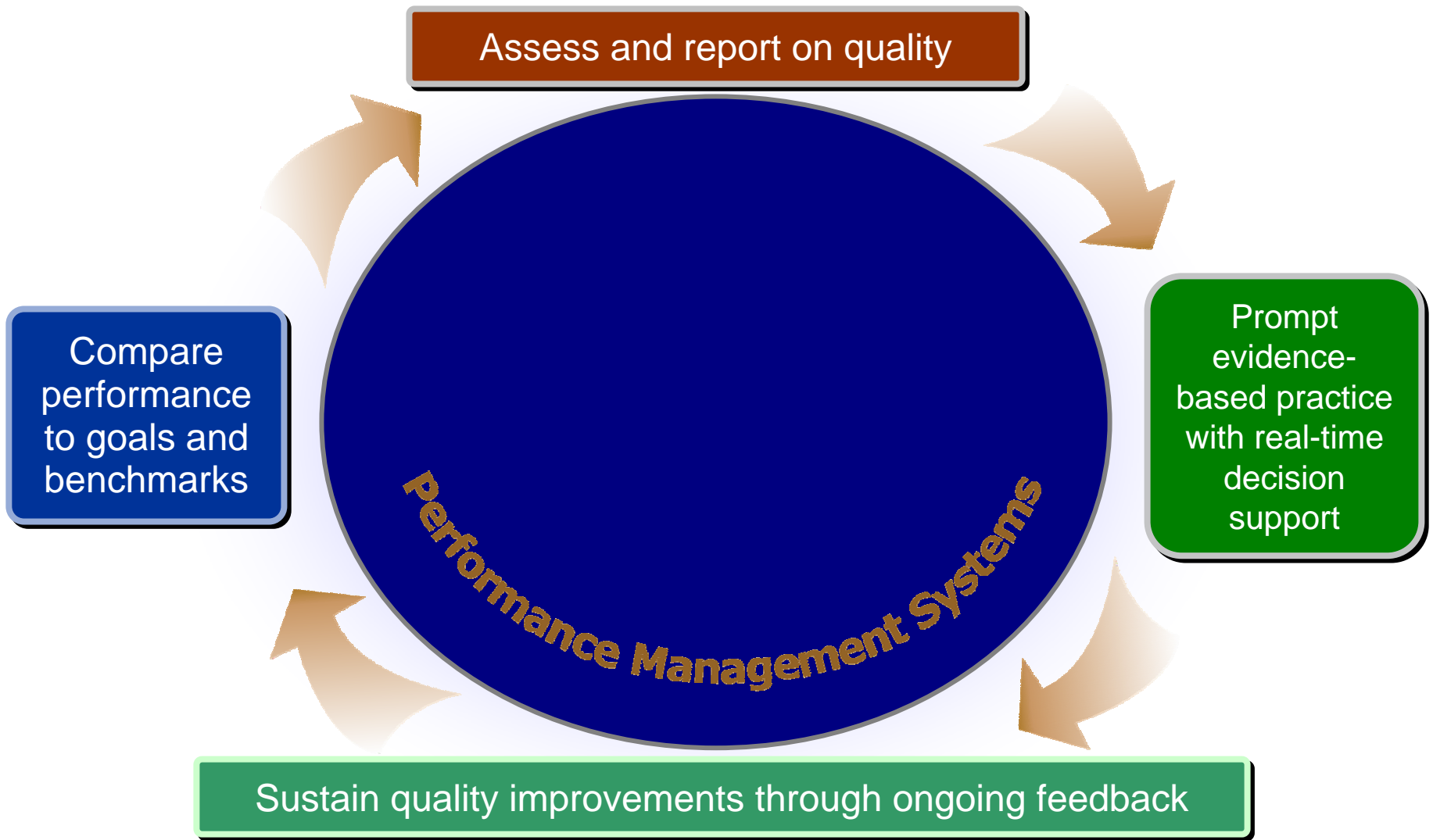
Measure	Actual	Target	Achievement	
Clinical Performance				
Admission History ¹	83%	100	83.33%	✗
Verified/Updated Directives ¹	83%	100	83.33%	✗
Verification of Home Meds ¹	83%	100	83.33%	✗
Initial Assessment ¹	87%	100	86.67%	⚠
Care Plan Initialized ¹	83%	100	83.33%	⚠
Care Plan Reviewed ¹	80%	100	80.00%	✗
Daily Weights Recorded ¹	80%	100	80.00%	✗
Verbal Orders Read Back ¹	87%	100	86.67%	⚠
Pain Admin Follow Up ¹	90%	100	90.00%	✓
Administrations w/o Scanning - % ²	1.25	1.00	79.86%	⚠

Harnessing Data to Change Practice

How *cost effective* is the care you deliver?

Measure	Actual	Target	Variance	
Volume Indicator				
<u>Admissions</u>	3,153	3,118	101.1%	✓
<u>Length of Stay</u>	4.9	4.5	-8.9%	⚠
<u>ED Visits</u>	4,329	4,599	94.1%	✓
Patient Flow/Demand Indicators				
<u>Discharges before 11:00 am</u>	9.0	25	-64.0%	✓
<u>ED diversions in hours</u>	25.7	20.0	28.5%	✓
<u>ED time to seen in minutes</u>	62.0	30.0	106.7%	✗
Clinical Outcomes				
<u>Mortality (%)⁴</u>	2.0%	3.2%	160.0%	✓
<u>Post-Op Wound Infections (%)</u>	9.0	2.0	22.2%	✗
<u>Readmission rate</u>	12.0	8.0	66.7%	⚠
Cost Indicators (Severity Adjusted)				
<u>Average medical cost/case</u>	\$5,300	\$4,900	-8.2%	✓
<u>Average surgical cost/case</u>	\$17,000	\$15,000	-13.3%	✗

Driving Clinical Performance



McKesson Differentiation

No other healthcare IT vendor:

- Combines both proven clinical systems *and* proven performance management systems
- Effectively aggregates clinical and financial data to analyze both the costs of care *and* the care process itself
- Focuses on getting clinical systems installed *and* getting data back out to drive immediate and sustainable quality improvement

McKesson's Leadership

Clinicals

- On the forefront of medication safety advances since the 1980s
- Solutions deployed in over 500 hospitals
- In use by >4 million care providers processing more than 22 million orders/week

Performance

Management

- 20+ years in financial decision support
- 30% market share
- In use by more than 500 hospitals, each with hundreds of users

McKesson's Leadership

**Industry-leading
customer satisfaction
scores in both
categories**

Customer Case Study

St. Mary's Medical Center, Knoxville, TN

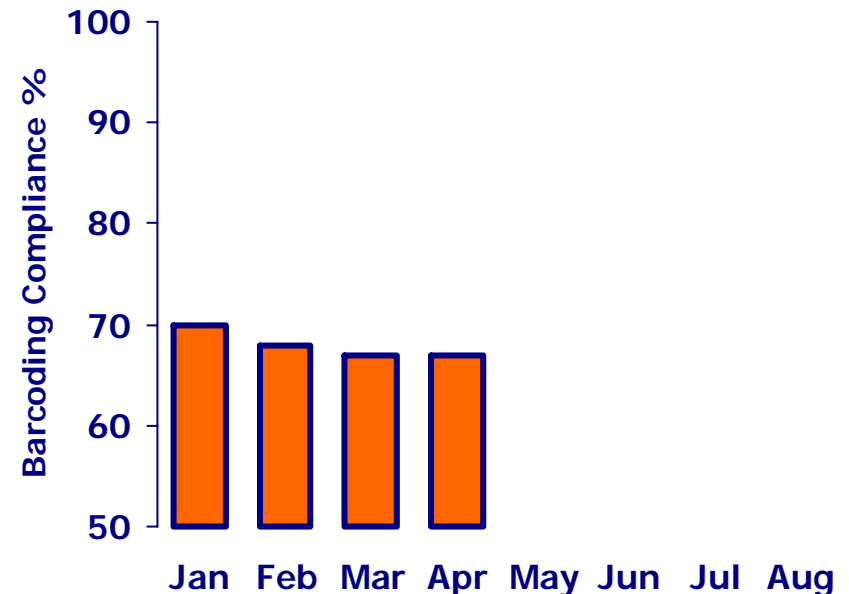
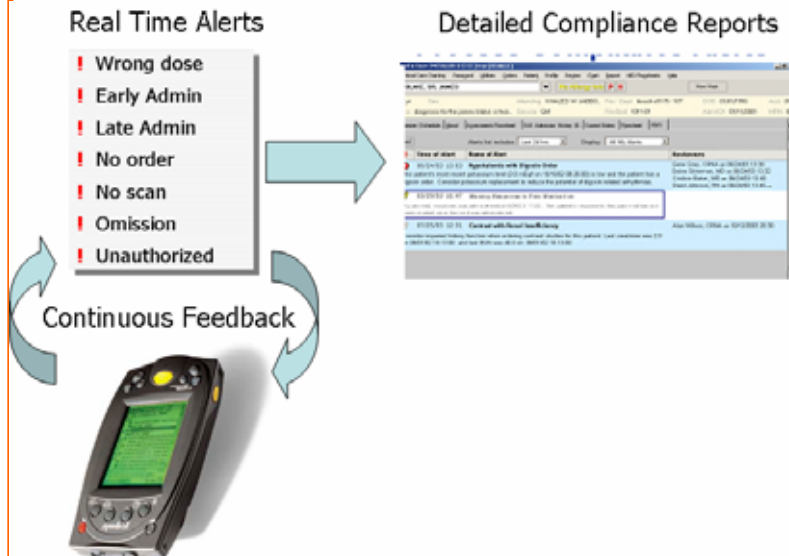
- 498 beds
- Member of Catholic Healthcare Partners, one of U.S. largest not-for-profit systems
- Longtime McKesson partner for clinical systems
- Had issues of compliance with bar code medication administration
- Used McKesson's clinical performance solutions to analyze data

The Value of Information

St. Mary's Medical Center, Knoxville, TN Unit & staff compliance with bar coding for medication administration

Information at the bedside to monitor individualized care...

...produces good results.

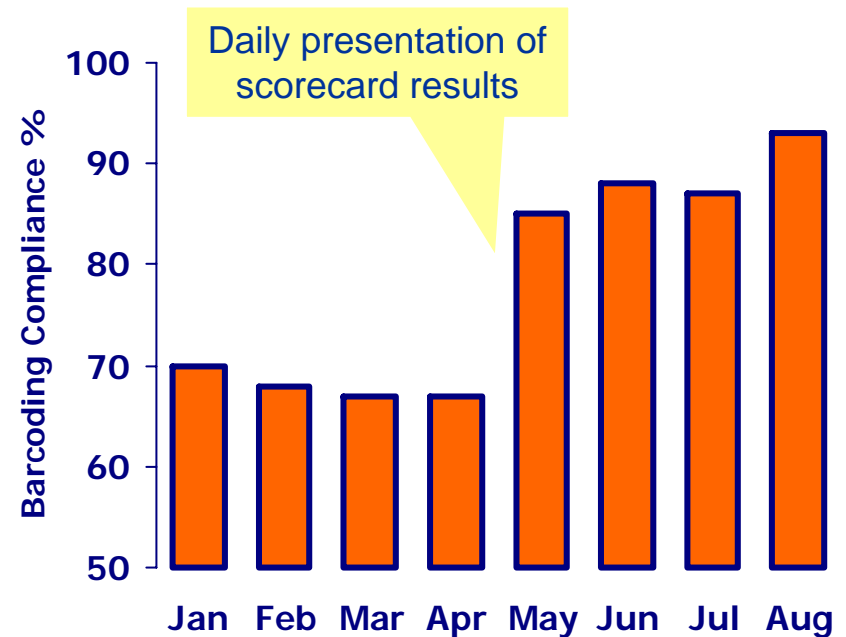
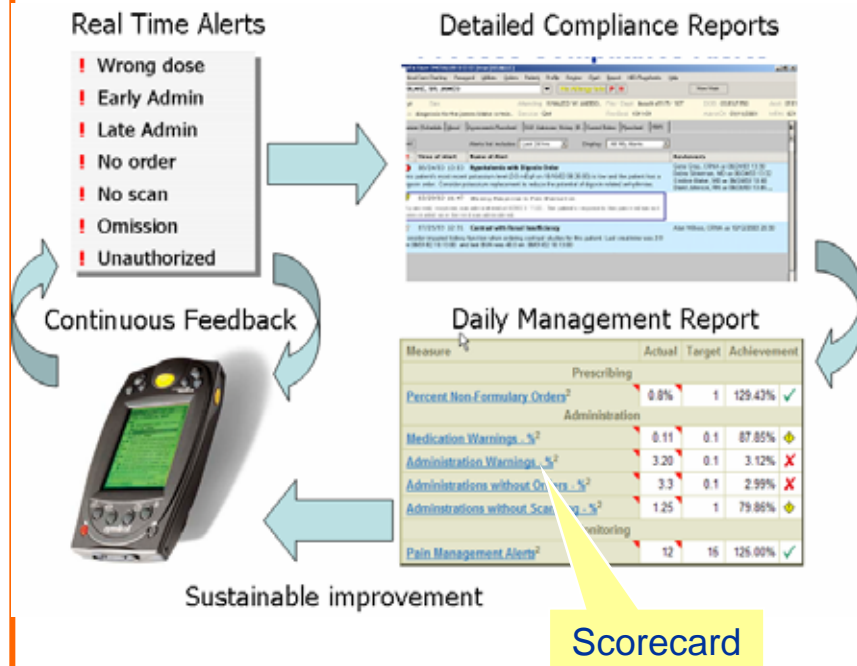


The Value of Information

St. Mary's Medical Center, Knoxville, TN Unit & staff compliance with bar coding for medication administration

The addition of daily scorecards...

...results in superior performance.



Other Customer Results

Central Baptist Hospital, Lexington KY

*Automated 100% of chart reviews,
eliminating \$620,000/annually spent for
contract chart auditors*

Good Samaritan Hospital, Vincennes IN

- *46% reduction in fall rate after implementing
online screening for fall risk*
- *100% open chart audits on new admissions
(versus 20% closed chart audits before implementation)*

St. Mary's Hospital, Knoxville TN

*25% improvement in bar-coding rates
through daily presentation of results*

Other Customer Results

John Muir Medical Center, CA

- *Improved readability of barcodes to almost 100%*
- *Staff compliance with medication barcoding rose from 80% to 98%*
- *Staff overriding of alerts decreased from 50% to less than 9%*

Covenant Health Knoxville, TN

100% completion of chart audits which has improved report scorecards for CMS and helped prepare for Pay for Performance

Other Customer Results

Lehigh Valley Hospital & Health Network, Allentown, PA

Used clinical analytics as a catalyst to improve organizational capacity, streamline patient flow and meet unprecedented demands for ED services

University of Pennsylvania Health System, Philadelphia, PA

Reduced mortality in unstable hemodialysis patients by 27% through implementation and monitoring of evidence-based guidelines

Bottom Line

With **market-leading** clinical & performance management solutions and a focus on **immediate & sustainable results**, McKesson is best positioned to help customers lead the industry in **Clinical Performance.**

Giving You
The *Power* to *Lead*

McKesson's Image-Enabled Care Leadership



Rod O'Reilly
Allan Noordvyk
Jerry Newton

McKESSON

Diagnostic Imaging & Information: High-Growth Opportunity

- Radiology PACS market growing approximately 10-12% annually, 35% penetration
- Horizon Medical Imaging is one of MPT's top-selling products
- CVIS: 1,500-1,600 market decisions expected over the next 5 years
- Horizon Cardiology experiencing exceptional sales and existing business expansion

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Diagnostic Imaging & Information: High-Growth Opportunity

Goal: Win Market Share

- Capture MPT customer base
- Lead community hospital segment
- Lead replacement market
- Establish clear clinical and enterprise differentiation

Image-Enable Care

↑
Advanced
Clinical
Apps



3D Visualization &
Advanced Clinical
Applications

Radiology

Cardiology

ENT/
Endoscopy

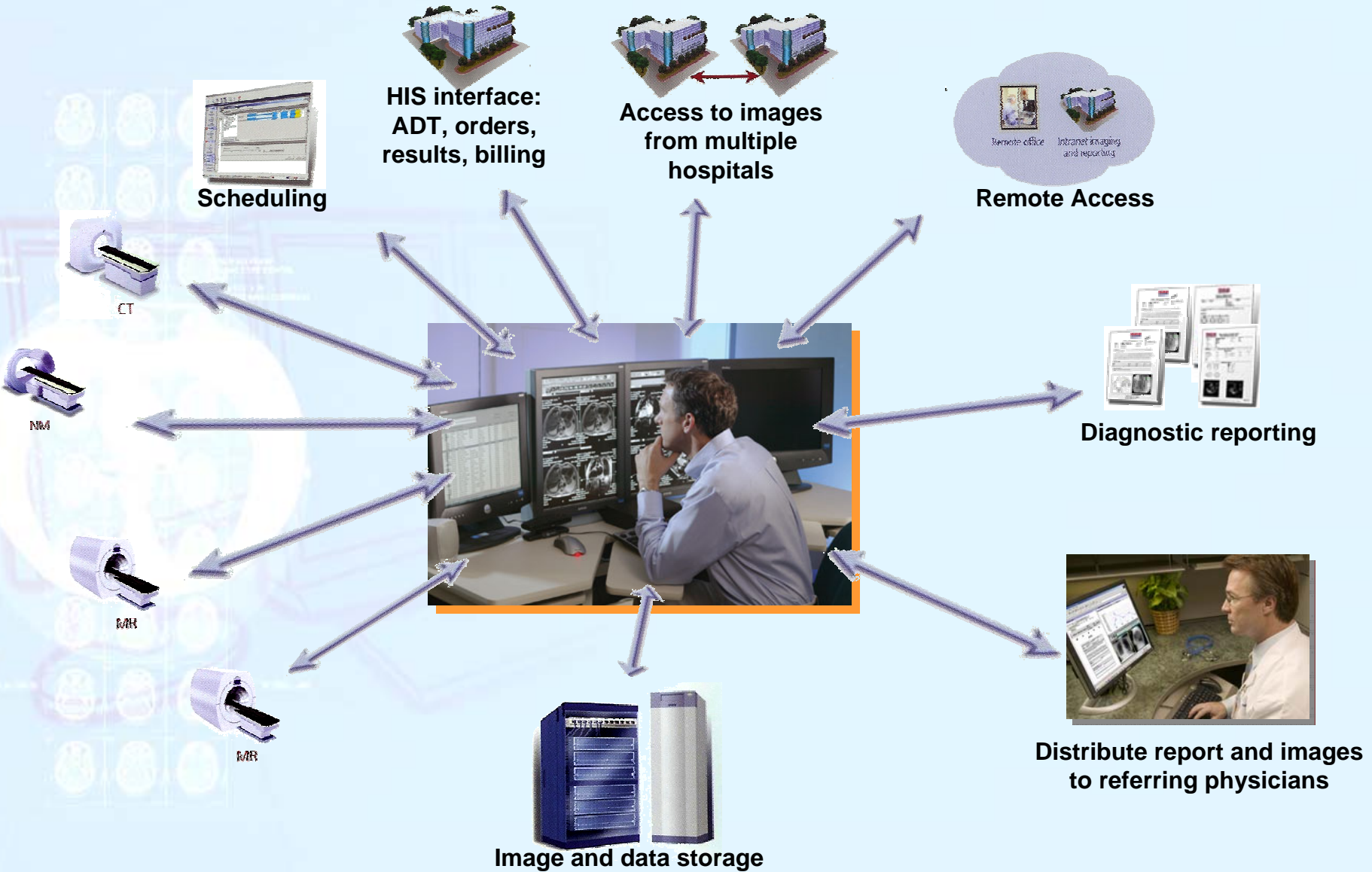
Enterprise Medical Imaging Foundation

→
Building on Enterprise Foundation

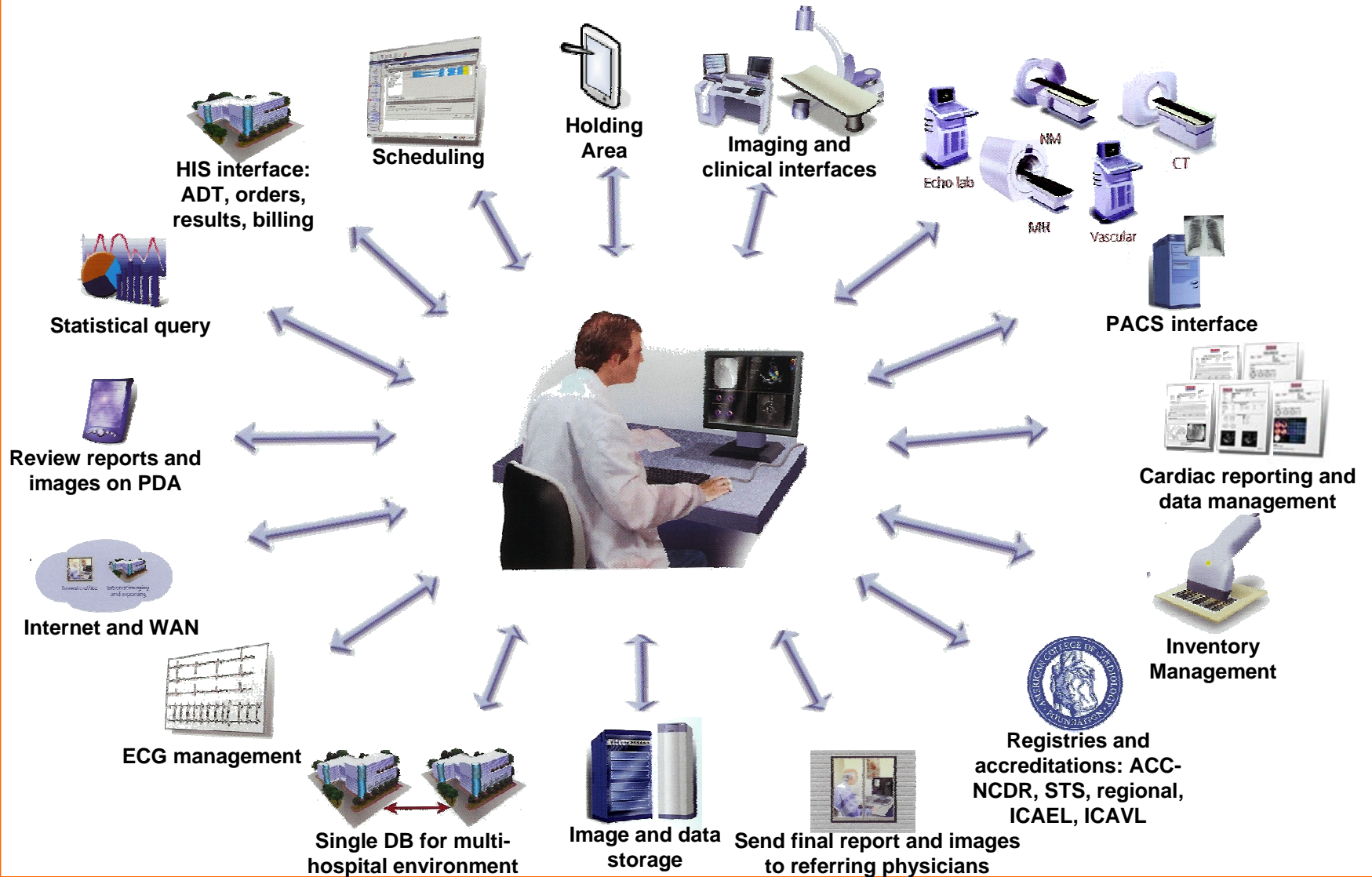
Why McKesson?

- **Comprehensive, image-enabled care portfolio**
 - **Scalable** – from community hospitals to large heterogeneous environments
 - Comprehensive – combining images with information for most complete medical record
 - **Enterprise vision** – solution for all medical specialties
 - Preserves unique department workflow while supporting the integrated information needs of the enterprise
- **Top ratings in KLAS for service and support, No. 1 ranked PACS vendor for community hospitals**
- **Excellent customer satisfaction**
 - 100% of customers would recommend McKesson to a friend/peer
 - 100% said they would buy it again
 - 94% of Cardiology customers would recommend McKesson to a friend/peer
 - 94% said they would buy again
- **Customers get results!**

RIS/PACS



The Complete Cardiac Image and Information Management Solution



Giving You the Power to Lead

Step 1 – Provide Baseline Physician Access

Step 2 – Deliver Image-Enabled Care

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Step 5 – Automate & Connect Physician Offices

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Giving You
The *Power* to *Lead*

McKesson Ambulatory Strategy



Tom Leonard
Vice President and General Manager
Ambulatory Solutions

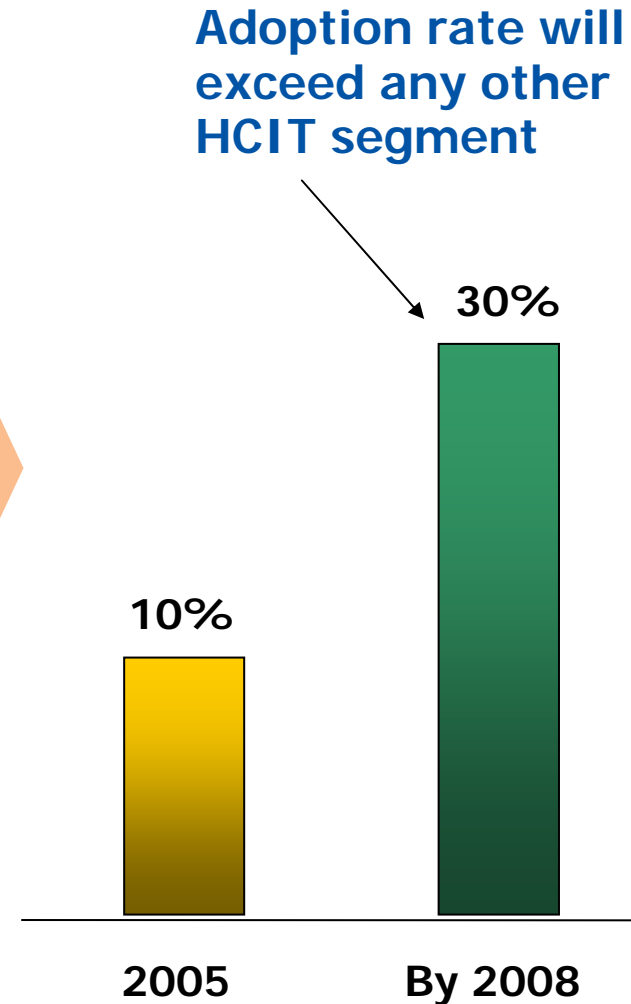
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The EHR Mandate

- "We will make wider use of electronic records and other health information technology, to help control costs and reduce dangerous medical errors."
 - President George W. Bush; State of the Union Address; January 31, 2006
- "There may not have been an experience that demonstrates, for me or the country, more powerfully the need for electronic health records ... than Katrina"
 - Mike Leavitt, U.S. Department of Health and Human Services Secretary; Statement made to The Associated Press; September 13, 2005

Ambulatory EHR Market Penetration

- EHRs are on a rapid penetration curve ahead of other HCIT segments
- Large group EHR adoption currently 39%
- Standalone small to mid-sized practices will gradually penetrate over next 4-5 years



Ambulatory Market Opportunity

- 547,000 Office-based MDs in 189,000 MGPs
- MGPs with > 25 MDs represent 75% of projected HCIT spend
- 96% buying entities in practices with < 10 MDs
- Market opportunity in small groups presents go-to-market challenges for most vendors

SEGMENT	2006e Segment Size	Total buying entities (Groups)
Solo & 2 MDs	183,476 MDs	164,211
MGP*s 3-9 Physicians	75,673 MDs	16,771
MGPs 10-25 Physicians	49,059 MDs	3,550
MGPs 26-99 Physicians	44,951 MDs	1,095
MGPs 100+ Physicians	72,017 MDs	275
IDN-owned practices & AMCs	121,719 MDs	2,893

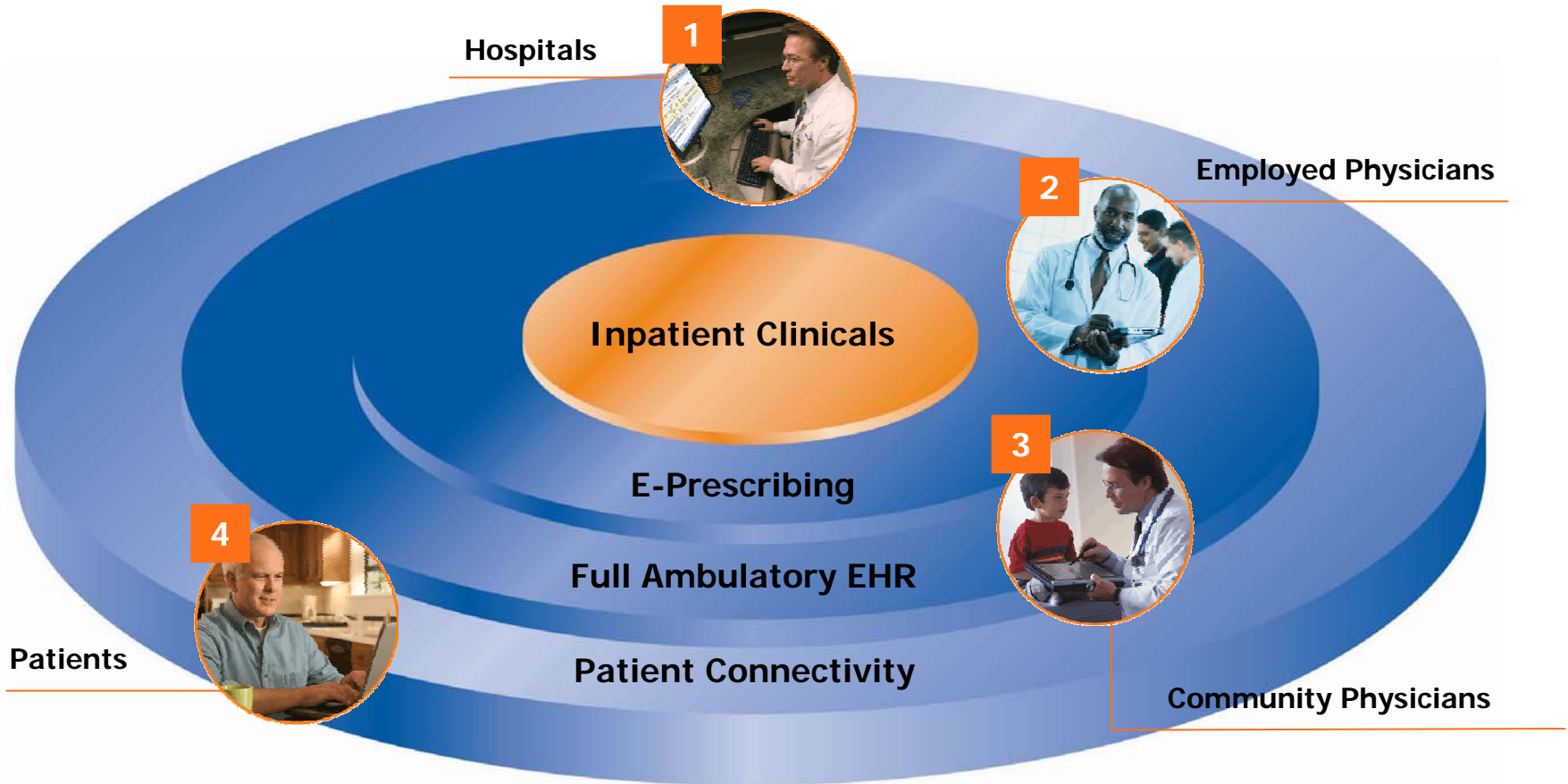
* MGP = Medical Group Practice
 Source: POMIS Report 2004

McKesson is Well Positioned to Capture Market Opportunity

- Leverage Hospital/IDN relationships
 - Opportunities for integrated solutions across care settings
 - Reaching employed and affiliated community physicians
- Competitive solutions
 - Top 3 in KLAS for Clinical & Financial Systems
 - Incremental approach to deployment
- Stark Law relaxation
 - Removes barriers for hospital driven strategies

How Can We Make it Happen?

Integrated, Modular, Physician Alignment Strategy



Leverage Existing Clinical IT Investment

Horizon^{WP} Physician Portal

HorizonWP Physician Portal - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Home Search Favorites Media Refresh Print Mail New Tab

MCKESSON HCI

Frank Adair :: February 8, 2006 [my portal](#) [suspend](#) [help](#) [logout](#) Site Controls: <Select>

Worklist Results Flowsheet Summary Clinician Notes Orders Med Transcriptions Med Records Reports My Office My Page

[?](#) [edit](#) **Horizon Ambulatory Care** last refresh: 9:25

[Launch Application](#)
(Patient selection here will not change Physician Portal patient)

[?](#) [edit](#) **Schedule Viewer**

Appointments for ADAIR, FRANK C From: 02/08/2006 -to- 02/2

Appt Date/Time ▲	Patient Name	Procedure	Primary Practitioner	Resource Unit	Facility
02/09/2006 08:00	MORGAN, STEVEN TAYLOR	HEART CATHERIZATION	ADAIR, FRANK C	RADIOLOGY	GRANT
02/14/2006 09:00	VAUGHN, EVELYN ALICE	FOLLOW UP 30	ADAIR, FRANK C	INTERNAL	MEMORIAL
02/14/2006 09:00	MITCHELL, KEVIN DANIEL	FOLLOW UP 30	ADAIR, FRANK C	INTERNAL	MEMORIAL

[?](#) [edit](#) **Working Patient List** last refresh: 9:25

Facility: Gen. Hosp. A Patient Type: Edit Preference Status: Active

Census Type: My Patients Refresh Census List

52 Patients Use Selected Use All Remove Inactive

✓	Patient Name ▲	Location	Alerts	Lab Result	Rad Result
<input type="checkbox"/>	ABUNDIS, SANFORD S	3N-1311-02			
<input type="checkbox"/>	ALISTAIR, OLIVIA	4N-1407-02			
<input type="checkbox"/>	BACKSTROM, KATHRYN	4N-1408-01			
<input type="checkbox"/>	BAIN, CYNTHIA DIANE	CCU-CCU-16	! Warning		
<input type="checkbox"/>	BENE, MI	CCU-CCU-16			

Local intranet

Leverage Existing Clinical IT Investment Horizon Ambulatory Care

Horizon Ambulatory Care - Microsoft Internet Explorer

File Patient Worklist Chart Results Orders Administration Miscellaneous User tools Help

Patient: **White, Gloria (Gloria)** Note: **Allergies! >>** **PENICILLINS**

Age: **68 yr** Gender: **F** DOB: **02/06/1938** Primary Physician: **Nessim, David** ID#: **000007652**
 Primary Insurance: **ABC Insurance** Alt ID#: **291320553** Elig. Status: **Verified (12/30/2005)** Consent: **Authorized**

Document | Appts | Worklist | New Task | Summary | Problems | Med List | Encounter | Active En | Office Rx | Lab | Procedure | Results | Clin Views | Logout

Today: Feb 8 2006 **Chart Summary** 000007652 **Gloria White 68 yr F**

Goes By: Gloria **Languages:** English **Living Will:** Yes
Home Phone: 651-343-2890 **Employment:** Florist, Lexington Floral
Home Address: 119 S Main , Arden Hills, MN 55112 USA
Note: Notify if appointment is more than 20 minutes delayed.

Preferred Pharmacy	Cox (Preston St)
Primary Physician	Nessim, David
Family History	Hypertension; Stroke
Social History	Tobacco: smoking, current; Tobacco: smoke
Allergies	PENICILLINS (Reaction: Rash Severity: Mild)

ACTIVE PROBLEMS

Name	Latest
Diabetes mellitus type II (8)	Sep 13 2005
Hyperlipidemia (10)	May 21 2004

MED LIST

Name	Sig	Date	Indication
Glucotrol Oral Tablet 10 mg	take 1 tablet (10mg) by mouth 2 times per day before meals	9/13/2005	Diabetes mellitus type II
Zocor Oral Tablet 40 mg	take 1 tablet (40mg) by mouth once daily in the evening	5/21/2004	Hyperlipidemia

ENCOUNTERS

Date	Type	Location	Clinician	Assessments
Jan 3 2006	Order Encounter	Tyler Clinic	D. Nessim	
Sep 23 2005	Office Visit	Tyler Clinic	D. Nessim	Hyperlipidemia
Jun 12 2005	Office Visit	Tyler Clinic	D. Nessim	

STANDING ORDERS

none

LABS

[Top](#) | [Problems](#) | [Med List](#) | [Encounters](#) | [Stand Orders](#) | [Labs](#) | [Procedures](#) | [Immunizations](#) | [Documents](#) | [Bottom](#)

McKesson Differentiation

- Integrated enterprise-wide EHR leveraging widely-deployed physician solutions
 - Extends document imaging and medical imaging into the physician office
- Modular approach, enabling a flexible deployment strategy
 - Strength of electronic prescribing solution as a starting point to the full EHR
- Connectivity to the patient for secure routine physician-patient communications
 - Includes clinically structured, payor-reimbursed consultations for non-urgent care

McKesson Momentum

Duke University Hospital

- 1500 physicians in 80 clinics, employed and affiliated MDs
- Integrated solution across care-settings
- Starting with e-prescribing

Oconee Memorial Hospital

- Physician-led integrated community EHR strategy
- 80% of community physicians will deploy McKesson's ambulatory EHR and PM beginning with e-prescribing



Central DuPage Hospital

- 100% adoption of e-prescribing among employed physicians
- Extending to affiliated physicians
- Vision is to connect patients to deliver complete patient record



St. Luke's Hospital of Kansas City

- Planned deployment to 170 employed physicians and 25 affiliated
- Integrated solution across care-settings





Building A Physician Alignment Strategy Through Technology



We are committed to delivering outstanding healthcare. Period.

Methodist, a Magnet Hospital





Methodist Medical Center of Illinois Overview

- Serve a 500,000+ population in Central Illinois
- 353 bed Acute Care Hospital
- 40,000+ ED Visits annually
- 28 Clinics (250,000 visits per year)
- 4 Urgent Care Centers
- 90 Employed physicians
- 118 Total providers, including providers and advanced practice providers
- 500 physicians on staff





Our Mission

We are *committed*
to delivering
outstanding
healthcare.
period.





Issues Driving Change at MMCI

Internal Factors

- System-wide patient safety strategy
- Physicians demanded better access to information
- “Transitions of Care” – Data across settings

External Factors

- Competition in the marketplace
- Leapfrog area (Illinois)





Strategic IT Vision

Use data from ambulatory setting to improve quality and efficiency of hospital care.



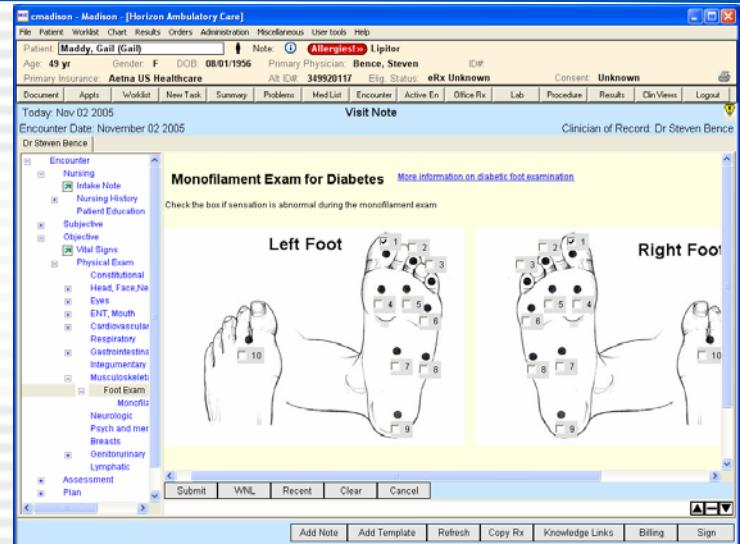


The Fundamental Question

How do you go from this...



to this...





Example:

Breast Cancer Patient

Care team Providers (just to name a few)

- Primary Care Doctor
- Gynecologist
- Nutritionist
- Radiologist
- Oncologist
- Radiation Oncologist
- Plastic Surgeon





Results to Date

Physician adoption

- 30 groups connected
- 35,000+ e-prescriptions monthly

Productivity

- 95% reduction in chart pulls
- 83% reduction in time spent on med management

Quality

- Enhanced continuity between settings of care
- 100% compliance with drug warnings

Financial

- \$300,000/year expense savings
- \$400,000/year in incremental revenue, NO staff increase





“McKesson advised us — years before others did — that if you are going to be a long-term success, you’ve got to integrate doctors into your system. And now that physicians have reached that integration at Methodist, they want to keep moving faster.”

*- Michael Bryant, CEO,
Methodist Medical Center of
Illinois*





What's Next?

- Leverage technology infrastructure to provide additional services for our community physicians
- Continue upgrades in technology and performance improvement projects
- Continue investing to stay ahead of the technology curve

**Technology is vastly changing
the way we deliver care**





We are *committed*
to delivering
outstanding
healthcare.
period.



Personal Health Management

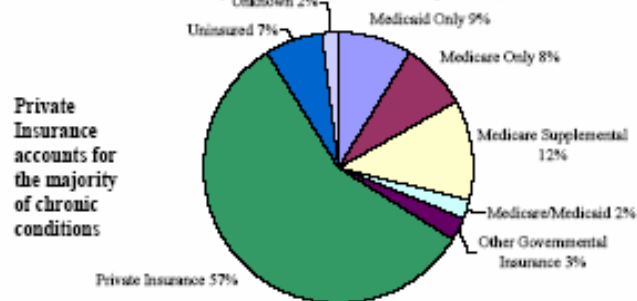


Craig Frazier
Vice President
Extended Care Solutions

MCKESSON

Market Opportunity

**United States
Chronic Conditions (CC) by Payer Category
(for Noninstitutionalized Population)**



Source: Johns Hopkins Partnership for Solutions, Medical Expenditure Panel Survey (MEPS).

\$ in 000

<u>Payer category (1,2,3)</u>	<u>Chronic Conditions (CC)</u>	<u>%</u>	<u>Total Annual Medical Expense</u>	<u>%</u>	<u>Expense per person</u>	<u>% with CC</u>
Medicare	30,081,558	22%	\$211,008,274	35%	\$7,015	87%
Medicaid	12,274,815	9%	\$58,672,869	10%	\$4,780	39%
Private Insurance	77,559,324	57%	\$259,435,873	43%	\$3,345	45%
Other	16,698,851	12%	\$71,778,892	12%	\$4,298	35%
Total	136,614,550	100%	\$600,895,908	100%	\$4,398	48%

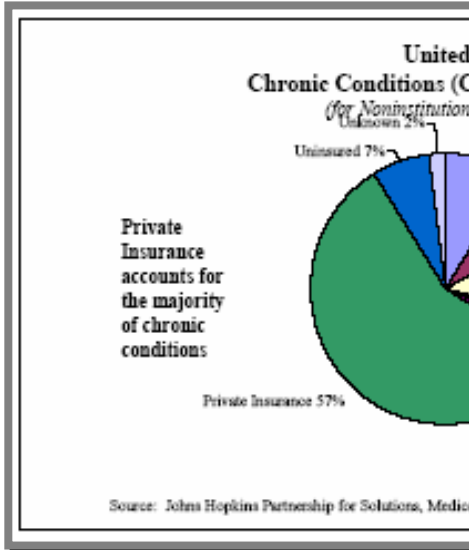
Source: Johns Hopkins Partnership for Solutions, Medical Expenditure Panel Survey (MEPS), 2001

Note:

- (1) Chronic conditions identified using the Agency for Healthcare Research and Quality (AHRQ) clinical classification software (CCS).
- (2) Noninstitutionalized population derived from MEPS household survey and does not include those living in nursing homes or other institutions.
- (3) Categories are mutually exclusive with no individual existing in more than one CC or age category.

Market Opportunity

- 48% of people with one or more chronic conditions drive 83% of US medical cost
- Govt & private insurance cover about 45% each
- Payors are increasingly looking for programs to control costs & ensure wellness management
- Commercial health plans looking for ways to reward wellness behavior



Medical	%	Expense per person	% with CC
18,274	35%	\$7,015	87%
72,869	10%	\$4,780	39%
15,873	43%	\$3,345	45%
78,892	12%	\$4,298	35%
15,908	100%	\$4,398	48%

McKesson's Comprehensive Approach: Personal Health Management

Patient Portal

Office & Hospital

Patient
Kiosk



Patient
Vision



Home

Encounter
Management



Disease
Management



PERS



- pay bills
- schedule appts
- check eligibility
- e-visits

Patient Record

Benefits All Stakeholders – Especially the Patient

Hospital

Case manager

Patient Portal

Office & Hospital

Patient Kiosk



Patient Vision



Patient

Encounter Manager



- pay bills
- schedule appts
- check eligibility
- e-visits

Home

Disease Management



PERS

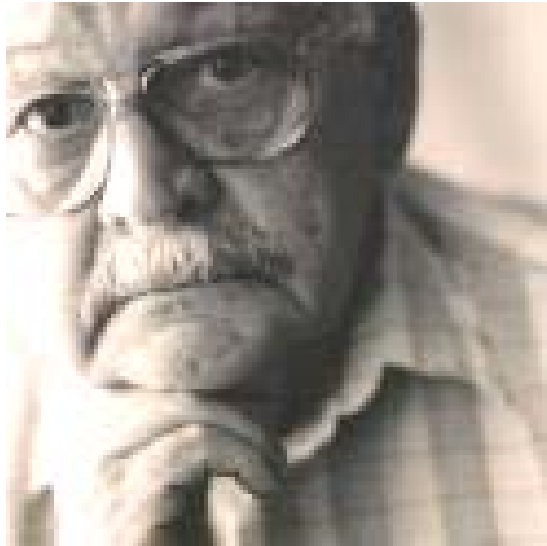


Patient Record

Payor

Physician Office

Meet Ben...



- 68-year-old diabetic
- Lives alone
- Recently discharged from the hospital after foot ulcers required a lengthy hospital stay and foot surgery

Horizon^{WP} Patient Portal

[> help](#) [> logout](#)

Thursday -- September 1, 2005



PatientPortal



[Home](#)

[My Message Center](#)

[My Health](#)

[My Questions](#)

[My Profile](#)

Welcome Benjamin!

Home Page Features

[+ Visit your Dr Online](#)

[+ Ask a Question](#)

[+ Request an Appointment](#)

[- Access your Account](#)

[View Account](#)

[Make a Payment](#)

[Request Detailed Bill](#)

[Billing Question](#)

[Re-Bill My Insurance](#)

[Request Payment Plan](#)

[+ Pre-Register](#)

Quick Message Center

[view all messages in your Message Center](#)

Subject	Sender	Date & Time
Appointment Confirmation	Jill Smith R.N.	September 1, 2005 4:49pm
Re: Refill Request	Jill Smith R.N.	September 1, 2005 11:18am
Billing Clarification	Marcia Johnson	August 31, 2005 5:32pm
Re: Symptoms	Dr. Elijah Wood	August 31, 2005 5:29pm

Personal Health Record

Description of what a personal health record is and how filling one out on the patient portal will help the patient in the long run. More information on what a personal health record is and benefits.

[Complete a personal health record](#)

Appointment Reminders

The following are appointments you have scheduled within the next 2 weeks:

details	Tuesday September 6, 2005	Dr. John Smith (Orthopaedic)
details	Friday September 9, 2005	Dr. Jennifer Rose (OB/GYN)
details	Wednesday September 14, 2005	Dr. Jennifer Rose (OB/GYN)

McKesson Telehealth Advisor – Remote Monitoring & Disease Management



You are viewing sessions for Jul 23, 2003 in the "All Programs" program.
26 responses have been received and there are 3 non-responding patients.

Date:

Responses on Wednesday, July 23, 2003

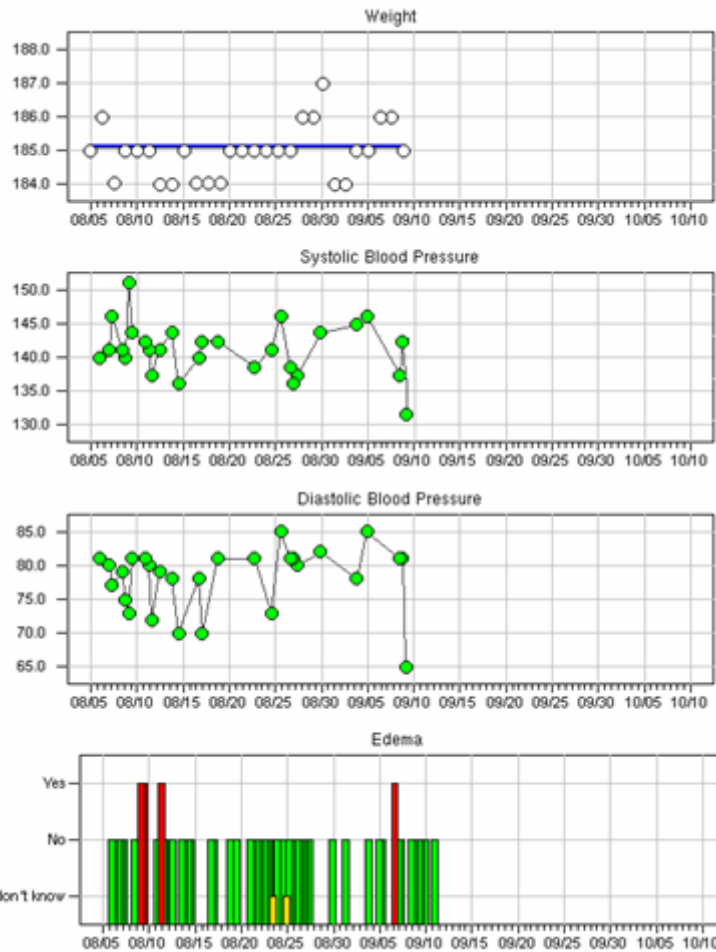
Patient	Response Time	Symptoms	Behavior	Knowledge	General
Patel, Krishna	02:58 PM PDT	High	High	High	None
Chamura, Mark	09:38 AM PDT	High	High	Medium	None
Lake, John F.	03:07 PM PDT	High	Medium	High	None
McAlister, Benjamin	01:09 PM PDT	High	Medium	Medium	None
Romeo, Julie R.	10:43 AM PDT	High	Medium	Medium	None
Zimman, Mary M.	05:14 AM PDT	High	Medium	Medium	None
Schmidt, Anna	02:17 AM PDT	Low	High	Medium	None
Fish, John F.	11:46 PM PDT	Medium	Medium	Low	None
Flock, Kimberly	06:19 PM PDT	Medium	Low	Medium	None
Garden, Herb E.	03:20 AM PDT	Medium	Low	Medium	None
Kawahara, Aolani	12:55 AM PDT	Medium	Low	Medium	None
Smith, Anna N.	07:22 PM PDT	Medium	Low	Medium	None
Soprano, Michael J.	05:29 PM PDT	Medium	Low	Medium	None
Rubenstein, David	01:02 AM PDT	Medium	Low	Medium	None
Kawahara, Aolani	08:31 AM PDT	Medium	Low	Low	None
Chen, Ying	06:36 PM PDT	Medium	Medium	Medium	None
Linton, Lloyd L.	03:00 PM PDT	Medium	Medium	Medium	None
	02:57 PM PDT	Medium	Medium	Medium	None
	03:00 PM PDT	Medium	Medium	Low	None
	09:38 AM PDT	Medium	Low	Medium	None
	03:07 PM PDT	Low	Medium	Medium	None
		Low	Medium	Medium	None
	10:43 AM PDT	Low	Medium	Medium	None
	05:14 AM PDT	Low	Medium	Medium	None
	02:17 AM PDT	Low	Medium	Medium	None
Spencer, Sharleen A.	11:46 PM PDT	Low	Medium	Medium	None

Back to top

**Daily
Risk Stratified
View of Patient
Caseload**



Decision Support Tools: Application Trends



← **View of Key Clinical Indicators Over Time**

Horizon^{WP} Physician Portal

MCKESSON
HCI

Tammy Duthie :: February 8, 2006 **my portal** **suspend** **help** **logout** Site Controls: <Select>

Worklist ▶ **Results** | Flowsheet | Summary | Clinician Notes | Orders | Meds | Transcriptions | Med Records | Reports | My Office | My Page

Patient: McAlister, Benjamin; 000005853 < > Encounter: 1/24/06; (428.0) CHF NOS (a)

Alerts from 30 days back Refresh

Rule Name	Time of Alert	Urgency
Elevated Systolic BP and Antihypertensive Therapy	01/31/06 - 12:02	Panic
Missing Response to Pain Med Administration	01/25/06 - 18:24	Panic
Pain Scale Rating	01/25/06 - 18:21	Panic
CHF Missing Echocardiogram	01/24/06 - 08:46	Panic
CHF Missing Ace Inhibitor	01/24/06 - 08:46	Panic
Pneumonia Smoking Consult Recommended	01/24/06 - 08:26	Panic
Newly Admitted Patient With History of MRSA	01/24/06 - 08:26	Panic
Consider CardioPulmonary Plan of Care	01/19/06 - 17:25	Panic
Nutrition Consult Notification	01/19/06 - 17:24	Panic
Missing Admission Medication Reconciliation	01/24/06 - 08:41	Warning
Missing Initial Nursing Assessment		

Relevant decision making information at the point of care

Results Viewer

ALL Ancillary Show Selected Results Show All Results New results

Encounter: Dates: 01/24/2006 -> Present Diag: (428.0) CHF NOS

Start On: 02/08/2006 Go Back: 30 Days Procedure Description Search: Clear Refresh

RsItLvl	Collected	Links	Item (Order Number)	Status	History	Accession
<input type="checkbox"/>	02/01/06 16:54		XR CHEST PA & LAT 71020 (ABBOTT, ROBERT)	Final		02265A712
<input type="checkbox"/>	02/01/06 16:33		XR CHEST LAT 71010 (ABBOTT, ROBERT)	Final		0000003418
<input type="checkbox"/>	02/01/06 12:55		XR CHEST LAT 71010 (ABBOTT, ROBERT)	Final		0000003429

Patient Enrollment

[Invite a Patient](#)

What's New

New Product Updates in February 2005 [Learn more...](#)

134 webVisit® interviews are now available. [Preview](#)

Training

[Start a Training Session](#)

Health Plans



At a Glance

All Inboxes

[Edit View](#)

Inbox Name	Unopened/Total	Overdue
Jonathan Markey MD	5/18	15
Dr. Joelle Plum	0/1	0
Matt Ang	16/17	16
Caroline Marks	20/24	16

Reminders

Total

[Patient Approvals](#)

1

[Messages you sent that have not been opened](#)

4

Settings

[Out of Office](#) message is **OFF**

[Newsletter](#) service is **ON**

The next newsletter will be published in 12 day(s). [Edit Newsletter](#)

[View Your Message Settings](#)

Example of a Triage Encounter within CareEnchance Call Center

McAllister, Benjamin (68,M)

File Edit Encounter Message Service Person Tools Help

Encounter

- Contract / Details
- Outcome / Results
- Custom Fields
- Message Center
- Benjamin McAllister (6)
- Person Profile
- Demographics
- Addresses
- Call Data

Overview Questions Disposition Care Advice Access Options

Upper Respiratory Infections / Colds

Disposition:

- Breathing symptoms (wheezing, shortness of breath, changes in rates of breathing, skin color changes) may indicate a more serious condition (transfer to BREATHING PROBLEMS guideline)
- Cough is the symptom causing most concern (transfer to COUGH - ADULT guideline)
- See Provider within 4 hours**
- Any temperature elevation in an immunocompromised individual OR frail elderly

suspected exposure. Assess caller for exposure risk factors when symptoms indicate.

See Provider within 24 hours

- Temperature of 101.5 F (38.6 C) or greater that has not responded to 24 hours of home care measures

ALERT: Severe acute respiratory syndrome (SARS) is a serious respiratory illness involving a fever 100.5 F (38.1 C) or higher with one or more clinical findings of respiratory illness. The onset of these symptoms MUST be associated with travel to or through an area that has a community spread of SARS or close contact with a person known or suspected of having SARS and occur within 10 days of the known or suspected exposure. Assess caller for exposure risk factors when symptoms indicate.

- Mild to moderate headache unrelieved with OTC medications
- Facial pain (fullness, pressure, worsens with bending over), frontal headache, yellow-green nasal discharge AND any temperature elevation
- Productive cough of other than clear or white sputum
- Symptoms worsen after 7 days or symptoms do not improve after 14 days of home care
- New onset of eye redness, irritation/foreign body sensation or gritty feeling with yellow/green drainage

Service

- Move Service...
- Delete Service

Benjamin McAllister Person Overview Presenting Problem Service Notes

Patient is reporting sx of URI / cold / cough

Current Handle Duration: 00:02:28 Transfer Queue: Total=0 / Urgent=0

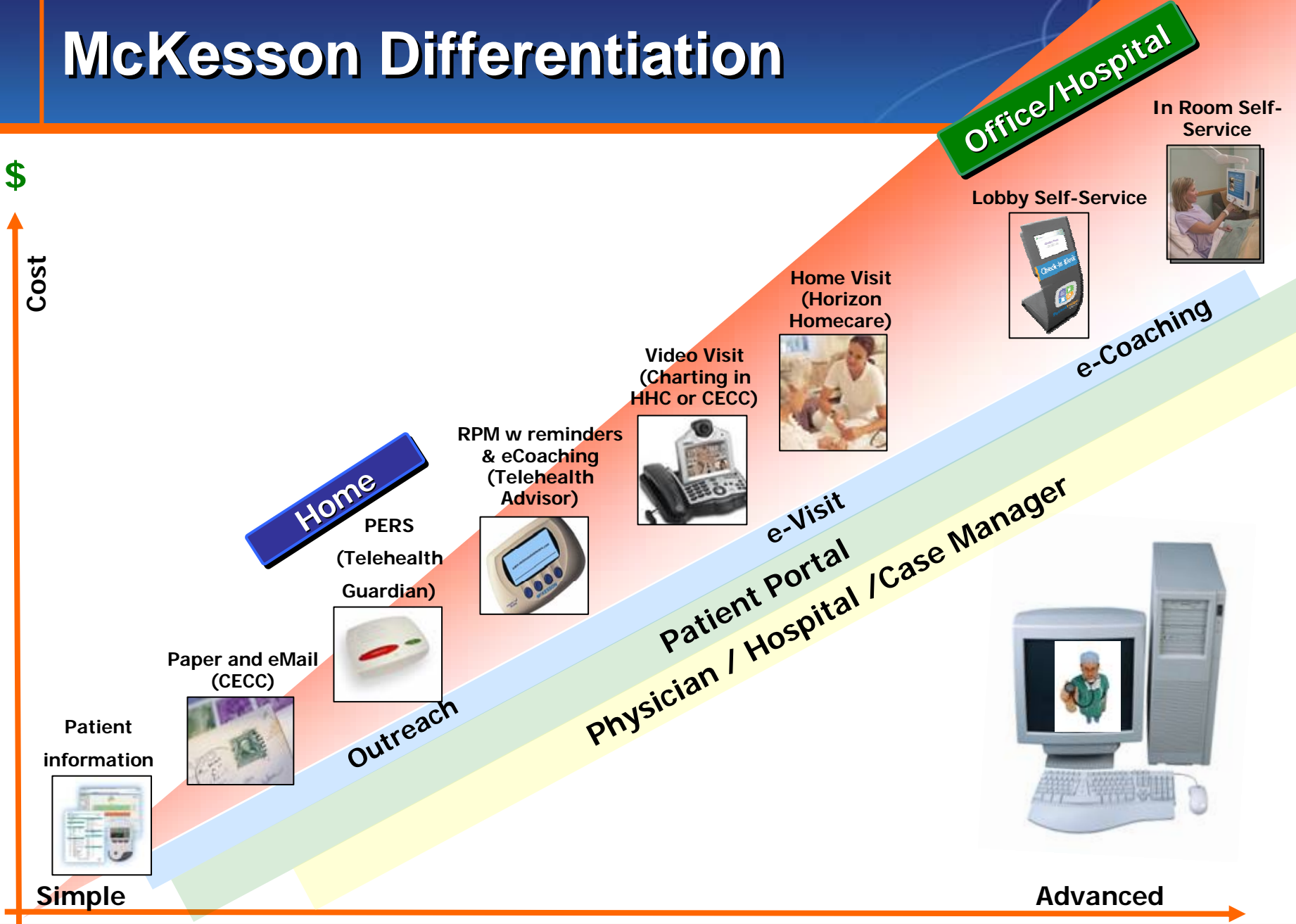
Content that assures nurses in call center follow evidence-based protocols & give patients the best advice

Benefits of McKesson Telehealth Guardian

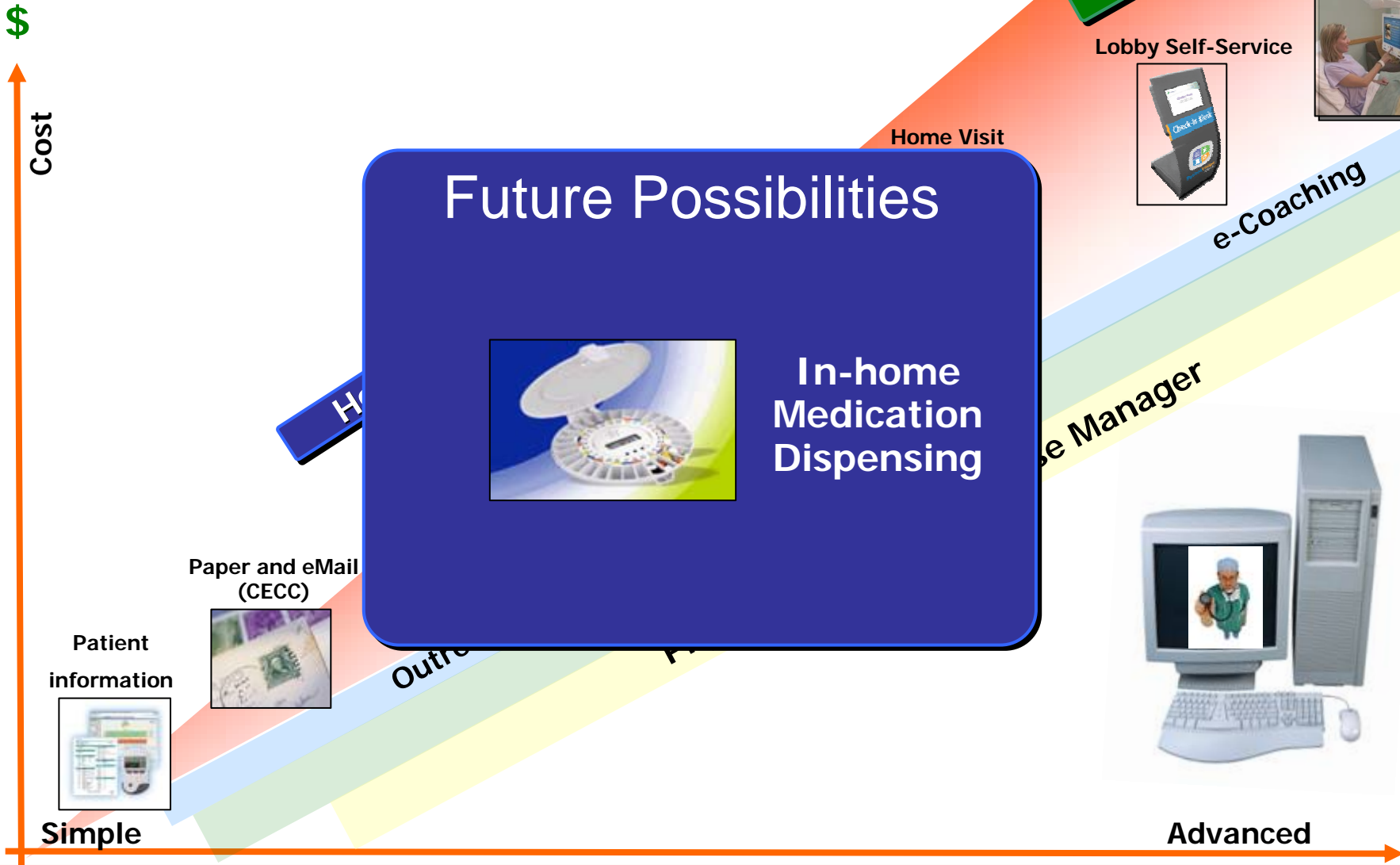
- Improves patient outcomes
- Protects patient independence
- Positions provider as a safekeeper
- Reduces unnecessary hospitalizations



McKesson Differentiation



McKesson Differentiation



McKesson Differentiation

