



FAMILY OFFICE INSIGHTS

facilitated by The Bavelas Group

April 2020

Vol 7 | Issue 299

Peer Insights

R E P O R T

Q&A with Tom C. Dorsett of RazorMetrics CEO

Principle Series:

The healthcare cost estimates from COVID-19 treatment are expected to range between \$34B and \$251B. It is critical that health plans and large self-funded employers get ahead of the problem as it threatens to raise Medical Loss Ratios and consequently premiums. Projections for premium spikes for 2021 range from 4% to 40%. We are in a unique position to be there to help health plans and self-funded employers to lower drug spend to offset COVID-19 related increased costs.

RazorMetrics tackles one of the leading causes of skyrocketing healthcare costs by lowering drug spend for self-funded employers and health plans. While pharmaceutical manufacturers and PBMs get most of the attention regarding cost, we focus on the largely overlooked potential for savings, the prescribers themselves.

Our proprietary, SaaS-based platform lowers cost by adding transparency in the prescription process. Our three-phase engagement process delivers transparency directly to the prescriber,

patient, and pharmacy. We are now layering AI onto the platform to further automate the process and make it even more effective.

We are saving clients an average of 10% on their total drug spend which moves the needle when addressing budgets in the tens of millions. We are looking to complete our raise so that we can deliver for our growing roster of larger clients.



Family Office Insights is a voluntary, “opt-in” collaborative peer-to-peer community of single family offices, qualified investors and institutional investors. Join the community here www.familyofficeinsights.com

Why is now the right time for a family office to invest in RazorMetrics?

Since the onset of COVID-19, our solution has become more essential than ever. Much like the telemedicine space, we have experienced an uptick in recent interest.

We are looking to raise \$1M in addition to the \$1.1M that we have already raised. This will allow us to become cashflow positive by Q1 2021. Given our level of traction and proven product-market fit, an investment in RazorMetrics is significantly

de-risked especially when compared to most other early staged investment opportunities.

We are looking to work with a family office specifically due to the flexibility that isn't commonly found with a VC. We have aligned ourselves with numerous potential acquirers and don't expect to have a lengthy exit horizon.

What is your growth strategy for RazorMetrics?

We have very effectively built a partner eco-system that has allowed us to leverage the market credibility and client base of our partners. For example, LabCorp is helping us gain traction by partnering to help grow their ""Direct to Employer"" initiative as a value-add. Its a mutually beneficial relationship that is creating growth for both parties and we are able to leverage their significant brand and market credibility.

We have also partnered with pharmacy benefits consultancies that have opened many doors to our growing list of PBM partnerships which give us access to thousands of potential new employer clients. As the eco-system continues to grow our market access grows exponentially.

What does your traction look like and what type of results have you shown?

We have a fully built technology platform and revenue generating clients. We are very close to \$1M ARR and have a commitment from one of the largest insurers in the US that will add another \$3M in ARR in Q2. This specific deal is an initial program in one state that will gradually spread throughout the US. In addition, we have been able to successfully build out our partner eco-system, which is now churning out opportunities and keeping our sales pipeline full.

We have been able to achieve excellent results in saving our clients on average between 5% and 10%. Our model is proven and scalable through our technology.



Tom C. Dorsett of RazorMetrics

Tom Dorsett, a veteran in the healthcare field for 20 years as an entrepreneur and business development executive. Focusing in different areas including health IT, clinical research and benefits spaces. Tom founded three companies and exited 2 thus far, NuScribe and ePatientFinder. Tom continues to challenge himself by creating innovative solutions across the healthcare spectrum that have a positive effect on patients.

In 2018 Tom and Dr. Siva Mohan founded RazorMetrics. Tom has the role of Chief Executive Officer. RazorMetrics was created to leverage everything mastered through building ePatientFinder including patient and physician engagement techniques. RazorMetrics lowers drug spend for self-funded employers and health plans. This is accomplished through a technology platform that has been built by the organization from the ground up that facilitates a unique engagement model. RazorMetrics has succeeded in conveying over partnerships with both LabCorp and Allscripts which compliments a growing number of other strategic relationships.

In 2013 Tom founded ePatientFinder and was its Chief Executive Officer. ePatientFinder provides a platform that connects patients with clinical research opportunities through their own trusted physicians. By leveraging a nationwide network of partner clinics, ePatientFinder is able to educate physicians on pharma client's trial opportunities. ePatientFinder raised \$15M through strategic partners LabCorp (NYSE: LH) and Allscripts (NASDAQ: MDRX). ePatientFinder was acquired in 2018 by Elligo Life Sciences, a contract research organization.

In 2003 Tom founded NuScribe and was its Chief Executive Officer. A provider of cloud based, voice recognition driven documentation systems for physicians. NuScribe was the first such system to be provided online. Ultimately the platform evolved into the first HIPAA compliant secure messaging system coupled with a social networking platform which was called iMedicor. In 2006 NuScribe was acquired by Vemics, a provider of real-time video, voice and data conferencing solutions and continuing education programs. Contact Tom tom@razormetrics.com