Tech pioneer, journalist, and venture capitalist Esther Dyson is no stranger to innovation. Now she’s turned her formidable talents to health [or “to what she calls the production of health”], and in this wide-ranging conversation with Terry Stone, the managing partner of Oliver Wyman’s Health & Life Sciences practice, she discusses her new non-profit HICcup, its Way to Wellville challenge, and how kids can be drivers of change. She also shares her views on the Quantified Self movement and describes her involvement with the Oliver Wyman Health Innovation Center’s upcoming MediFuture conference, where she’ll be a keynote speaker and joined by Way to Wellville finalists as they look for innovative partners and tools to build healthier communities. (Interview edited for length and clarity.)
We were expecting about 20 applications from communities, but we received double that.

TERRY STONE You’re most well-known for your work as a technologist, a writer, and a venture capitalist. What led to your current focus on the health industry?

ESTHER DYSON I was in search of more meaningful problems to try to solve, and once I started thinking about healthcare, I was struck by what now seems obvious: Healthcare is fixing something that doesn’t work. But what if we could produce health up front, so we wouldn’t need so much care in the first place? One of my favorite health stories is RealAge [a health site now owned by Sharecare]. You fill in a form, which doesn’t just ask for BMI or blood test results. It also asks if you argue with your spouse, if you have a dog, how often you take a walk, and then it calculates your real age. The founder of this company, Charlie Silver, used to own a chain of quick-oil-change outfits. In essence, he shifted his focus from the maintenance of cars to the maintenance of bodies.

TS With less care, create more health. That’s a great starting point, though the problems in healthcare are multifaceted and systemic. There’s not just one discrete piece that needs innovation. Tell me a little about the Health Initiative Coordinating Council (HICCup) that you started. What is its mission?

HICCup is a nonprofit that aims to test and generate evidence for how we can best produce health. The idea began when I asked to be a judge for the Healthcare X Prize sponsored by Wellpoint. But that never materialized, and I kept thinking that somebody should make it happen. Eventually, I appointed myself when no one else showed up. I organized four brainstorming sessions; at one of them this guy showed up and kept asking awkward questions, like “How are you going to fund this thing? And what metrics are you going to measure? How will you get community buy-in?” He’s now our CEO, Rick Brush. We assembled an advisory board and pulled together applications for our Way to Wellville challenge. The challenge or contest – we’re still not sure – is corny, but it’s also inspiring. Five communities from across the U.S. will strive over five years to see which makes the greatest improvements in five measures of health and economic vitality. In the end, we’ll map new paths for many more communities to make changes that will result in healthier people and places. We were expecting about 20 applications from communities, but we received double that. Now we’re whittling those down to the final five.

TS It looks like you’ll have an interesting cross-section. Was that deliberate?

ED Yes, we were looking not for the five “best” communities but for the best group of five that would give us geographic and other kinds of diversity – not just demographic, but also who’s leading
the charge – mayor, health system, foundation – and what kind of health system – ACO, nonprofit, etc.. We got amazing letters from communities saying, “Thank you so much. Even though we’re not on the short list, you brought our community together, and now we’re going to do this.” We couldn’t just tell them to go away, so we also created Greater Wellville. We’ll help them share data and experiences, and we’ll act as a connector to vendors, funders, and other partners – just as we’ll do for the Five, but with a bit less personal involvement. We will tell vendors, “Here are 36 communities that are really interested in improving their health. They’re open-minded; they’d love to do something and they are more likely to be good customers than most places. Go talk to them.” Who knows where that could lead in the long run?

TS I’ve read that you support not-for-profit activity, but you really believe in the power of profitability to drive change. How do you see that playing out in the health space?

ED HICCup is not-for-profit, but the more profit-making things that can happen around it, the better. Profits foster sustainability and scale. Our motto is “Don’t rent your health. Invest in it!” Maybe Greater Wellville will become some kind of online marketplace. We don’t know. It belongs to these communities, and the more they put into it, the more they’ll get out.

Companies and investors should make profits by providing healthy food. They should make a profit by preventing disease and saving a lot of money down the line. So HICCup will work with financial types to create securitized instruments, social impact bonds, contracts. That’s interesting work because you have to untangle issues surrounding state regulation or Medicaid policy. A single company probably wouldn’t be able to get regulations changed, but HICCup has convening power, and we may be able to make it happen. In the same way, we’ll offer the big food companies a demilitarized-zone test market for healthy food.

TS Tell me a little about how things will work in the five Way to Wellville communities.

ED We’re not coming in saying, “We’ve got a secret sauce for you.” It’s more like, “These are the objectives, and we’ll help you find people and resources to help you achieve your goals.” We don’t care whether they use this school lunch provider or that one, this diabetes management program or that one. We’ll create a market of sorts and help community residents and leaders to connect with providers. Ideally, the providers will offer price breaks or special terms because of the visibility they’ll receive, but this is not a controlled randomized trial. It’s much more. The question isn’t “Does this thing work?” but “Will people actually do this thing?”
So the answer is less in the idea per se than in the execution. I see that in my consulting work. You don’t get excellence from having this nugget or that piece. It’s how you stitch them together and create change. We still haven’t unlocked what makes different people tick, what produces change. Some people are motivated by aspirations; others by fear of negative consequences. We need multiple approaches, because what motivates Sally isn’t what motivates Johnny.

You’re absolutely right. We’re not coming in and saying we’ve got the magic pill, or even the magic protocol. Because the enthusiasm and persistence with which they follow it is what really matters. If it’s a bunch of rich people trying to apply health to poor people, it’s not going to work. The people themselves need to feel empowered. They have to be ready to say, “We’re through with being manipulated by people trying to keep us sick.” And in the end, it’s not just personal choices; it’s the availability of good choices in places where those good choices are often hard to find.

Let’s talk about change. If you look back over the last 40 years, we’ve made big progress on several health epidemics. When I was a kid, for instance, everybody’s parents smoked. It’s obvious what changed. Yes, taxes were levied, but there wasn’t a kid in America who wasn’t going home from school and hiding or breaking their parents’ cigarettes and saying, “If you don’t quit you are going to die.” I think that kids can be a forcing function for change in a family unit. Are you thinking about schools as a community health vehicle?

Yes, schools are huge. I went to the School Food Focus conference this year, and I was expecting to learn about children and eating better. But it was mostly about procurement and logistics and the reality of working within restrictive legislation. I actually wrote an article saying that school food in a sense is the advance market for when we inevitably get legislation around health. How do you create food that’s healthy and good enough that the kids will eat it?

If we could change kids’ taste for something, we could usher in the next big wave of change.

Well, nothing solves everything. But the more you promote healthy choices from different angles and places, the more likely the message is to stick. So the workplace no longer sells donuts, and instead of candy you’ve got healthy foods in the checkout aisle of your local grocer.
TS I love the notion that it’s not any one thing; it’s lots of small things that add up. Talk about some of the interesting ideas you’ve heard as you got ready to launch Way to Wellville.

ED They’re what we call the wildcards. Each Wellville community will work on the same five metrics, plus one wildcard metric that is specific to each community. My favorite proposed wildcard project is a change to the time zone, essentially, of the community. Schools would start two hours later, as would work, so in theory everybody gets more sleep and everything works better – including high school graduation rates. It’s a great way to get teenager buy-in to the wellness challenge!

TS I’m curious if you think there’s always a need for more investment to drive innovation. Is enough money already out there, but it’s misdirected?

ED A huge amount is, yes. If everybody did what HICcup does, we would save the economy billions over time. More important, we would also save people millions of hours of misery and incapacity.

TS And we’d be more productive, so we would also increase GDP.

ED Exactly. It’s not simply that you’re not in pain, but you go to work, you’re more productive, you’re not an alcoholic, you don’t get into trouble so you don’t need to rob the grocery store. You’re able to keep a job so you can get a car. Suddenly things start to work.

TS Driving the economy forward.

ED Yes. It’s the short term that is causing so many problems. People are instant gratification machines and so are companies. They’re looking at the current quarter, partly because they don’t have a way to make the investment now and get the return later, but if you can actually show them that connection and make it work financially, they’ll be happy to do it. They just don’t want to be the first ones to experiment.

TS In September, the Oliver Wyman Innovation Center is hosting its MediFuture event in Tampa. What do you think the Way to Wellville communities can get from or contribute to it?

ED To me, it’s a match made in heaven. All these different players will meet together – the healthcare establishment, providers, payers, institutions, startups and the communities that need all these services but don’t know all the players yet or can’t get their attention, aren’t aware of all the latest advances. The startups can sell to the big institutions, but we also think the five Wellville communities will be great places to try out all kinds of
cool, new things and test them with a population that’s willing to do something at scale. Our three-day kickoff event for the five communities, called Next Step to Wellville, coincides with the MediFuture conference.

**TS** You’re known for your predictions in technology and other spaces. Do you have any predictions for the healthcare arena?

**ED** I don’t really predict. I try to explain what’s happening now and what the dynamics are. In health, the dynamics of the Affordable Care Act aren’t just about who pays (though that’s important). It’s about what they’re paying for. Suddenly, people and payers are beginning to pay for health, not for care. That will be a slow and difficult transition. In the conversation surrounding the new healthcare legislation, there were questions about whether people would work more or less, assuming that insurance influences their employment decisions. But no one seemed to ask, “Will people be healthier so they can work more?” In the long run, I think that’s a much bigger impact than whatever mobility the law creates around where you get your insurance.

**TS** Recognizing that we both believe that transformation isn’t the result of one big thing but lots of little things done right, is there a tipping-point change (think the cell phone for technology) that will reshape health?

**ED** I know where it should come from, and I hope it does: the food companies. There was a wonderful *Atlantic* article two years ago called “Why Junk Food Is a Solution to the Obesity Crisis” by David Freedman, who will be joining us at Next Step. It really should have been titled “Why Junk Food Companies Are a Solution...” because we need them. We’re not going to supersede McDonald’s and Walmart and grocery stores. We need for them to find it profitable to sell healthier food. The big food providers need to be part of the solution. They’re not the enemy; they’re the big hope. We need to show them how it will work. Give them great PR for being forward-thinking and helping make the Wellville communities healthy. Then Greater Wellville says, “What about us? We want you to sell healthy food in our communities, too.” And then, ideally, it ends up being collective action rather than government interference, and the whole market changes.

**TS** So how do we focus on changing the shape of demand?

**ED** You start in a few small places where it’s easier for the community to manipulate it for itself, and then it cascades outward.

“The big food providers need to be part of the solution. They’re not the enemy; they’re the big hope.”
ESTHER DYSON ON THE QUANTIFIED SELF

“Quantified self right now mostly measures the behavior. In the future, it’s also going to measure the impact of the behavior.”

TERRY STONE What are your views on the quantified self and what do you think could be achieved with this movement?

ESTHER DYSON Well, there’s the quantified self, and then there’s the quantified community, which is in essence what we’re talking about with Wellville. So quantified self is, if you like, the personal dashboard. The body is a machine that you can monitor and track, and these devices are great. If you are motivated by them, that’s great. If you’re not motivated by them, they’re not going to motivate you. Again, there’s a set of people who don’t need them at all, and there’s a set of people who don’t want them at all. In the middle there are people who, wow, you know, it would be really useful to know how much I walk every day and then discover, oh, it’s already 5PM and I’ve been sitting the whole day. Maybe I should get up and walk around or walk home or just do something. And it’s giving you that feedback in real time rather than five years later when you suddenly get sick.

TS Certain people may or may not be motivated by that, but I think what we find is that in many facets of our lives, just having information makes people make more informed decisions. You don’t actually have to be a fitness junkie to have it alert you and you realize you haven’t done anything, so get up.

ED That’s what it is now. In the future, it gets even better when you start getting non-invasive blood analytics. For example, I would love for every 7-year old in school on Monday when they eat a donut to measure their blood sugar, and then on Tuesday when they eat scrambled eggs to measure their blood sugar, and then they can see the impact on their behavior. Quantified self right now mostly measures the behavior. In the future, it’s also going to measure the impact of the behavior.

TS With these devices, we all talk about 10,000 steps and activity. But I think a surprising number of people get enamored of sleep monitoring because people feel an immediate impact. They recognize when they do have a night with less variability, they do feel better the next day. It’s so instantly gratifying that they start to see it and I think it starts to change some behaviors.

ED Yes. For example, I would say I probably don’t exercise more, since I have long been swimming 50 minutes a day, but with sleep I’ve actually started sleeping more since using these devices. And it gives you cover when you say, “I’m going to leave dinner early. I don’t really need dessert and I really do need sleep.”
TERRY STONE

Terry Stone leads Oliver Wyman’s Health & Life Sciences practice group. The practice is focused on developing transformational strategies for healthcare companies in the payer, provider, life sciences, and services and technology spaces. Terry has extensive experience in the healthcare industry, including devising growth strategies, improving the cost and quality of healthcare services, establishing innovative partnerships across players in the healthcare sector, developing ACOs and other value-based solutions, and redesigning organizations to support their strategic transformations.

ESTHER DYSON

Esther Dyson is the founder of HICcup and chairman of EDventure Holdings, Esther is an active angel investor, best-selling author, board member, and advisor concentrating on emerging markets and technologies, new space, and health. She sits on the boards of 23andMe and Voxiva (txt4baby), and is an investor in Crohnology, Eligible API, Keas, Omada Health, Sleepio, StartUp Health, and Valkee, among others. From October 2008 to March of 2009, Esther lived in Star City outside Moscow, Russia, training as a backup cosmonaut.
ABOUT OLIVER WYMAN

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Oliver Wyman’s Health & Life Sciences practice serves clients in the pharmaceutical, biotechnology, medical devices, provider, and payer sectors with strategic, operational, and organizational advice. Deep healthcare knowledge and capabilities allow the practice to deliver fact-based solutions.

The Oliver Wyman Health Innovation Center (OWHIC) was created to develop and promote market-driven solutions to the crisis of high cost and poor quality that afflicts the healthcare systems of the developed world. Based on the deep healthcare expertise of Oliver Wyman and drawing on a network of innovative leaders across industries, OWHIC identifies and disseminates the ideas and practices that will transform healthcare. Our goal is to create a healthcare system driven by innovation and the needs and desires of consumers, creating value for companies and the public alike.

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