

FROST & SULLIVAN

CLARIFY HEALTH

2022
NEW
PRODUCT
INNOVATION

NORTH AMERICAN
PATIENT RECRUITMENT
IT SOLUTIONS INDUSTRY

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Clarify Health excels in many of the criteria in the patient recruitment IT solutions space.

AWARD CRITERIA	
<i>New Product Attributes</i>	<i>Customer Impact</i>
Match to Needs	Price/Performance Value
Reliability	Customer Purchase Experience
Quality	Customer Ownership Experience
Positioning	Customer Service Experience
Design	Brand Equity

Diversity, Equity, and Inclusion: A Unique Real-World-Evidence Solution

The COVID-19 pandemic created financial pressure on pharmaceutical (pharma) companies and contract research organizations (CROs) by closing clinical trial sites and delaying patient recruitment. These entities

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**- Unmesh Lal,
Senior Industry Analyst: Healthcare**

are still recovering from the impact and looking forward to resuming full-scale studies. As a result, they demonstrate high interest in remote patient recruitment and monitoring applications to lower costs, globalize the scope, and achieve high patient centricity.¹

eClinical products are the backbone for effectively managing end-to-end clinical trials and development programs. Real-world-evidence (RWE) solutions are perfect for enhancing recruitment with valuable data. However, the difficulty in extracting insights from vast

unstructured datasets counters the market’s cost reduction interests. Another issue is the shortage of skilled research professionals qualified to run these solutions.

¹ Global eClinical Solutions Growth Opportunities (Frost & Sullivan, March 2022)

Above all, an unaddressed need for diversity, equity, and inclusion (DEI) in clinical trials is growing. Typically, data generated from most development programs do not reflect the varied population most likely to use the medical product if approved. Thus, the Food and Drug Administration (FDA) created specific DEI guidelines to bridge the gap.²

DEI challenges tip the scales, giving rise to remote patient recruitment and monitoring investments. Therefore, Frost & Sullivan anticipates that these technologies will dominate the market. The eClinical solutions sector will register remarkably sustained growth at a 14.8% compound annual growth, reaching \$9.4 billion from 2021 to 2026.³ Emerging opportunities pave the way for an assertive business to create an industry-leading product that uniquely addresses market needs.

Within this context, Clarify Health (Clarify) launched “Clarify Trials,” a RWE software specialized in accelerating the recruitment of more representative patient populations. The solution leverages Clarify’s industry expertise to capitalize on new growth opportunities and position its innovative edge in the eClinical patient recruitment information technology (IT) solutions market.

An Exemplary Company

Founded in 2015 and headquartered in San Francisco, California, the United States (US), Clarify is a leading cloud-delivered analytical and value-based payment platform company. Among other services, it combines a comprehensive RWE offering that instantly queries more than 300 million real-world (RW) patient journeys. Each product in the company’s RWE portfolio explores commercial opportunities in a specific area:

- **Clarify Journeys** identifies patient cohorts’ diagnosis, treatment, and outcome patterns.
- **Clarify Segments** identifies healthcare professional (HCP) segments and delivers insights on HCP behaviors, switching, and referral patterns.
- **Clarify Access** generates on-demand payer insights and market access reports to deliver access, pricing, and reimbursement reporting efficiencies.

The company’s latest addition is **Clarify Trials**, ground-breaking software that accelerates clinical recruitment within underrepresented communities and niche, hard-to-find patient populations. It provides over 400 social determinants of health (SDoH) insights to identify research sites and investigators best suited to enroll diverse patients. In addition, it assesses physician referral patterns to support coordinated outreach within underserved populations.

In 2021, Frost & Sullivan recognized Clarify for its solutions’ reliability, quality, and design and remains impressed with the company’s continuing innovation and sustained leadership.

Addressing Market Needs by Targeting the Roots of Historical Failure

Traditional recruitment strategies rely on print, radio, television, call centers, and site-based approaches to enrollment. These methods are becoming obsolete due to their high costs, long recruiting timelines,

² Enhancing the Diversity of Clinical Trial Populations — Eligibility Criteria, Enrollment Practices, and Trial Designs Guidance for Industry (FDA, November 2020)

³ Global eClinical Solutions Growth Opportunities (Frost & Sullivan, March 2022)

highly localized outreach, and minimal patient participation results. Besides, conventional techniques have historically failed to meet DEI objectives, thus making them inadequate for current needs.

As the number of patients needed for trials increases, so does the necessity for broad, diversified population participation. When the previous methods continually fail to enroll underrepresented communities, costs go up to \$50,000 per recruited patient. Escalating difficulty in recruiting produces a launch delay, creating significant losses for drug sponsors.

Given the current landscape, many IT solution providers seek to develop eClinical RWE patient recruitment platforms to amplify the reach-out and accelerate timelines using data-based methodologies. Such solutions typically fall short by not rightly addressing the economic, political, social, and cultural reasons for diverse patient scarcity. Clarify Trials offers game-changing mapping of entire underrepresented communities and provides the most impactful actionable insights, selecting research sites with the highest potential to meet recruitment goals and outperforming competing solutions. The software allows users to know with whom they must establish relationships to meet DEI objectives.

Ensuring Reliability through Outstanding Data Collection and Layout

Clarify's SDoH factor analysis and database backbone enrich insights at both individual and HCP levels, ensuring consistent reliability. The data is transparent, not modeled or projected but extracted from actual patient lives. It combines more than 15 billion government and commercial claim records and prescription drug data covering over 300 million unique lives with 400 plus SDoH factors in secure, Health Insurance Portability and Accountability Act-compliant data lakes. The platform rapidly ingests and cleans RW unstructured data through machine learning and provides longitudinal information on a specific patient group over time. The technology explores social factors such as income, education, and access to centers of excellence to understand better treatment and outcomes drivers.

The software identifies trial sites best suited for DEI recruiting and engages physicians treating diverse communities with insights into primary care providers and specialist referral patterns. It maps out the inclusion and exclusion criteria, showing where potential eligible patients are, with a specific race and ethnicity breakdown. Additionally, it delivers insights on precise patient cohorts and HCPs on a configurable, user-friendly interface that provides immediate value and rapid performance. The platform design highlights physicians with high opportunity to recruit eligible patients and their referral patterns at the physician level.

Each Clarify Trials project consists of four steps:

1. The review of the protocol and informatics alignment with feasible inclusion/exclusion criteria.
2. The implementation of Clarify Trials by configuring the software for the trial specifications.
3. The site and principal investigator (PI) selection process, using opportunity scores and assessing eligible patient volumes.
4. The use of referral network pattern analytics, leveraging insights of inbounds and outbounds of HCPs to increase trial awareness.

Clarify Trials' robust real-world data, ground-breaking clinical informatics approach, and intelligent design guarantee superior implementation and alignment with market needs.

Driving Unmatched Client Experience via a Customized Customer-centric Approach

Clarify assures consistent improvements and optimal performance compared to competitors through a vibrant collection of quantitative and qualitative customer feedback. The company utilizes solution usage tracking metrics, feedback sessions, and business reviews for its products. Over and above, it distributes surveys 30 days after the service contract and every six months thenceforth. By these means, Clarify's customer management team advises on future features and enhancements.

Clarify goes beyond its extensive expertise and best-in-class capabilities, with customer value as a strategic imperative. Clarify Trials is harnessing a stellar reputation supporting DEI recruitment and improving timeliness. Software configuration is a crucial differentiator. For example, the company can configure precise inclusion and exclusion criteria. Above and beyond, it teaches its customers how to utilize the

platform and assigns a Success Team member dedicated to ensuring its ROI.

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**- Manuel Albornoz,
Best Practices Research Analyst**

Unlike competing solutions, Clarify Trials is built closely with various stakeholders and partners to evolve alongside market trends. The software presents an immediate resolution for the 2022 US FDA DEI guidance. It also complies with the first-ever industry-wide principles on clinical trial diversity chapter published by the Pharmaceutical Research and Manufacturers of America Association (PhRMA) in 2021. The market appetite for this type of product is evident as it will improve the trials' quality and results.

Though a novel technology, Clarify Trials shows a remarkable return on investment (ROI). An extended enrollment period can cost up to \$2 million. On average, clients can see the first ROI in three to four months, with a complete ROI once the software supports recruiting ten extra patients,⁴ making it a highly profitable investment. In the end, Clarify Trials' customer value can only be certified by its users:⁵

A pharmaceutical enterprise using the solution identified 430,000 hard-to-find patients alongside the respective HCPs. Clarify also empowered the pharmaceutical firm to pinpoint 3,800 potential PI's, accelerating site selection. A leading science-based biopharmaceutical company contracted Clarify Trials and highlighted the product's easy-to-use interface. Finally, a biotechnology company stated its satisfaction with the software's adequacy to its exact requirements. Clarify's seamless approach, top-notch offerings, and close relationships position it as a preferred vendor.

⁴ Clarify Health interview with Frost & Sullivan, July 2022.

⁵ Ibid

A Promising Outlook

Clarify Trials addresses an unmet need not easily replicated by competitors. The software looks at trial recruitment with a diversity lens to reduce health disparities without unnecessary trial delays, budget overruns, or protocol amendments. It draws upon real-world data from over 300 million annual patient lives. Its timely release (after the FDA's DEI guidance publication) immediately positioned Clarify Trials as a DEI recruitment accelerator to keep top of mind.

Since its inception, Clarify's customer-centric framework has led to its preferred vendor status. It continues adding new customers to its established base and currently serves over 75 of healthcare's largest organizations. In 2021, Clarify's revenues had a 100% increase, and in 2022 it banked \$150 million in fresh funding to bulk up its clinical informatics capabilities. This latest capital infusion comes a year after the company raised \$115 million in series C funding, bringing its total to over \$350 million.⁶

The company regularly extends its services through strategic acquisitions. For instance, it acquired the software startup Apervita for its value optimization business. The deal bolstered Clarify's integrated analytics platform for end-to-end value-based contract design, payments reconciliation, clinical performance assessment, and reporting. In another acquisition, Embedded Healthcare's behavioral science tools provided data and incentives to clinicians to simplify value-based contracting and reduce patients' cost of care.

Frost & Sullivan believes the company is well-positioned to drive the patient recruitment IT solutions space into its next growth phase. Clarify will distinguish itself for its superior offerings, capturing market share and sustaining its innovative edge in the coming years.

⁶ News Release: Clarify Health Closes \$150M Series D Funding to Unlock the Promise of Value-Based Care with End-to-End Intelligence on Every Patient Journey (Clarify Health, April 2022)

Conclusion

To create a ground-breaking eClinical patient recruitment information technology (IT) solution, a company needs to understand unique market needs and deliver a solid innovation with high quality and performance. Frost & Sullivan finds that Clarify Health (Clarify) embodies this concept.

The company's Clarify Trials solution overcomes the obsolescence of traditional recruitment strategies by targeting the root cause of historical diversity, equity, and inclusion (DEI) recruitment failure. In so doing, it delivers a robust mapping of entire underrepresented communities, shrinking clinical trial timelines and facilitating a 360-degree approach. The software's trustworthiness relies on its analysis of over 400 social determinants of health factors and real-world data on over 300 million annual patient lives.

Moreover, the platform supports the 2020 United States Food and Drug Administration's released DEI guidance while aligning with cost and time reduction needs. Most commercially available IT solutions show high implementation expenses and sluggish return on investment (ROI). Conversely, Clarify Trials delivers an ROI in less than five months and recovers the total investment with just ten additional patients recruited.⁷

Clarify invariably improves its best-in-class solution through close feedback sessions with clients, earning a sterling reputation. Finally, a distinct emphasis on its platform's intuitiveness successfully eliminates the need for digitally skilled professionals.

With its strong overall performance, Clarify Health earns Frost & Sullivan's 2022 North American New Product Innovation Award in the patient recruitment IT solutions market.

⁷ Clarify Health interview with Frost & Sullivan, July 2022.

What You Need to Know about the New Product Innovation Recognition

Frost & Sullivan's New Product Innovation Award recognizes the company that offers a new product or solution that uniquely addresses key customer challenges.

Best Practices Award Analysis

For the New Product Innovation Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

New Product Attributes

Match to Needs: Customer needs directly influence and inspire product design and positioning

Reliability: Product consistently meets or exceeds customer performance expectations

Quality: Product offers best-in-class quality with a full complement of features and functionality

Positioning: Product serves a unique, unmet need that competitors cannot easily replicate

Design: Product features an innovative design that enhances both visual appeal and ease of use

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO’s growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at <http://www.frost.com>.

The Growth Pipeline Engine™

Frost & Sullivan’s proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.

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Key Impacts:

- **Growth Pipeline:** Continuous Flow of Growth Opportunities
- **Growth Strategies:** Proven Best Practices
- **Innovation Culture:** Optimized Customer Experience
- **ROI & Margin:** Implementation Excellence
- **Transformational Growth:** Industry Leadership



The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- **Mega Trend (MT)**
- **Business Model (BM)**
- **Technology (TE)**
- **Industries (IN)**
- **Customer (CU)**
- **Geographies (GE)**

