

GE Healthcare

healthymagination



Reduce Costs



Improve Quality



Increase Access

GE Healthcare

Vishal Wanchoo
President & CEO,
GEHC, GE Healthcare IT
November 17, 2010



Increase Access



Improve Quality

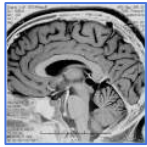


Reduce Costs

Deep and broad healthcare portfolio

Diagnostic & Clinical Equipment

~45% of revenue



Diagnostic imaging



Clinical products



Home health

Information Technology

~8% of revenues



Electronic medical records (EMR)



Picture Archiving System (PACS)



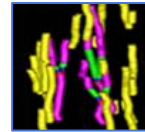
Clinical knowledge solutions

Life Sciences

~10% of revenues



Bio-process



Protein & cell sciences



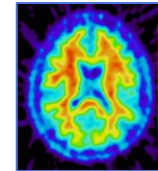
Consumables

Medical Diagnostics

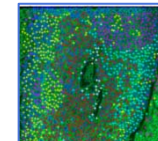
~10% of revenues



Contrast media



Molecular imaging



Molecular diagnostics



Services and Solutions

~27% of revenues



A Global business model



Global growth drivers

- High-tech infrastructure spending
- Low protectionism
- Fragmented competition
- Low manufacturing capital investment
- Globally translatable technology

Industry characteristics

- High technology and IP
- Highly regulated
- Clinical domain required

Demographic trends escalating

Populations aging

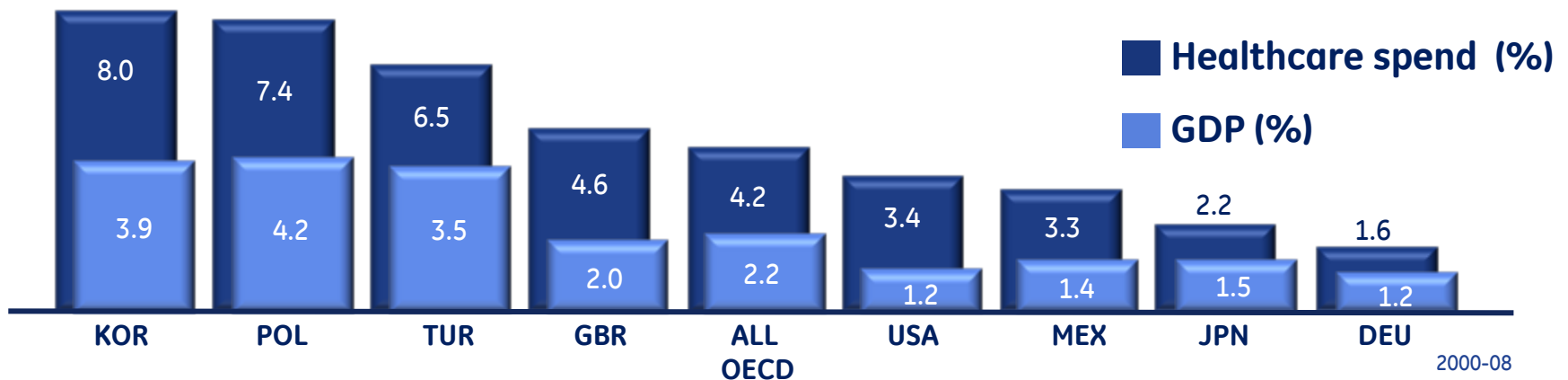
- 2030: the number of people over 65 will
 - Increase **140%** in developing world
 - Increase **51%** in developed world
- For the first time in history, people **over 65** to outnumber children under 5

Chronic disease increasing

- 2020: chronic disease to cause **75%** of deaths worldwide-- up **15%** from today
- **US:** chronic disease up **80%** and spending up **260%** over last 20 years. Spend to increase **2.5X** by 2023
- **33.8%** of Americans **obese:** an increase of 100% in 30 years

Costs spiraling

- **USA:** cost of **chronic disease to double by 2023**
- **Diabetes** to rise **114%** globally from 2010 to 2030: costs to rise **34%**
- **China:** **loss of income** due to chronic disease to **increase 8-fold** to \$132B (2005-15)



Healthcare expenditures outpacing GDP growth

Political challenges require new approaches and technologies

United States



- Healthcare debate continues ... costs rising
- 32M insured expected to enter system
- Hospitals more focused on productivity
- Healthcare IT incentives launched: meaningful use defined

Cost challenge

China



- National healthcare spend: \$123B 2009-2011
- Expanding medical coverage ~500M rural population from '07-'10
- \$1B over 3 years: direct hospital investment in GE-served market

Access challenge

United Kingdom



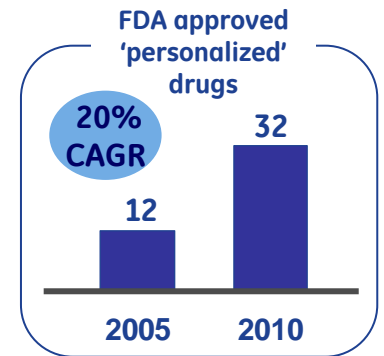
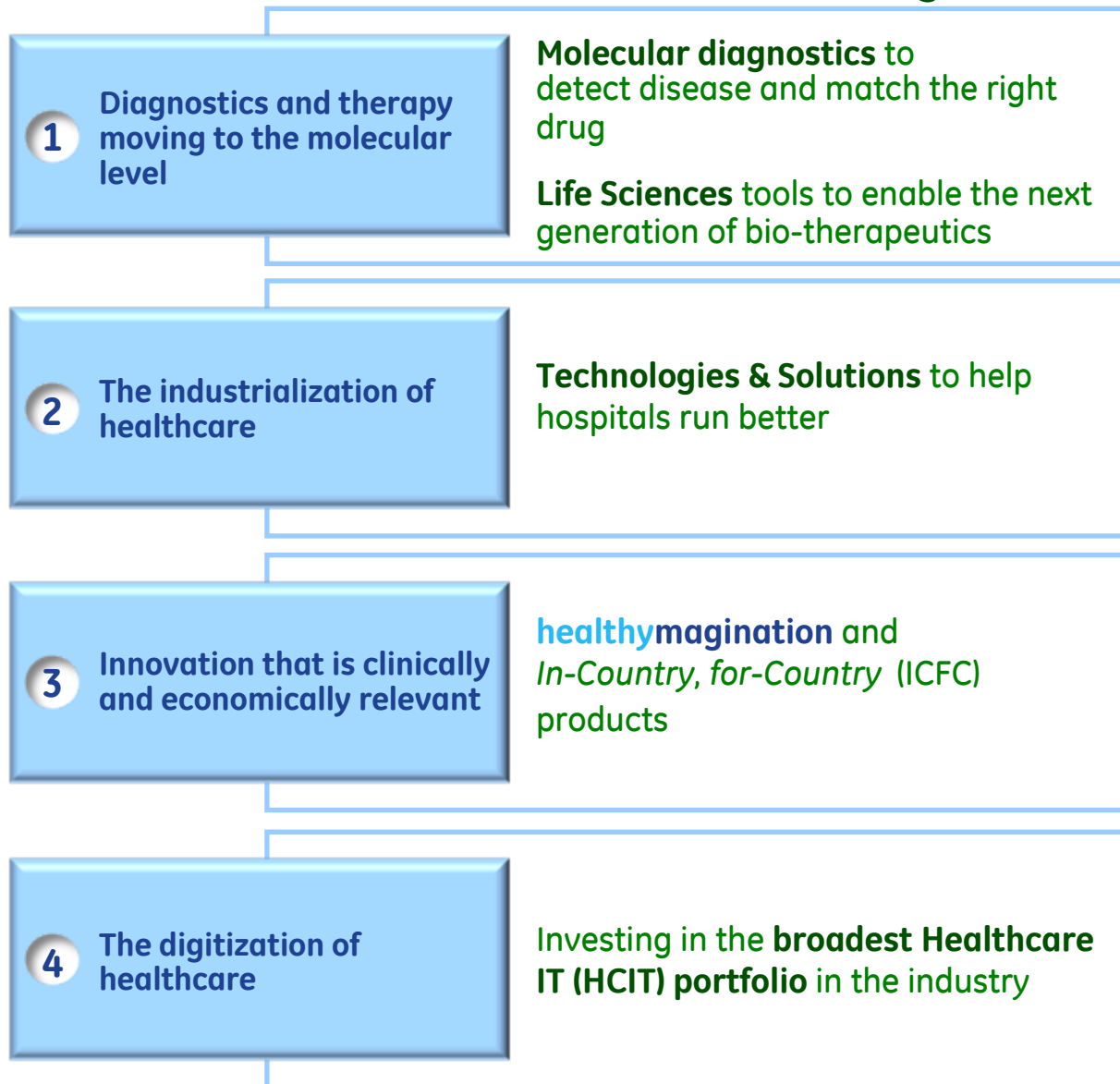
- NHS: \$22.5B-\$30B efficiency savings required
- GPs to control 80% (\$120B) of health budget
- Primary care accountability for patient pathways
- Plans for quality standards

Quality challenge

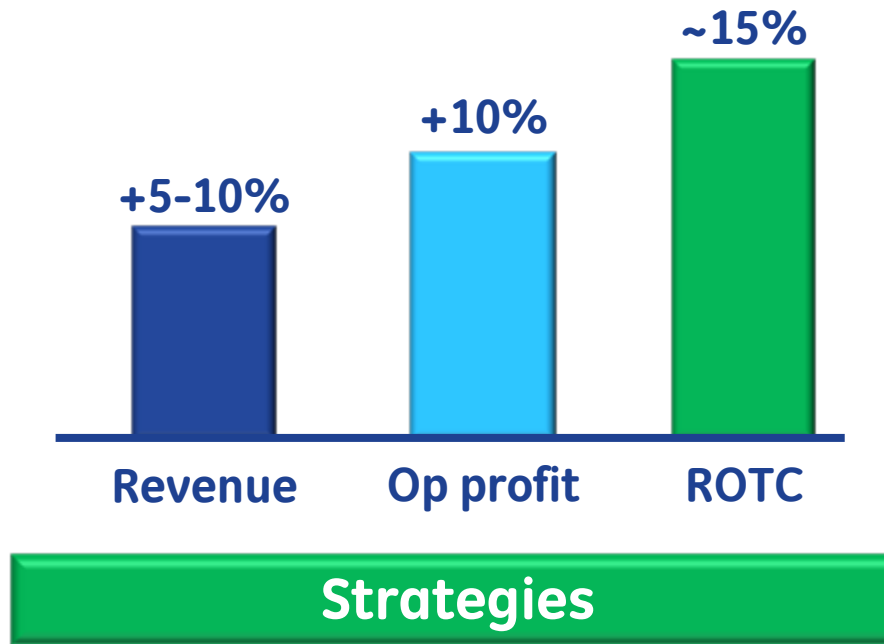
GEHC: relevant tools and technologies for each environment

Macro trends in healthcare technology

GE Delivering



GE Healthcare vision



1. **healthymagination** ... technologies that address today's healthcare challenges
2. Investing in our developing market footprint ... **to be the leader in tomorrow's biggest markets**
3. Adding growth platforms to our strong Services business ... **to help our customers run more efficiently**
4. Developing products with clinical & economic relevance ... **to lead in every product segment**
5. Investing in a comprehensive HCIT portfolio ... **to enable the digitization of healthcare**
6. Broadening our Life Sciences portfolio ... **to enable the next generation of bio-therapeutics**
7. Investing in molecular diagnostics ... **to be the leader in the next diagnostic frontier**

healthymagination

The right strategy to drive innovation and win globally



Cost



Quality



Access

Bottom line impact

"I can treat 15% more patients with the same budget"

Asset Management



Low Cost Ultrasound



Standard of care change

"I can identify tumors 20% more accurately"

Low Dose Compact CT



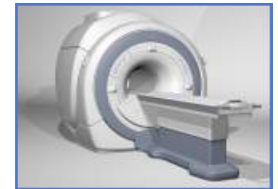
Dual Slice CT



New patients get care

"Our village never had Dx capabilities"

Value MR



Portable ECG



Developed World

Developing World

Technologies that address today's healthcare challenges

Investing in a comprehensive HCIT portfolio

Specialties

Imaging
Pathology

Perioperative
Perinatal



Clinical Business Solutions

EMR

Revenue
Cycle

Group
Management



Connectivity & Decision Support

Health
Information
Exchange

Qualibria™



Key growth products

Centricity™ Advance



SaaS-based
EMR + Practice
Management

\$1.5B segment
potential

Omnyx™†



Digital
Pathology

\$1B segment
potential

Qualibria™



Next generation
clinical decision
support

\$2B segment
potential

... to support the digitization of healthcare

† Omnyx™ not cleared or approved by U.S. FDA

Investing in a comprehensive HCIT portfolio



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Opportunity for HCIT

Revenues



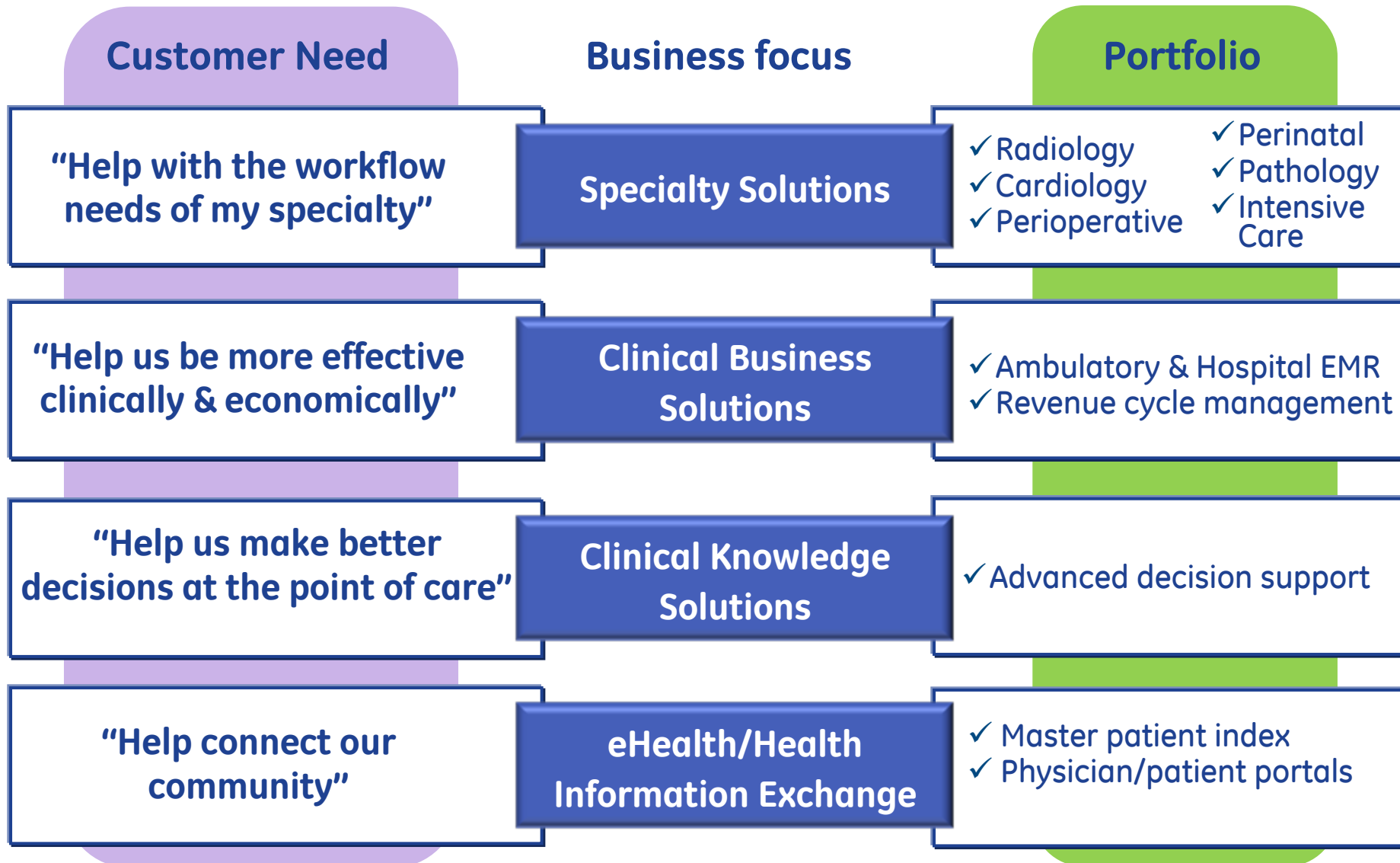
2011 market

- ✓ Meaningful use requirements finalized
- ✓ American Recovery & Reinvestment Act (ARRA) & resulting EMR adoption create opportunity
- ✓ Global governments investing in HCIT

Key strategies

- ✓ Furthering GE depth in specialized solutions ... pathology next
- ✓ Improving provider workflows through Clinical Business Solutions
- ✓ Well-positioned for future growth in advanced decision support and eHealth / Health Information Exchanges

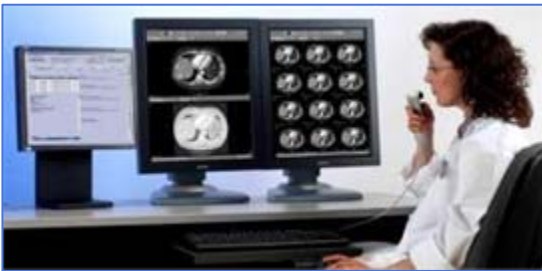
GE addressing key needs in \$36B market



HCIT reduces cost & improves quality

PACS Case Study

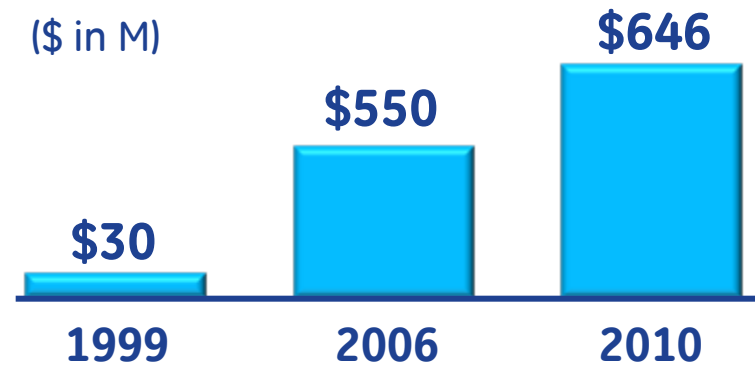
Value for providers ...



- 70% increase in productivity
- Cuts report turn-around-time in half

... an attractive proposition

GE Revenues
(\$ in M)



... with global reach

% of 2010 Revenue



Running digital playbook in pathology

Current



A GE Healthcare and UPMC Venture

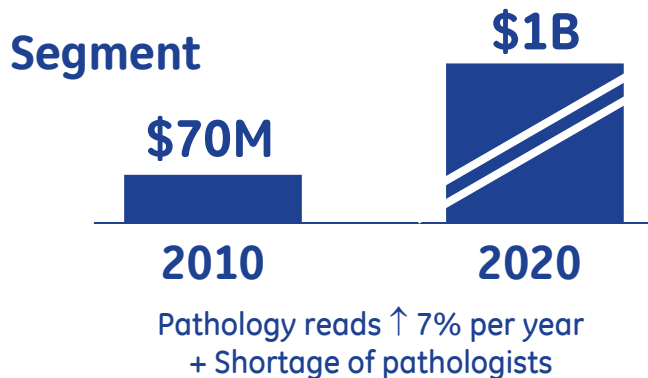


Tissue on glass slides
viewed and diagnosed
under microscope



Pathologist diagnosis & collaboration
via digital image

Significant opportunity



GE's advantage

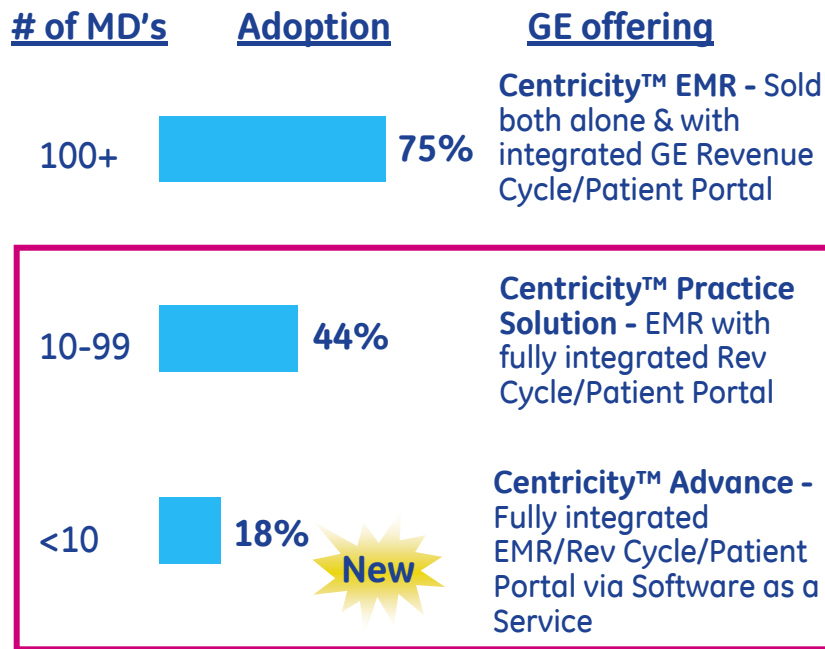
- 50/50 GE and Univ of Pitt Med Ctr joint venture ... by pathologists for pathologists
- Innovative Enterprise pathology system ... utilizes patented GE digital pathology technology
- Product availability expected in 2011 ... ramping global commercial teams

Clinical domain + workflow efficiency ... playing to GE's strength

Well-positioned for stimulus & evolution of meaningful use criteria

2011-12

Stage 1: Emphasis on data capture & sharing



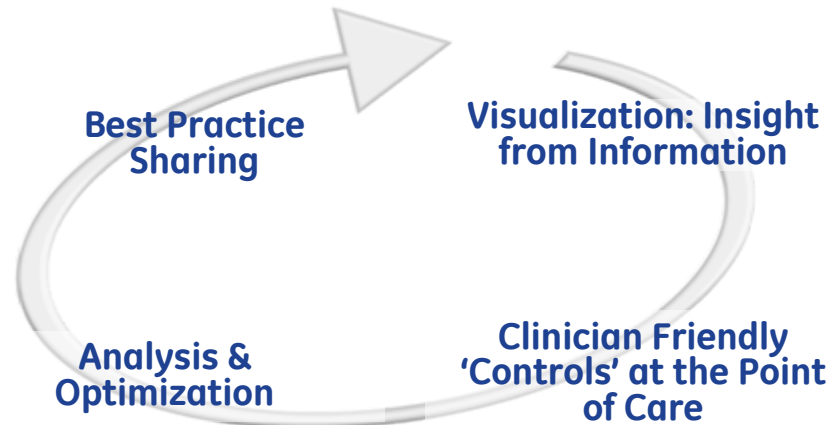
All products certified by the *Certification Commission for Health Information Technology (CCHIT)* ... targeting high-growth segments



2013-14

Stage 2: Emphasis on advanced clinical processes

From compliance to an opportunity to truly improve healthcare



Building next generation capabilities ... Qualibria™

2015+

Stage 3: Emphasis on improved outcomes

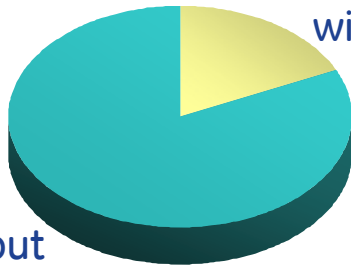
Centricity™ Advance: helping small practices achieve meaningful use

Opportunity

< 10 Doctor practices

18%
with EMR

82%
without
EMR



Call to action

- Incentives of \$44-63k per doctor
- First available May, 2010

Right platform

- Designed for the small practice: 75% of MDs
- EMR + Practice Management + Patient Portal
- Cloud architecture
- GE brand & distribution

Practices require ...

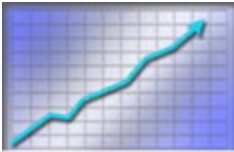
- “Improve my clinical workflows”
- “Don’t disrupt my practice”
- “Help me qualify for payment”
- “Make it affordable”
- “Help me not run an IT group”

... our offering

- ✓ Flexible out-of-box workflows
- ✓ SaaS - rapid implementation
- ✓ CCHIT Certified
- ✓ Low acquisition & operating cost
- ✓ Automatic updates via the web

Qualibria™: from 'Meaningful Use' to meaningful care...

EMR



Financials



Inventory



Clinicals



Connectivity

- Automate legacy workflows
- Improved patient safety
- Improved productivity

Qualibria™

Intermountain
Healthcare

+



+

Mayo

The only system built around embedding best practices and quality improvement directly into the point-of-care

- Extends existing EMR investments
- Drives better care – not automation of legacy care
- Accelerates the spread of discoveries

Uniting knowledge management, quality improvements and care delivery optimization

- Reduce unintentional clinical variability
- Improve patient outcomes
- Drive best-practice sharing

4 pilots 2011 ... \$2B opportunity

Questions



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