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Ontario investors bet on expansion of 'virtual ward' software in U.S. market

By David Godkin, Staff Writer

London, Ontario-based Sensory Technologies Inc. has raised C$5 million in regional and Toronto-based angel investments to expand U.S. commercialization of virtual ward software connecting health care workers to patients in their homes. Already a presence in U.S., British and French heath care markets, Sensory Technology will use the money to build out its Eshift technology to institutional, at-risk models of care in the U.S.

"With both this current round of investment and our future A round, we're really positioning ourselves to maturely engage large U.S. health systems," Sensory Technologies co-founder and CEO Patrick Blanshard told *BioWorld MedTech*. "That means partnering with them to set up profitable, efficient virtual wards that help them meet their obligations to prevent readmissions, increase services and drive revenues."

Why so keen?

Investors based their support of Eshift's U.S. expansion on validated health and financial assessments from academic reviewers, public insurers and patient outcomes in southwestern Ontario. What was especially important to them, said Blanshard, was his company's decision to avoid patient outcomes from "small scale, non-replicable, non-realistic pilots."

"These are coming from large installations like London, Ontario's Health Sciences Center with large participation by patients and medical staff that are applicable across thousands of patients at a single time. So investors see scale."

What they also see is a different approach to treating patients in remote areas like southwestern Ontario. Traditional telemedicine relies on equipment to replicate a nurse going to the patient's home. By contrast, Eshift technology allows that nurse to provide guidance from her office or home to smartphone-equipped nurse assistants or medical technicians at the patient's home.

Donna Ladouceur, VP of Home and Community Care for the Local Health Integration Network (LHIN) in southwestern Ontario said a nurse using Eshift may direct technicians at four to six different homes in a single shift. Changes in vital stats, cognitive status and caregiver burden, among other things, are instantly recognized by the nurse.

"The nurse is watching all that and saying something is going on here and there are certain meds that she can direct the technician to give, for example," Ladouceur told *BioWorld MedTech*. Extrapolate that to as many as five nurses working with groups of technicians and patients, and you have effectively created a virtual ward in large, remote areas, said Ladouceur. "It's very difficult to create that supportive or ward type environment and using technology is one mechanism for us to do that."

The numbers tell the tale

Laurie Gould, chief clinical and transformation officer for London Health Sciences Center, called Eshift "instrumental in enabling real-time data collection through Eshift's dashboard and access to virtually the entire health care team." She also cited a joint outcomes report on 159 participating patients with COPD showing length of hospital stays reduced by 49.4 percent, a 30-day readmission rate cut by 51.2 percent and emergency visits (Canadian Triage Assessment Standard 1) slashed by a staggering 86.2 percent.

The result, Gould told *BioWorld MedTech*: "Our hospital costs have gone down 52 percent." This amounts to approximately a drop from C$12,000 to C$5,000 per patient as greater use is made of the technology. To date, six LHINs across Ontario have signed contracts to integrate Eshift with their systems.

It's those kinds of numbers and responses from health authorities here that Blanshard is counting on to lure hospital administrators and investors in the U.S. The Eshift's development was initially debt-financed through company co-founder Elaine Knight's related businesses and a C$1 million loan from Toronto's Mars Excite accelerator program. It's hoped the upcoming institutional A round series will pull in roughly US$10 million to aid Sensory Technologies' U.S. expansion, said Blanshard.

"One of our biggest challenges right now is effectively engaging interested parties who will require significant assistance turning an Eshift project into an actual patient-live system. There's a lot of heavy lifting requiring supportive staff and expertise from Sensory Technologies. So as long as we are able to staff up and engage, the interest is there." ♦