Watsi

2017 ANNUAL REPORT

I would often suffer without treatment because I could not afford it. Having health coverage has relieved me of that stress and suffering. Now, when I go to the clinic, I smile.

Zonobia

WATSI COVERAGE PATIENT

LETTER FROM THE COFOUNDER & CEO

In a Costa Rican town named Watsi, I met a woman on a hot, crowded bus who was asking passengers for donations to fund her son's healthcare. Inspired by that woman, we created Watsi to help people access healthcare.

Watsi Crowdfunding is a platform that enables patients around the world to raise money for surgery. Five years ago, we asked friends and family to help fund heart surgery for our first patient, a twelve-year-old girl in Nepal. Four years ago, we funded healthcare for our 1,000th patient. A year ago, we funded our 10,000th.

In the beginning, we managed everything manually. We woke up in the middle of the night to approve surgeries over email and spent hours transferring funds for individual patients on PayPal. However, we soon realized that the only way we could scale was to build a technology platform that would streamline administration. Today, everything from negotiating prices with providers to automatically transferring funds happens on our platform.

Working with hospitals in 20 countries, we saw first-hand how health systems suffer from the same administrative challenges we faced. Manual administration is expensive and results in a lack of transparency, because data that can be used to improve the system is trapped on paper. According to the WHO, up to 40% of all funding for healthcare is lost to inefficient systems.

After seeing how technology could help us run Watsi, we became increasingly convinced that providing technology to help health systems run more efficiently is how we'd have the most impact.

When our partner in Uganda asked us to work with them to administer a local health insurance system, we knew it was time to take the next step.

Last year, we launched Watsi Coverage, a technology platform for administering health insurance in low-income countries. The platform is a suite of web and mobile applications that streamlines everything from enrolling new members in a health insurance system to processing claims.

We launched a pilot in Uganda, where the platform is being used to provide health coverage to more than 6,000 people and has already administered over 10,000 patient visits for everything from malaria treatment to safe deliveries.

Due to the pilot's initial success, we have been approached by nonprofits and governments that are interested in using our platform to administer their health insurance systems more efficiently. This year, we are on track to help over 100,000 patients access healthcare.

Since first meeting the woman on the bus, Watsi has helped over 21,500 patients access healthcare. This would not have been possible without hard work from our team, as well as support from our funders, advisors, and partners. We are grateful for the opportunity to continue working towards our goal of creating a world where everyone has access to healthcare.
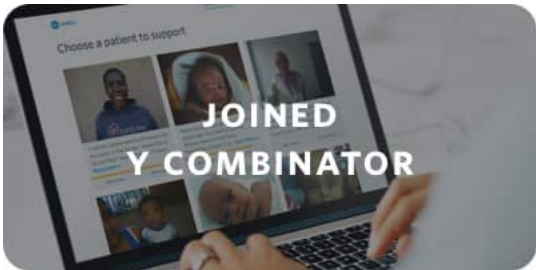
Chase

Chase Adam
COFOUNDER & CEO

21,503 total patients reached

Year	Patients
2012	52
2013	1,061
2014	2,345
2015	2,966
2016	4,236
2017	10,843
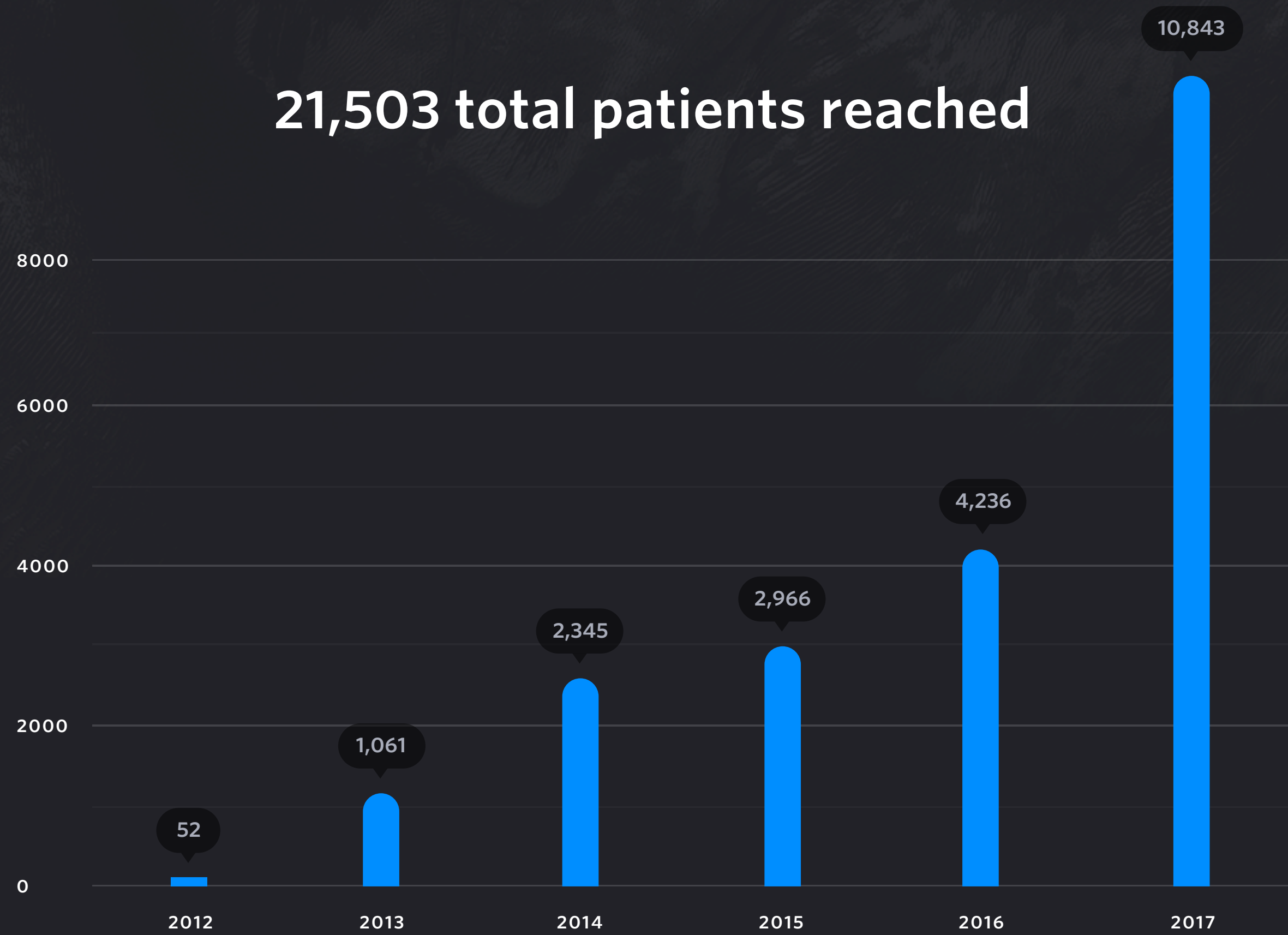
Seven years of impact

2012

Watsi launches with an all-volunteer team. 24 donors raise $1,125 to fund heart surgery for Watsi's first patient.

2013

Watsi is the first nonprofit invited to join Y Combinator and is featured by CNN, The New York Times, and The Wall Street Journal. Donors fund healthcare for over 1,000 patients.

2014

Watsi launches monthly donations, allowing people to donate automatically every month.

2015

Watsi exceeds 1,000 monthly donors and donors fund healthcare for over 5,000 patients.

**1,000 MONTHLY DONORS**

10,000 PATIENTS FUNDED

2016

Watsi reaches 10,000 patients funded. Chase is honored with the San Francisco Chronicle Visionary of the Year award.

2017

Watsi Coverage launches, bringing total patients funded across both programs to 21,503. Watsi Crowdfunding reaches nearly $10M in donations.

LAUNCHED WATSI COVERAGE

HARVARD MEDICAL PARTNERSHIP
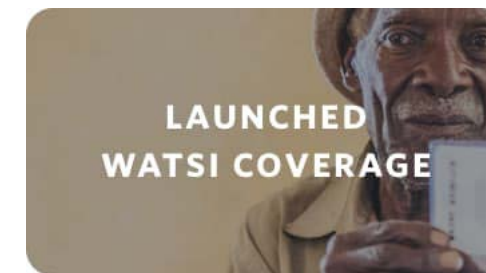
2018

Watsi partners with Harvard Medical School Center for Primary Care to measure how our platform impacts efficiency and cost-savings of administering health insurance.

Mission

Improve people's health.

Vision

193 of the world's governments share a goal to achieve universal health coverage by 2030. We are building the technology that will make it possible.

Watsi Coverage

PROBLEM

According to the World Health Organization, up to 40% of all funding for health is lost to inefficient systems, many of which are administered with pen and paper.[1] Manually administering tasks like enrollment, claims processing, and reporting is expensive at scale and results in a lack of transparency because data is trapped on paper. This creates an environment where funds are lost to waste, fraud, and low-quality care. If systems operated efficiently, the savings could help cover the 400 million people worldwide who lack access to care.

1. World Health Organization, Health Systems financing: a path to universal coverage.

SOLUTION

Watsi Coverage makes it possible to administer health insurance systems more efficiently. Our platform is a suite of mobile and web applications that streamline the five core components required to run a health insurance system: enrolling members, identifying members when they access services, submitting claims for services, processing claims, and reporting.
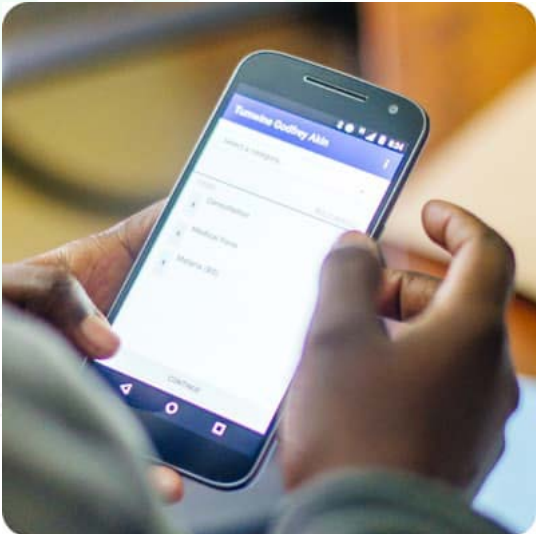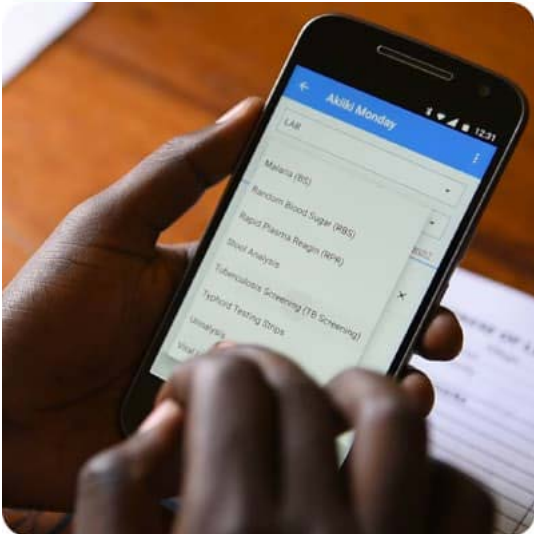

1. MEMBER ENROLLMENT

Administrative staff can enroll members using our mobile enrollment application.

2. MEMBER IDENTIFICATION

Provider staff can identify members and confirm eligibility using the provider mobile application.

3. CLAIMS SUBMISSION

Provider staff can submit claims using the provider enrollment application.

4. CLAIMS PROCESSING

Administrative staff can review submitted claims using our admin web application.

5. REPORTING

Administrative staff can view data and make administrative changes.

PILOT

We are conducting a pilot in Rwibaale, Uganda where our platform is being used to provide health coverage to 6,282 people. In addition to helping more people access healthcare, the goal of the pilot is to develop our platform with the community and collect data to demonstrate its value to governments and other health insurance systems. We are conducting the pilot in collaboration with local partners that include the Uganda Catholic Medical Bureau, Uganda Ministry of Health, Rwibaale clinic, and Rwibaale community.

PILOT IMPACT

We replace pen and paper administration with technology, which reduces administrative costs, reduces the time spent on administration, and surfaces data that can be used to improve health insurance systems. As a result, we anticipate that our platform will lead to better health outcomes per dollar spent and enable health insurance systems to scale and provide health coverage to more people. We've partnered with Harvard Medical School Center for Primary Care to conduct implementation research in 2018 to begin measuring outcomes.
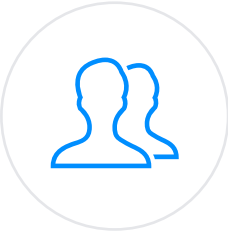
REDUCED COST OF CARE BY

43%

*From $1.36 to $0.78 per member per month by more accurately reimbursing providers

AVERAGE ENCOUNTERS PER MEMBER

2.4 / per year

*Approximately twice the national average

MEMBERS
6,282

VISITS
10,329

TOP 10 DIAGNOSES

Diagnosis	Percentage
Malaria	18.1%
Cough	17.2%
Flu	6.9%
UT Infection	6.4%
RT Infection	6.3%
Pneumonia	5.1%
Skin Diseases	3.8%
Pyrexia	2.9%
Cough (no pneumonia)	2.9%
Diarrhea	2.7%
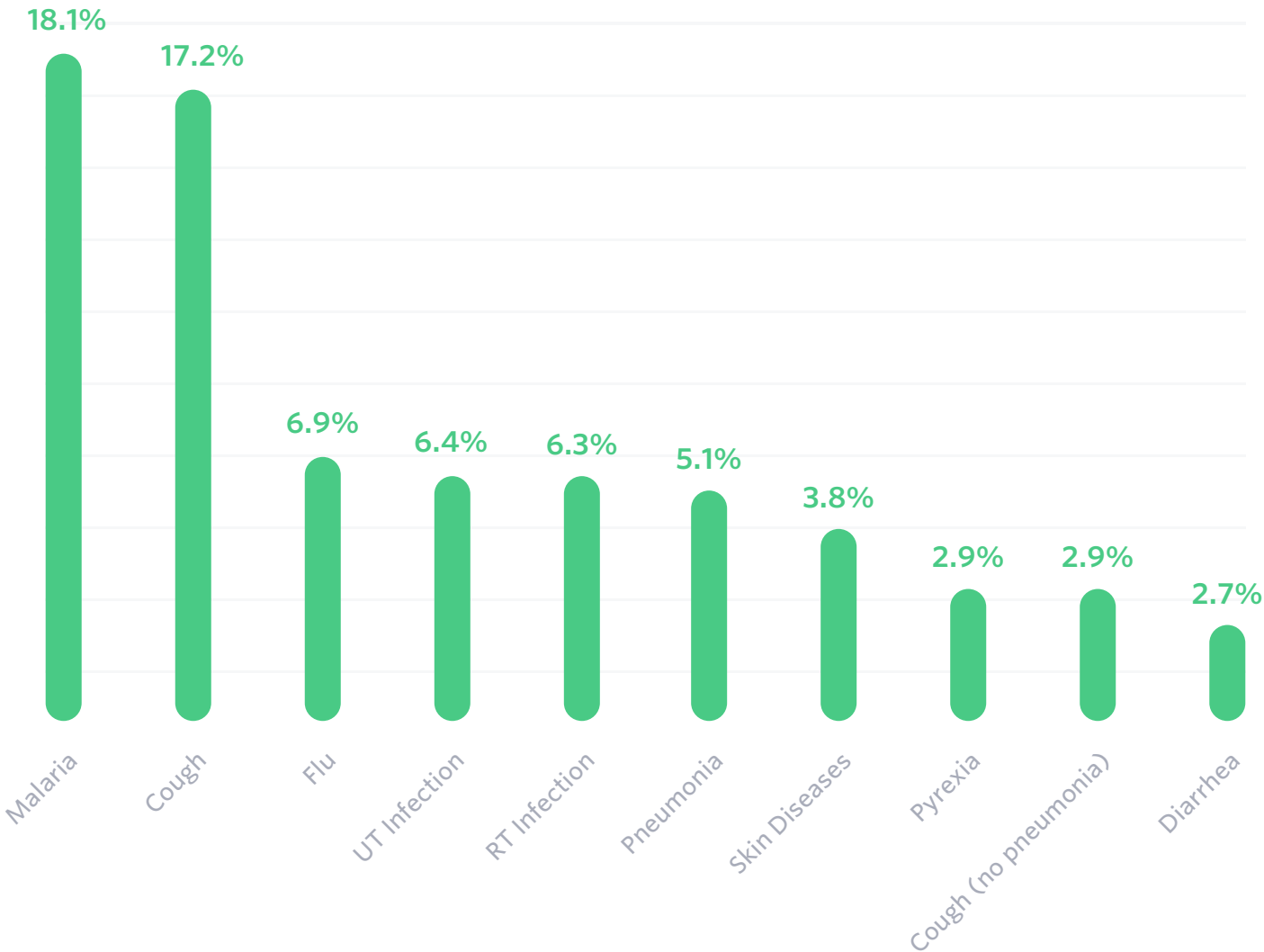
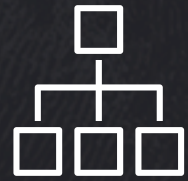## DEFINING WATSI'S IMPACT

In 2018, we plan to conduct implementation research to define Watsi's impact. Our research will seek to validate the impact of implementing our technology platform outlined in the following logical framework. This framework maps the expected relationships between the changes our platform makes to the core administrative components of health insurance **(outputs)**, the effects of making those changes **(outcomes)**, and the long-term benefits those effects have **(impact)**.

OUTPUTS	OUTCOMES	IMPACT

OUTPUTS

- Replace pen and paper-based health insurance systems with technology (enrollment, member identification, claims submission, claims processing, and reporting)

OUTCOMES

- Increase accurate data submitted into the health insurance system

- Decrease time spent on paper-based health insurance systems

- Decrease money wasted in paper-based health insurance systems

IMPACT

- Increase value (patient health outcomes per dollar spent)

- Improve ability to scale health insurance systems to cover more patients

Differentiators

BUILT TO SCALE

We leverage modern technology to build back-end infrastructure that is scalable, fast, and reliable.

SECURE

We adhere to international best practices with regard to data privacy and security.

ADAPTIVE

We develop our platform in an agile, iterative fashion that makes it easy to continue improving the technology.

USER FRIENDLY

We work in close collaboration with our users to ensure their needs are at the center of every decision.

PURPOSE-BUILT

Our platform is built for use in low-resource settings and for variable levels of technical literacy.

In 2018, our goal is to reach 100,000 patients.

PRODUCT

○ Launch enrollment and claims processing applications

○ Add functionality to the administration and reporting application

○ Internationalization (i.e. easily change language, currency, etc.)

PARTNERSHIPS

○ Expand partnerships process and team

○ Start building relationships with key nonprofit and government partners

○ Implement the platform with three more health insurance systems

IMPLEMENTATION RESEARCH

○ Receive institutional review board approval for our research

○ Conduct research to understand how our platform impacts efficiency and cost-savings

○ Disseminate initial findings of our research

Watsi Crowdfunding

Watsi Crowdfunding enables patients in low-income countries to raise money from donors to cover the cost of their surgeries. In 2017, we prioritized efficiency and developed technology to streamline administrative functions like approving surgeries, transferring funds, and collecting outcomes. Improvements made to our platform reduced the time it takes for patients to start raising funds for surgery by over 60%.
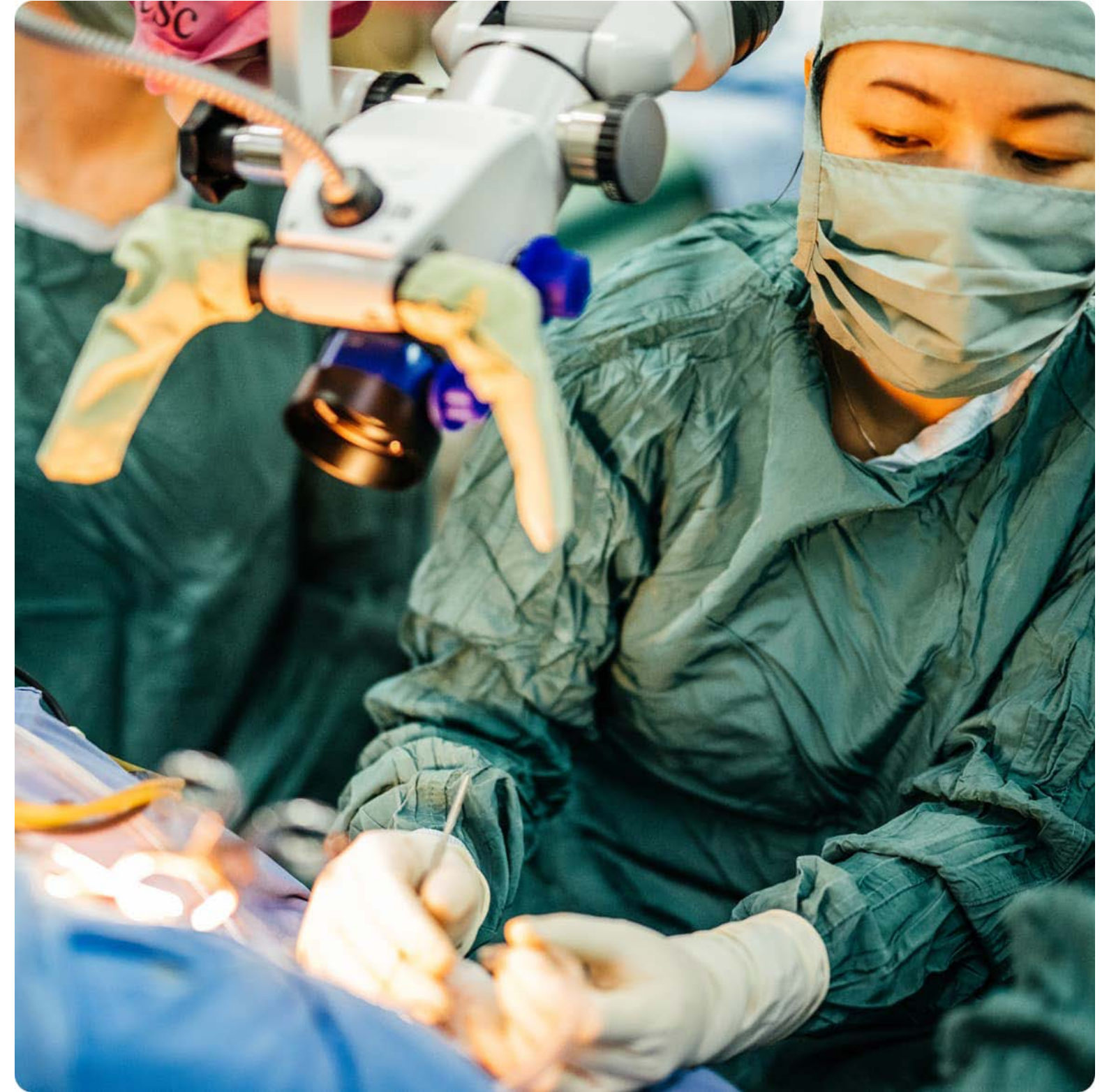
TOTAL DONATIONS FOR PATIENTS

$2,006,002

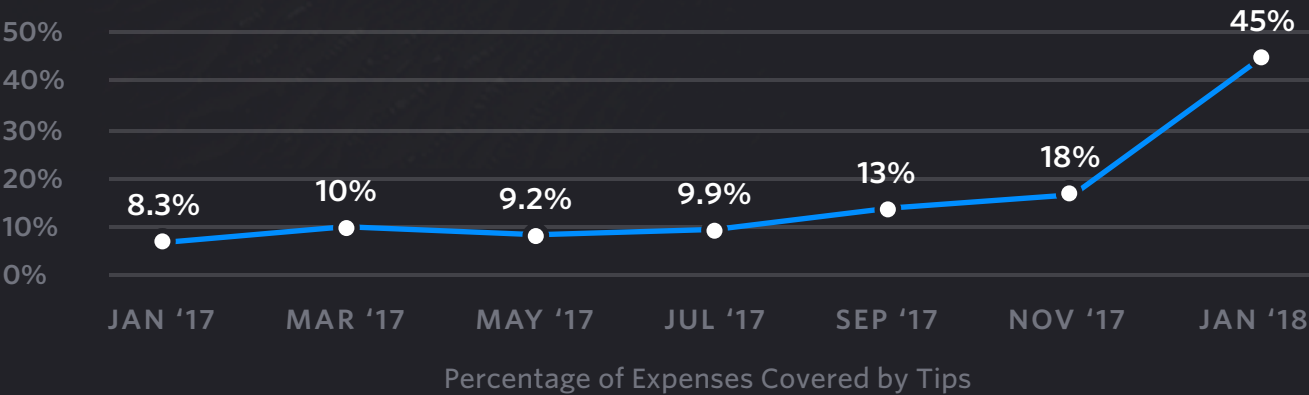TOTAL PATIENTS FUNDED

4,561

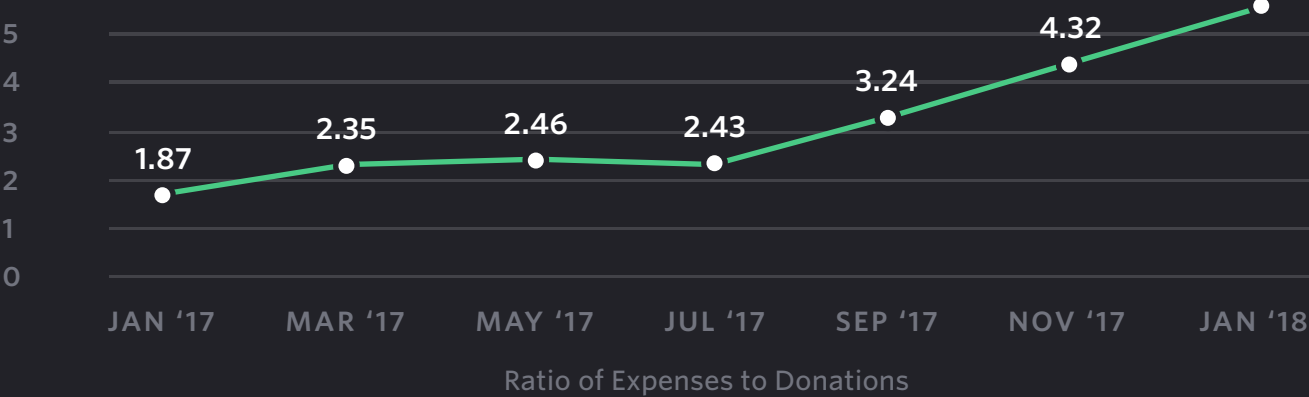MEASURE OF DONOR EXPERIENCE

9.35 NPS

SUSTAINABILITY (6-MONTH TRAILING AVERAGE)

						45%
8.3%	10%	9.2%	9.9%	13%	18%	

50%
40%
30%
20%
10%
0%

JAN '17   MAR '17   MAY '17   JUL '17   SEP '17   NOV '17   JAN '18

Percentage of Expenses Covered by Tips

LEVERAGE (6-MONTH TRAILING AVERAGE)

1.87	2.35	2.46	2.43	3.24	4.32	5.53

5
4
3
2
1
0

JAN '17   MAR '17   MAY '17   JUL '17   SEP '17   NOV '17   JAN '18

Ratio of Expenses to Donations

In 2018, our goal is to sustain our impact by raising $1.3M for 1,800 patients and increasing to 50% sustainability. We believe Watsi Crowdfunding can set the standard for nonprofit efficiency and fund life-changing surgeries for thousands of patients for years to come.
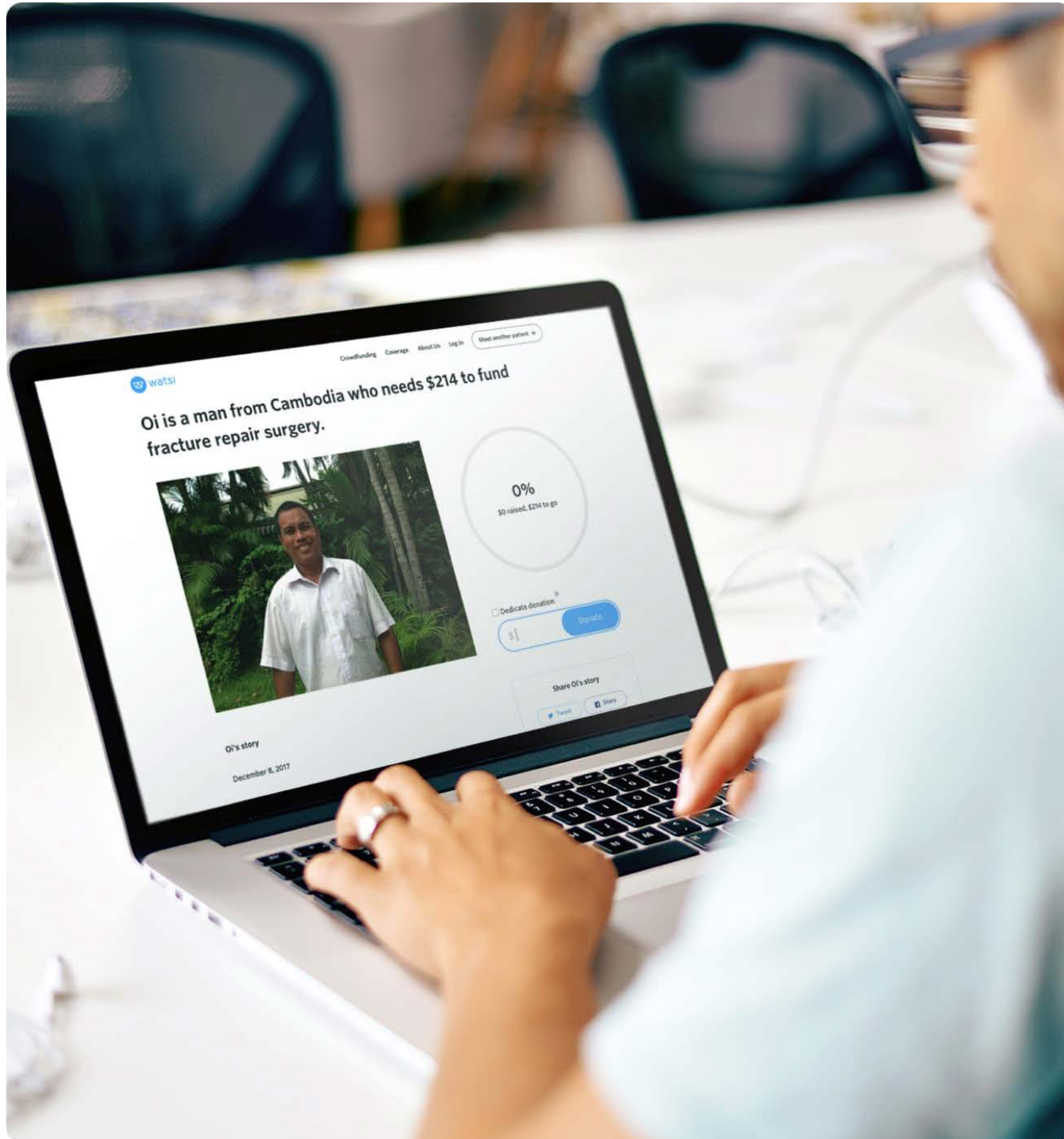
Watsi restores trust that donations are used for the intended purpose and not wasted in layers of bureaucracy. Helping to restore a patient's health has massive social impact and ROI to the patient, their family and their wider community over a lifetime. An investment in health is an investment in happiness.

Anonymous

INCOME

Crowdfunding	$2,006,002
Coverage	$671,000
Grants and Other Support	$327,187
Other Income	$67,668
TOTAL	**$3,071,857**

EXPENSES

Program Services	$5,383,494
Management and General Support	$221,660
Fundraising Support	$107,927
TOTAL	**$5,713,081**

ASSETS

Current Assets	$1,544,339
Other Assets	$52,509
TOTAL	**$1,596,848**

LIABILITIES

Current Liabilities	$25,838
Other Liabilities	—
TOTAL	**$25,838**

NET ASSETS

Unrestricted	$674,131
Temporary Restricted	$896,879
TOTAL	**$1,571,010**

TOTAL LIABILITIES AND NET ASSETS

TOTAL	**$1,596,848**

Our global team is comprised of world-class engineers, designers, and health experts who have worked at top-tier technology companies like Palantir and Facebook and healthcare organizations like the University of California, San Francisco (UCSF) and the Clinton Health Access Initiative (CHAI). In 2017, our product team lived in a convent in rural Uganda and worked closely with the community to design, build, and implement Watsi Coverage. In everything we do, we put patients first, and we are deeply committed to helping countries around the world accelerate progress towards universal health coverage.

Featured team members

PRIYA KUMAR, MPH

DIRECTOR OF HEALTH

Priya is Watsi's global health expert, using her experience to inform our strategy and product. Before Watsi, Priya worked for CHAI and the Center for Global Health and Development at Boston University. She has scaled up national programs such as early infant diagnosis of HIV in Malawi and led large scale impact evaluations across Rwanda, Nigeria, and India.

JAMES VANREUSEL, CFA

CHIEF FINANCIAL OFFICER

After an eight-year career on Wall Street and five years launching and operating startup microfinance banks in the South Pacific as a full time CFO, James founded Vanreusel Ventures to help social enterprises develop their financial and operational platform to scale internationally.

THOMAS BUKOWSKI

COFOUNDER, VP OF PRODUCT & COVERAGE

Thomas leads Watsi's product team, managing product execution from concept to reality. Before Watsi, Thomas studied computer science and mathematics at Dartmouth College. He went on leave to be an early engineer at New Relic, a now public digital intelligence company, and also worked at Pivotal, a leading software development consulting firm.

MICHAEL LIANG

DATA SCIENTIST & SOFTWARE ENGINEER

Michael oversaw enrollment and identification, specifically our testing of biometrics, in Uganda. Prior to Watsi, Michael worked as an engineer at Google, YouTube, and Verily Life Sciences. He also spent six months in Southeast Asia building an online support network for cancer patients. Michael earned a joint Master's in Translational Medicine from UC Berkeley and UCSF.

RONALD KASYABA, MD, MBA

HEALTH SYSTEMS CONSULTANT

Dr. Kasyaba is the Assistant Executive Secretary at Uganda Catholic Medical Bureau (UCMB). Prior to joining UCMB, Dr. Kasyaba served as a Medical Director of Nyakibale Hospital in southwestern Uganda, where he provided both managerial and clinical services, and worked as a Medical Officer in a regional referral hospital in Kabale.

WILL DE KLERK

HEALTH FINANCING CONSULTANT

Will is a health financing expert with over twenty years experience working in health insurance and a focus on improving access to healthcare for the underserved. He served as VP of Health at MicroEnsure and developed low-cost products in countries like Ghana, India, Tanzania and the Philippines and helped establish primary care networks in South Africa.

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