

# **AOL Founder Hopes to Build New Giant Among a Bevy of Health Care Web Sites**

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This week he plans to unveil his new company's Web site for consumers, RevolutionHealth.com, which has built a growing audience since a test version went online in January.

The site, to be officially introduced on Thursday, is part of Mr. Case's Revolution Health Group, a company he has bankrolled with a group of others who -- like him -- are famous for what they used to do for a living, including Carleton S. Fiorina and Colin L. Powell.

Revolution Health's other medical ventures include a stake in the growing RediClinic chain of retail health clinics operating in some Wal-Marts, Walgreen's and other stores around the country.

Mr. Case, the America Online founder who oversaw an ill-fated merger with Time Warner before he left in 2003, set up Revolution Health two years later. He says the time is ripe for a dominant health care brand -- one that could be as powerful as Starbucks in latte or Nike in fitness. So far he has devoted more than \$100 million of his money toward that goal with the RevolutionHealth.com Web site.

"There is a big opportunity to create the most trusted brand in health," Mr. Case said in a phone interview late last week.

It is such a potentially big opportunity, in fact, that one of RevolutionHealth.com's main challenges could be making itself visible in a market increasingly crowded with competitors elbowing for the consumer-patient's attention.

The biggest in the pack by far is WebMD Health, a stock market favorite of late, which has more than 40 million unique users a month visiting its network of consumer sites, including the flagship, WebMD.com. Other leaders, as measured by Web traffic, include NIH.gov, from the National Institutes of Health; Yahoo Health; MayoClinic.com; and About.com Health, which is owned by The New York Times Company.

Meanwhile, Google, without announcing any big health effort, has been quietly drawing more health information seekers into its gravitational pull with various new patient-friendly features. By typing a search term like "sore throat," for example, a Google user is led to relevant information about potential causes and risks, treatments and tests, and alternative medicines.

Google is also reportedly at work on various links to consumer health information that users will be able to personalize to their own specifications.

Mr. Case, though, dismisses search-engine approaches like Google's as "not particularly helpful." And while he acknowledges that WebMD "does have a lead and does a good job," he says he hopes to make RevolutionHealth.com into a site visitors will use frequently "to manage their lives."

Wes Richel, a health care analyst with the research company Gartner, said that even if Mr. Case could succeed in the health information arena, establishing a new brand would take at least several years. Meanwhile, he said, "Google is a known brand. Mayo is a known brand."

Mr. Case said he hoped to achieve brand awareness within five years, but he declined to predict when his Web site would become profitable.

Since the test site went up in late January, RevolutionHealth.com has assembled an audience of 486,000 unique visitors in March, according to the research firm comScore Media Metrix.

The revamped version of the site will be aimed primarily at women, who tend to be the bigger portion of the Web health audience.

A Mom Central page is intended for a busy mother who, according to Revolution Health's executive vice president, Ron Klain, is "trying to juggle her health, her children's health and perhaps her elderly parents' health, all at the same time."

There will also be 1,500 medical conditions that can be sorted by the ailment or treatment, with related comments from experts and from other users of the site. And like other health Web sites, it will provide a directory of doctors by specialty and location, along with short reviews by patients.

There will also be information from the Mayo Clinic, Cleveland Clinic and Harvard Medical School, which also have their own popular Web sites.

Users will also be able to create their own pages within RevolutionHealth.com for collecting personal and general information, which they can keep private or share as they choose, Mr. Case said.

Parents of autistic children, for example, may decide to gather experiences and knowledge in digital scrapbooks and transfer all or part of the material to public sites.

Like WebMD.com and many insurers, including Aetna, RevolutionHealth.com will also promote personal health records, giving consumers a place to assemble their medical information, prescription records and insurance payment claims, for example.

But Mr. Richel, the Gartner analyst, said there were high barriers to the concept's catching on.

"One of the most hyped terms in the country is the personal health record," he said. "Only a tiny fraction, less than 1 percent, of those who have access to their information in all of the health plans together actually look at it."

The complications, he said, include the technology issues involved in linking such records to the doctors, hospitals and other health care providers that might be in a position to use them to improve a patient's treatment. And consumers may have trouble compiling the data from various health care providers into a single record, he said.

"The real issue is that the providers don't want to give up that data," Mr. Richel said.

RevolutionHealth.com plans to announce several advertisers on Thursday. But Mr. Case said he would be conservative in pursuing and displaying ads, to avoid any perception that a drug manufacturer, for example, might influence the information.

Drug industry money is one of the big lures for the Web health publishers.

Martin J. Wygod, the chairman of WebMD Health, said the pharmaceutical companies were spending about \$455 million on marketing to patients and doctors online this year. But that is only about 3.5 percent of the \$13 billion the drug industry spends on advertising, he said.

"Our major competition is television," Mr. Wygod said. But he noted that drug ad spending, online and off, is growing as the drug companies cut costs by using fewer sales representatives who call on doctors.

With advertising as the main revenue model, RevolutionHealth.com is promoting itself as entirely free to users. The site does plan eventually to sell services like helping patients sort out disputes with health insurers, Mr. Case said. But in a departure from an earlier intention to sell such offerings to consumers, Mr. Case now sees employers as the buyers.

A group of private investors who have joined Mr. Case in putting \$500 million into Revolution Health Group are helping bankroll the Web venture. They include some former corporate chief executives who were handsomely rewarded amid corporate controversies on the way to retirement. They include the Revolution Health board members Ms. Fiorina, late of Hewlett-Packard; Franklin D. Raines, the former chief of Fannie Mae; and Stephen F. Wiggins, founder and former chief of Oxford Health Plans.

Perhaps the best-known and least controversial board member is Mr. Powell, the former secretary of state, who spreads the word about Revolution Health in his frequent speaking engagements.

Those big backers, Mr. Case said, will give RevolutionHealth.com its edge.

"We plan to invest significantly," he said. "We can afford to take the time to build the brand and build the trust."