

ICO Review: Health Nexus (HLTH)

Blockchain Healthcare Ecosystem

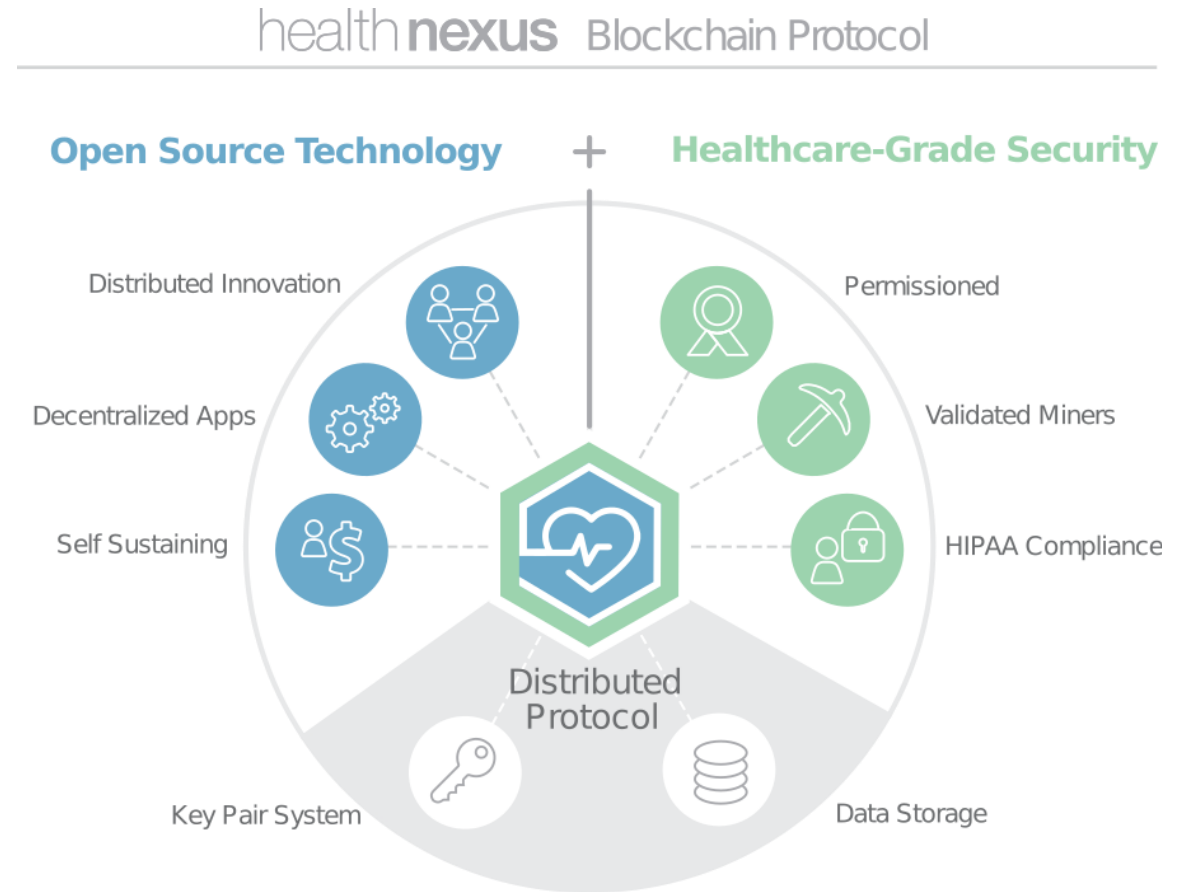
March 1, 2018



health **nexus**

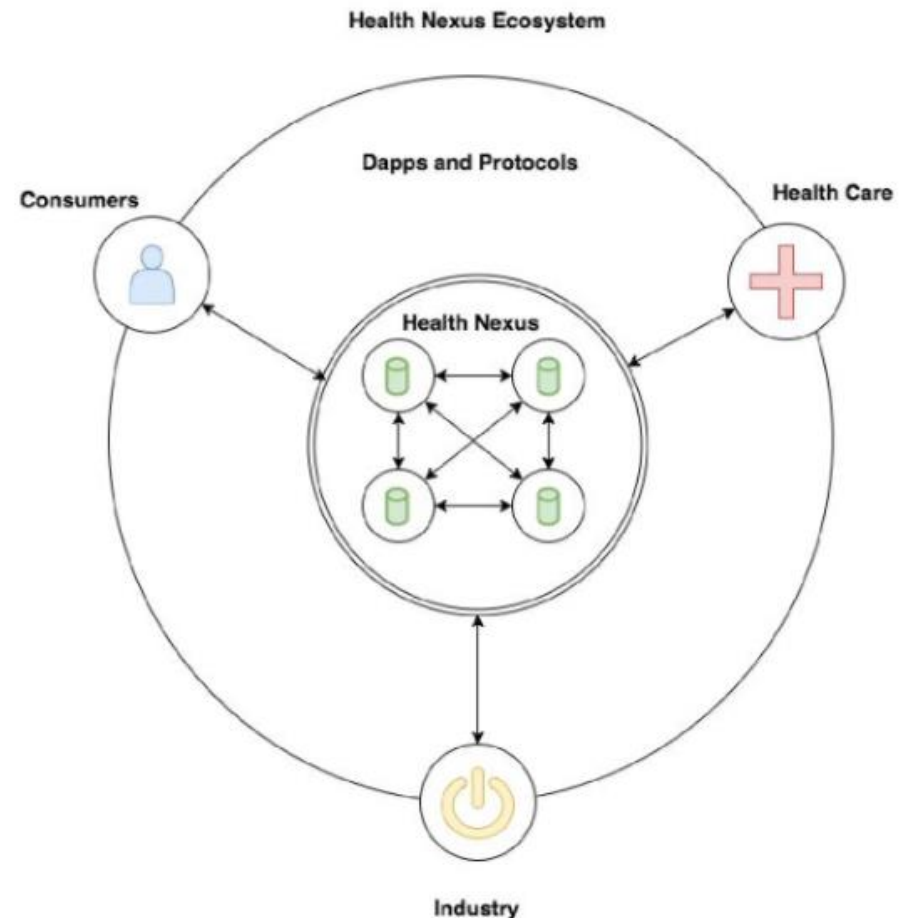
What is Health Nexus?

- A marketplace that can handle data transfer, payments, and storage in the healthcare industry.
- Healthcare application providers can build services on the Health Nexus marketplace for users to access and share data.
- Goal is to create a system that can pass stringent healthcare requirements through improved data integrity, encryption, and an efficient validation system.



Potential use cases

- Within the ecosystem, there will be a marketplace for applications written for a local or global scale.
- As an example, the team predicts application will be built around:
 - Clinical Quality Metrics (CQMs)
 - Transparency
 - Insurance payment and reimbursements
 - Pharmaceutical tracking
 - Data accessibility and sharing
 - Digital insurance/futures app (securing the assets of dApps using financial derivatives)



How it works



Development roadmap

Phase 1

Deploy an ERC20 token that allows users to store keys/URLs on the Ethereum blockchain. The key will be able to create and manage child keys, be bought, sold and shared, and store access for outside data storage.



Phase 2

Building the blockchain ecosystem with a built-in governance solution, currency transaction, and ability to run smart contracts. In this stage, users can trade their currency, run HIPAA compliant smart contracts, and generate their own apps, allowing them to build health data marketplaces.



Phase 3

Adding in the ability to create and store keys and the creation of the consortium and network. This stage will allow for the transferring of health care data through keys, a developer SDK, Health Cash web client and provider dashboard, and the 1-to-1 swap of ERC20 token to HLTH 2.0.



Phase 4

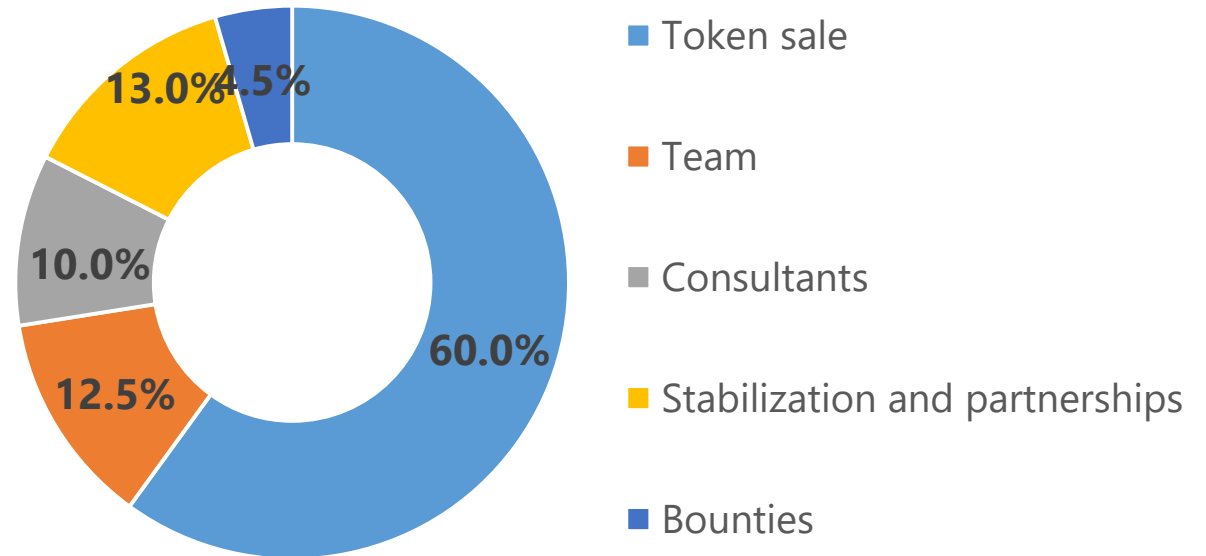
The final stage involves a secure data storage layer, and will require the most trust from healthcare providers. It will allow hospitals to securely store and share data in real time on the Health Nexus network, but this phase will likely take the longest to implement.

HLTH token sale summary

ICO SUMMARY

- **Project name:** Health Nexus
- **Token symbol:** HLTH
- **Website:** <https://tokensale.simplyvitalhealth.com>
- **White paper:** <https://docsend.com/view/cuufmc5>
- **Hard cap:** US\$25-30M
- **Conversion rate:** 1 HLTH = \$0.40
- **Max market cap at ICO (fully diluted basis):** US\$50M
- **Bonus structure:** Up to 60% bonus during presale
- **Presale or white list:** Presale ongoing, white list will happen in March 2018
- **ERC20 token:** Yes
- **Countries excluded:** Not announced publicly
- **Timeline:** Presale ongoing, whitelist will begin in March 2018
- **Token distribution date:** Upon token sale conclusion

TOKEN ALLOCATION



Use of HLTH tokens

- The HLTH token:
 - Rewards miners/validators and data storage devices;
 - Acts as an incentive mechanism;
 - Provides a transaction currency.
- Platform users will need the token to be able to transfer permissioned keys that give access to off-chain data and access smart contracts or data storage space.
- If more people and healthcare providers adopt the platform, the more valuable the token will be.



THE PEOPLE

Team and advisors



Katherine Kuzmeskas
Co-Founder & CEO

Previously worked as the Director of Operations for the CTNEXT Innovation Ecosystem, after which she was a Strategic Planner and Program Manager for Yale-New Haven Hospital. She co-founded SimplyVital Health in May 2016.



Lucas Hendren
Co-Founder & CTO

2 years of research experience in computer vision and nano technology. He then spent 1.5 years as the Lead Blockchain-Software Engineer for Capital One before co-founding SimplyVital Health. He is also currently an advisor to BitClave.



Jake Dreier
Director, Growth & Operations

Spent 3 years as the Manager of Teacher Leadership Development for Teach For America before joining Goldman Sachs as an Investment Management Associate. He also co-founded oVote Inc., a survey/data acquisition application, before joining SimplyVital Health.



David Akers
Senior Blockchain Engineer

David's experience includes being a freelance web developer for 4 years, a Senior Software Developer for Quintify Database Solutions, and a developer for Cubic.

THE PEOPLE

Investors, customers and partners

EQUITY INVESTORS



MICROVENTURES

CUSTOMERS



PARTNERS



The opportunities

- The company already has a revenue generating app that will be listed on the marketplace. However, the amount of revenue is not disclosed so it could be a very small amount, given that the company is not a year old yet.
- The marketplace is a platform that allows third party applications to be listed on so the potential could be substantial.
- The idea of the project makes sense and it could provide significant real world benefits and cost savings.

The screenshot shows a dashboard for 'simplyvital health ConnectingCare'. The user is Sharon Wood. The main content is a table titled 'All Episodes for: Community Medical Group'. The table has the following data:

Patient Name	Episode Number	Last Procedure	Total Cost	Difference from Average
Juan Ellison	7060202968	Elective Hip Replacement	\$5,768	\$(77.00)
Laure Hoffmann	1424157841	PT Home Visit	\$8,680	\$841
Mike Burton	8013761852	Physical Therapy, Outpatient	\$9,655	\$3,808
Lauren				
Jason				
Ellen F				
Bob Sh				
Sherry Slapko				
Dan G				
Robert				
Atby C				
Janie Dagerman	1294855764	Reflexion, PT	\$1,000	\$(6,840)
Paula				

The 'Episode Details' pop-up window shows:

- Patient Name: Lauren Darwin
- Patient Age: 64
- LOD: 12
- Episode Number: 4555978550
- Patient Sex: Female

Visit	Date	Details
Hip Fracture	10/1/2015	Complicated Hip Fracture

Our concerns

- The project has a very long development roadmap of 4+ years. The token swap from ERC20 token to HLTH 2.0 mainnet token is scheduled to happen in Phase 3, or 2 years after the end of token sale.
- The marketplace is a two-sided market – Health Nexus needs both (1) applications to be built on top of the marketplace, and (2) users to use the marketplace in order to create the network effect.
- One of the main areas of focus of Health Nexus is on medical data recording/reporting, which is a highly regulated space in the US. We believe it would be difficult/slow for companies in this space to adopt blockchain technology.

For flipping: **Neutral.**

- We believe a presale bonus of up to 60% with no lockup, with a hard cap of up to \$30 million is tough to reach in the current market environment.
- Exact crowdsale date is not yet announced, so it is uncertain when the tokens will be distributed and tradable. We believe there wouldn't be much unmet demand following the token sale.

For long-term holding: **Neutral.**

- The success of the platform hinges on whether the two-sided market of applications and users can gain traction. If the industry players are willing to adapt to new technology and build application on the marketplace, Health Nexus would have a much easier time attracting users.
- While the team is strong, there isn't a healthcare veteran who is well connected in the industry and related government officials. This is important because what the project is trying to accomplish is heavily regulated.

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