

In this issue of HMPI, I feature two recent case studies. One, the “Battle of the Bulge”, introduces a framework for analyzing whether an innovation is viable for evaluating its business model. The other focuses on the issues faced by the CEO of a global medical device start-up (CVI A and B). The B case contains the denouement for the A case issues. Teaching notes for both are available.

## Framing

I teach these cases using an “Innovating in Health Care” framework that enables students to evaluate the following questions:

**1. How well aligned is the innovation with six aspects of the health care ecosystem: financing; structure; public policy; technology; accountability; and consumers? I call them the “Six Factors”.**

If the innovation is not well aligned with the Six Factors, we discuss what, if anything, could be done to improve the alignment.

**2. Will the business model work?**

The business models of some innovations contain unrealistic ideas about important elements such as the strategy, financing, and management team composition. The students evaluate the business model and recommend specific changes.

I would love to hear from readers who have teaching materials (e.g., cases; syllabi; experiences with mentoring, entrepreneurship in residence; blended courses) in *innovating in health care*. I welcome all other feedback too.

## Materials

- **Reading:** Innovating in Health Care - Framework
- **Case:** Battle of the Bulge
- **Case:** CVI A and B
- **edX MOOC:** Innovating in Health care
- **Note about access to materials:** Harvard Business School holds the copyrights to most materials in this section; the links connect to the HBS case site where they may be purchased. Academic readers typically can register with the HBS site for access to complementary educator review copies of the materials.

### Reading: Innovating in Health Care - Framework

- **HBS case:** 9-314-017 (July 8, 2015)
- **Author:** Regina E. Herzlinger
- **Synopsis:** This note contains three frameworks that will help you create effective health care innovations
  - Three different types of health care innovations
  - “Six Factors” alignment: Is the idea viable?
  - Business model elements: How to make it happen
- **HBS link:** <https://cb.hbsp.harvard.edu/cbmp/product/314017-PDF-ENG>

### Case: Battle of the Bulge

- **HBS case**
  - HBS Teaching Note: FM
- **Authors**
  - A: Regina E. Herzlinger, John McDonough
- **Synopsis:** Which of the many “solutions” for the obesity epidemic - incentives, drugs, devices, support, Weight Watchers, Jenny Craig, the Oprah diet - does the most good? Which of them is the best business? Which of them is the best combination of “do good” and “do well”, and why?
- **HBS link:** <https://cb.hbsp.harvard.edu/cbmp/product/304009-PDF-ENG>

## Case: CVI A and B

- **HBS case:** (A) 315045 and (B) 315087
- HBS Teaching Note: FM
- **Authors:** Regina E. Herzlinger, Andrew Otazo
- **Synopsis:** Duke Rohlen, serial entrepreneur, is preparing for a Series B round of financing from one of the world's most important venture capital firms for CVI, a firm he founded and leads to commercialize a drug eluding balloon for a stent. Is his stent sufficiently well aligned with the Six Factors? And will his iconoclastic business model decisions -such as performing clinical trials internally, without the help of a CRO, and assigning two jobs to every team member-hurt or help?
- **HBS link:** CVI (A): <https://cb.hbsp.harvard.edu/cbmp/product/315045-PDF-ENG>
- **HBS link:** CVI (B): <https://cb.hbsp.harvard.edu/cbmp/product/315087-PDF-ENG>

## edX MOOC: Innovating in Health care (HarvardX MOOC)

- **Instructors:** Regina E. Herzlinger (Harvard University), Margo I. Seltzer (Harvard University), Kevin Schulman (Duke University)
- **Synopsis:** Improve critical thinking about health care entrepreneurship by reading, discussing, and analyzing case studies and writing a business plan.
- **Link to archived course:**  
<https://www.edx.org/course/innovating-health-care-harvardx-bus5-1>
- **Next session:** The MOOC will be offered again in the fall of 2017