ALPHAEON Puts Patients and Physicians Back at the Center of Healthcare

By Jeffrey Frentzen, Executive Editor

ALPHAEON Corp. (Newport Beach, Calif.), is a new firm offering a lifestyle healthcare model for aesthetic practitioners seeking a voice in healthcare and looking to build their self-pay practice.
In the predominantly self-pay world of medical aesthetics, practitioners are looking for innovative ways to attract new patients, increase their competitive edge, contribute to product development with fewer government strings attached, and gain more control over how they do business.

ALPHAEON provides a unified brand for board certified specialists in plastic surgery, dermatology and ophthalmology to grow their practices and contribute new ideas across the entire medical aesthetic field, as well as take advantage of new tools and services to advance their leadership in the field. The company specializes in matching patients' desires with the medical experts who can best fulfill them. In addition, specialists are empowered to unite around the goal of servicing the self-pay patient base, which has demonstrated a willingness to pay for procedures that aren't covered by third-party insurance. With a focus on the preventive and anti-aging segments of medicine, the company is bringing to market products and services that will give consumers access to leading advancements in lifestyle healthcare, according to Robert Grant, CEO of ALPHAEON.

“We are focused on helping physicians succeed in meeting and exceeding the expectations that patients have in both outcomes and experiences,” expressed Mr. Grant. “The consumer mindset is really shifting right now, especially when it comes to healthcare. They want to live healthier lives and be proactive about their care rather than only reactive. It means bringing an expertise into how physicians and staff interface with patients and how patients experience the wellness, beauty and performance side of lifestyle healthcare, of which aesthetic medicine is a significant part.”

Formed by leading physician specialists, ALPHAEON is setup to attract board certified practitioners to collaborate and contribute to state-of-the-art healthcare strategies in a landscape that is increasingly self-pay in nature. “The ALPHAEON model puts the patient and physician at the center,” stated Mr. Grant, “whereas the government model is heavily weighted towards efficiency and cost cutting. Part of our business model is focused very strongly on helping practitioners be more successful in individual and independently owned practices.”

Significantly, the company’s name has a specific meaning. Alpha, the first letter in the Greek alphabet, is used in terms of: first, new, beginning or the best; while aeon means era, longevity or forever. As expressed by John Gross, M.D., a plastic surgeon in Pasadena, Calif., “ALPHAEON stands for a new era in healthcare. Its products and services are vetted to be among the best in the world. Patients will know that partner physicians are all board certified in their specialties.”

According to Mr. Grant, ALPHAEON represents a new type of offering for all specialists, whether they are plastic surgeons in the self-pay market or dermatologists and reconstructive plastic surgeons grappling with reduced benefits and lowering reimbursements in the post-Affordable Care Act (ACA) world. “Our goal is to promote the specialist, whom we view as the artist, rather than the products, which
we view as the paint. In our specialized model, it is the artistry of the physician that delivers a great outcome to the patient. The products that are used are secondary.”

Ira Lawrence, M.D., ALPHAEON’s Chief Medical Officer and former senior vice president of research and development, regulatory and medical affairs at Medicis Pharmaceutical Corp., explained; “our approach can be best summed up by the company motto: ‘Of Doctors, For Patients.’ Our focus is really three-fold. First there’s wellness, which is how we feel as patients. Then beauty, or how we can look our personal best, and finally, performance, meaning how we can live an active life to its fullest. It is about aging gracefully.”

ALPHAEON is interested in being partners with member physicians, Dr. Lawrence added. “We are selling more than products. We are selling services and partnerships, not financial partnerships per se, but rather an opportunity to work with physicians. We are committed to offering tools to help qualified specialists enhance how they run their practices.”

As part of this commitment, ALPHAEON recently announced a strategic partnership with the American Society of Plastic Surgeons (ASPS), reinforcing the importance of having qualified physicians in its ranks. In addition to inviting board certified dermatologists and plastic surgeons to join, the company is doing the same in dental and ophthalmology specialties. Over time, the firm will expand to support other fields as well. “ALPHAEON is really putting forth the time and effort to help people understand that when it comes to the self-pay lifestyle healthcare sector, they can be much better served by going to an ALPHAEON physician,” Dr. Gross shared.

“Patients really care more about results than products,” Mr. Grant advised. “Our goal is to meet the needs of lifestyle patients and serve their outcome requirements with less emphasis on products and more focus on quality and delivery of the medical service. When patients are paying directly for their care, their expectations for customer experience rise dramatically.”

Dr. Gross expects the self-pay market to continue to grow quickly. “We all desire the best healthcare and the opportunity to look and feel our best,” he said. “The necessities of the ACA will limit the options that consumers have. As a result, many of our patients will seek the kind of premium care offered through ALPHAEON.”

Lorrie Klein, M.D., a cosmetic dermatologist in Laguna Niguel, Calif., believes medical care, “will become two-tiered after the ACA kicks in completely. It is going to be very difficult for people to get in to see specialty physicians — or maybe any physician — without entering a queue and waiting for some time. In addition, there are going to be very high deductibles, so people may be willing to pay out of pocket for certain services, especially aesthetic procedures.”

ALPHAEON drives consumers to its website using marketing that emphasizes wellness and lifestyle, Dr. Klein explained. “When patients go to the physician’s office, the physician decides what the best procedures are that will work for them.
“Many of us in the self-pay sector are not directly affected by the changes in private insurance and Medicare; however, these changes do affect the healthcare industry as a whole. ALPHAEON wants to deliver products and services to help practitioners run their practices more effectively and to the benefit of the patient.”

This is fundamentally different from consumer advertising that attempts to sell the patient a product, which has proven a double-edged sword for physicians.

Early adopters of ALPHAEON have also embraced the idea of molding the future of their specialty. “Considering the overall healthcare and regulatory changes going on right now, ALPHAEON is an ideal opportunity,” stated Sanjay Grover, M.D., F.A.C.S., a plastic surgeon in Newport Beach, Calif. “The whole crux of the company is to have physicians help bring to market the right products and services. Many of us in the self-pay sector are not directly affected by the changes in private insurance and Medicare; however, these changes do affect the healthcare industry as a whole. ALPHAEON is promoting board certified specialists in their areas of expertise who want to provide the best care to their patients. The company wants to deliver products and services to help practitioners run their practices more effectively and to the benefit of the patient.”

In Dr. Klein’s opinion, ALPHAEON is needed to complement the effects of the ACA. “The ACA offers a number of good services to patients. Many of whom have health issues and require chronic care, etc. ALPHAEON gives patients and physicians a choice,” she began. In many cases, procedures or products are either not reimbursed by a third party or the government, or in some cases, products may be FDA approved, but still may not be covered by insurance or CMS (Centers for Medicare & Medicaid Services) for a number of years. The most advanced, cutting edge products are out there and yet they may not readily be available for patients. Many times patients and physicians just choose to walk away. This is a trend we need to reverse and finally we have a vehicle to help accomplish just that.”

As so-called concierge medicine and the wellness and lifestyle market expand, more physicians will opt for self-paying customers, Dr. Lawrence pointed out. “Concurrently, patients will carry health insurance, obviously for catastrophic things, but I think self-pay is going to evolve and become increasingly attractive to patients,” he said. “I don’t know exactly how far it will go or how many physicians and patients will participate, but I think that ALPHAEON is on the leading edge of a new mindset for consumers in healthcare.”

To help realize this concept, participating physicians collaborate with one another and the company, on a variety of issues and processes, from exchanging clinical tips and ideas to recommending products and services for consideration by ALPHAEON. This collaborative process is facilitated via the ShoutMD app, a crowd intelligence platform that is along the lines of Facebook for participating specialty physicians. ShoutMD allows physicians to gather online and initiate forum discussions for the purpose of sharing insights, suggesting ideas and cooperating with peers to directly impact the company’s strategic direction. ShoutMD is part of a larger suite of services and software being offered through the ALPHAEON MD™ Platform

For physicians interested in becoming a member, Mr. Grant said, “if they are a board certified specialist in plastic surgery or dermatology, then they can
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contact us.” By signing up with ShoutMD a physician gets listed on the ALPHAEON website. “Our advertising campaigns direct patient traffic to the physicians that are listed and participate on ShoutMD.”

If a physician wants to get involved with ShoutMD, all they need to do is download the software. “It’s free, but before you actually start being involved you have to confirm your board certification,” Dr. Klein explained. “It is a really low barrier to entry for a specialist. ALPHAEON picked up quite a few people involved with the ASPS because every member was invited to join.”

Notably, ShoutMD discussions are already impacting how physicians interact with one another. “Imagine an environment where the world’s best physicians in the lifestyle healthcare arena can speak freely and in real time, to better the care of patients and improve the efficiencies of their practices,” said Dr. Gross. “ALPHAEON is built around the tenet of physician involvement in the decision to offer a product or service. All products and services provided by the company will be vetted by a team of leading expert physicians. It is refreshing to work with a company that not only listens to physician ‘customers,’ but acts on what they have to say. ShoutMD is a go-to resource that allows real-time communication among the world’s best providers.”

It’s about bringing together the top minds in the field to communicate, ask questions and participate in a dialogue with peers about a variety of important issues. “For example, say we are in the process of designing protocols for new dermal fillers and are working with the FDA,” said Dr. Lawrence. “A number of questions arise. If we could design a number of trials, what would physicians really like to see? Using the ShoutMD forum, I posted a question and asked for their comments. What I got back was amazing. It was actually the Number One shout for two days. I got a chance to pick the brains of highly engaged physicians who were very active in the discussion. ShoutMD facilitates direct feedback from physicians literally in real time.”

The ShoutMD process also allows physicians to interact and communicate with ALPHAEON in a way that is much more convenient than organizing a lecture series or panel discussion at a scientific meeting. “Busy physicians don’t have that kind of time luxury, but they have time to look up from what they are doing in the office or on the road and add comments on ShoutMD,” noted Dr. Gross. “It is a very powerful tool that is only going to grow in its impact.”

Furthermore, the forum discussions may have little or nothing to do with ALPHAEON, explained Dr. Klein. “I had a question about a practice management idea that I put on ShoutMD, and many people responded and gave me great ideas on how they do it in their practice,” she said. “You can bring up any subject, such as what do you think about the latest laser that just came out? It may not relate to ALPHAEON, but from all the information in all of our discussions we help the company figure out what the next best product is to license or acquire.”
Beyond the value of the patient driven ShoutMD app, physicians also want to have a voice in the way the company is shaped, Dr. Grover indicated, “as well as how we promote ourselves to patients and peers, and what products and services we bring in. Also, the company can potentially serve to benefit other product manufacturers in the industry that are being held up by regulatory issues. They can use ALPHAEON as a vehicle to get their products into the market.”

For Mary Lupo, M.D., a dermatologist and clinical professor of dermatology at Tulane University School of Medicine in New Orleans, La., having a voice in the future direction of her specialty, without regulatory interference, was very important. “I built my practice from the ground up in 1984 and I have seen firsthand how government has increased their grip on our business,” she shared.

“I was invited to an ALPHAEON summit and was introduced to the concept of physicians regaining a voice in the future of healthcare innovation and delivery of care to patients, Dr. Lupo continued. “I do a lot of fee-for-service treatments and I like having freedom and giving my patients choices. Due to government and insurance industry control, I had the feeling that as a physician my importance was being marginalized, and I liked the idea of getting the government out of my life. Frankly, I found it offensive for the government to think my prescribing habits are influenced by a pen or a lunch. I was feeling frustrated that insurance companies had more say than I as to what prescriptions are filled. I make all decisions based on my best judgment as a physician.”

Upon encountering ALPHAEON, Dr. Lupo not only discovered, as she said, “a group of physicians that were among the most forward thinking and intelligent people I had ever met, but I also saw a way to help keep innovative products in the pipeline without being hog tied by compliance rules.”

Apropos to the self-pay sector it serves, ALPHAEON puts all of its acquisition and development efforts into products and services that are not covered by government health plans. “Therefore, the government cannot dictate how I can interact with industry,” noted Dr. Lupo. “I am increasingly disturbed by the restrictions of my relationship with big pharma as a result of the government dictating how I communicate with these companies.”

ALPHAEON member physicians can contribute to the development of drugs, medical devices and other products by essentially owning the products they use. “In the past few years, payers — meaning insurance companies and Medicare/Medicaid — and product companies have had more clout than physicians and patients. Since ALPHAEON will not be getting reimbursement from Medicare, it will be free to allow more collaboration with physicians and that will stimulate innovation,” Dr. Lupo added.

This approach also skirts some of the reimbursement pressures faced by pharmaceutical firms. “Most manufacturers have the government as a customer,” Dr. Lupo reported. “When Uncle Sam is your customer, it changes everything about
how you must do business. ALPHAEON can be a step forward in rebalancing the control of medical care. It could theoretically also help big pharma companies by licensing their self-pay products and improving their ability to help physicians and patients."

Having some leverage in product development is also attractive to Dr. Klein. “It is very useful that I get to make such an impact in this area,” she said. “In the past, I did not really have much to contribute to most of the pharmaceutical companies as far as the products they carry, but with this company I am directly involved in the decision making. It is significant to be involved at that level.”

Along these lines, ALPHAEON has already developed partnerships with product manufacturers, or has acquired exclusive licenses, in order to provide practitioners with innovative products. Partner companies include Teoxane Laboratories (Geneva, Switzerland), a developer of hyaluronic acid-based dermal fillers, and Plastic Surgery Innovations, LLC (Palm Beach Gardens, Fla.), the developer of skincare that uses a proprietary delivery system. In addition, ALPHAEON will market Evosyal, an advanced Botulinum toxin Type A neurotoxin developed by Daewoong Pharmaceutical Co., Ltd. (Seongnam, South Korea), the leading South Korean pharmaceutical manufacturer.

Arguably the most publicized transaction is TouchMD, from TouchMD of Cedar City, Utah. This interactive software platform helps physicians educate patients before, during and after practice consultations. As Mr. Grant revealed, TouchMD is instrumental in launching ALPHAEON globally. “It is intended to increase physicians’ efficiency in dealing with patients, and improve the patient’s overall experience. This platform has been proven to significantly improve conversion rates.”

Remarkably, up to 30 additional product-related transactions are planned for the coming months. Nonetheless, if the idea of physicians working on product development and basically owning the technologies they use is bothersome, keep in mind ALPHAEON’s products must still meet with FDA approval. “The company is promoting a whole array of products and services that are going to help physicians better serve their patients,” noted Dr. Grover. “This includes ways to more effectively run a practice and help the patient, including software to better track patient leads and patient financing services.”

Patient financing is bundled with ALPHAEON’s MD Platform subscription services, which is a suite of services and software products that also features practice-related support and the pivotal ShoutMD collaborative environment. “These software platforms will be optimized to help physicians educate, track and retain patients more efficiently,” Dr. Gross highlighted. “Their use will lead to a better patient experience and less headache for practice staff.”

Keeping patients in mind, the company’s financing section, ALPHAEON Credit, streamlines and simplifies the process of obtaining financial options. “It gives patients the flexibility to purchase procedures at a reasonable cost,” said Dr. Lawrence.
“ALPHAEON reflects a vision of changing the paradigm in healthcare. It puts choice back into medical care and access to patients back into the hands of the physician. The company is at the forefront of something big.”

The ALPHAEON Excellence MD Platform supports the physician’s practice and is designed to increase profitability, efficiency and growth, Dr. Lawrence advised. “It allows physicians to do a better job tracking and educating prospective patients, to help them make informed decisions,” he said. “The Platform not only helps patients and physicians connect, it allows us to measure patient satisfaction through EnhanceMD. Physicians receive almost immediate feedback. They can determine if they are doing things right, and if their staff is providing the level of service patients are looking for.”

Direct-to-consumer advertising and the patient referral / retention feature, called ALPHAEON EngageMD, are fully integrated into the ALPHAEON.com website, helping patients determine a best match referral. “Consumers interact with the physicians in advance,” Dr. Lawrence shared, “which leads the patient to better understand what is in store and what kind of procedures might be best for them.”

Finally, ALPHAEON EnhanceMD offers inventory usage and order fulfillment tracking in real time, as well as tolls to manage outcome data collection. Real-time usage and tracking is not usually found in medical aesthetic practices, expressed Dr. Lawrence. “The government does this very well,” he said. “For instance, in the Department of Defense real-time inventory is very common. One of ALPHAEON’s goals is to help practices literally record what products are being used. This system will let you know very quickly what’s on hand and what needs to be ordered. Overall, the entire ALPHAEON MD Platform is interconnected, allowing patients and physicians to optimize their ability to capitalize on the concept of lifestyle healthcare.”

According to Dr. Klein, the complete ALPHAEON package encourages practitioners to maintain a high quality of service, “so we can have a practice that is not a mill. The practice management services they offer will help us deliver quality care. I think it is part of a philosophy that you are committed to maintaining a high quality office staff and environment. Unfortunately, I see a lot of medical practices losing that high quality, including the ones that are becoming a part of hospitals or are going the way of general clinics that don’t have that personal touch anymore.”

In total, ALPHAEON reflects a vision of changing the paradigm in healthcare, explained Dr. Lawrence. “It puts choice back into medical care and access to patients back into the hands of the physician,” he said. “ALPHAEON is at the forefront of something big. As a result the younger, next generation of physicians will experience a different way of practicing medicine, which is something that a lot of them may not have had a chance to do in the heavily regulated and reimbursement environment many of them grew up in.”

For Dr. Gross, it’s exciting to participate in real change, “in the way specialty physicians and industry can work together for the betterment of our patients.”