J&J's pharma R&D arm partners with Komodo Health to fix clinical trial woes

Article

Johnson & Johnson's R&D arm **Janssen** is using healthcare analytics startup **Komodo Health's** AI software to accelerate clinical trials, for example by optimizing site selection and

boosting patient recruitment. For context, Komodo Health's AI-powered analytics tool, Healthcare Map, offers providers, payers, and pharma companies access to over 325 million deidentified patient encounters to facilitate research initiatives.

Janssen is looking to address top barriers that hinder pharma R&D processes:
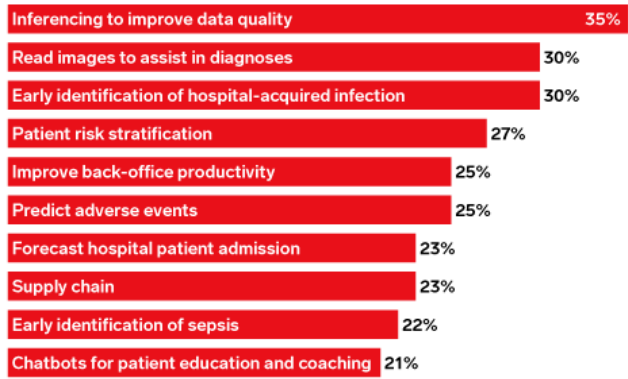
- **Up to 80% of clinical trials fail to meet clinical trial recruitment trials within allocated time frames, leading to trial delays or termination.** A lack of digital tools to boost patient recruitment contributes to recruitment woes: Some researchers often depend on individual recruiters or a smaller provider network to get patients enrolled, but this process doesn't always capture a population diverse enough for a particular clinical trial.

Pharma cos have historically lagged on digitization, and big names in the industry have been relying on M&As with AI companies to play catch up quickly. In 2016, fewer than 15% of pharma cos had defined roles for core digital processes, compared with 38% for digital leaders in other industries, per McKinsey. Rather than waiting until digital leadership kinks are ironed out in-house, some pharma giants have been merging with AI partners to speed up drug development: In 2018, **Roche** snapped up AI developer **Flatiron Health** to advance usage of its real-world evidence platform for oncology research, for instance.

But the FTC is cracking down on pharma M&As, so incumbents could face difficulties scooping up tech-savvy startups, making partnerships a more attractive path to digital transformation. Under the Biden administration, the FTC is taking a more in-depth look at pharma M&A deals of all sizes to determine if an M&A will eliminate industry competition or not, which will likely lead to lengthier reviews that hinder or slow down deals. So, it would make sense if more pharma cos looked to partner with tech-savvy health partners like **Komodo Health** or **Litmus Health** this versus instead of taking the M&A leap. Plus, such tie-ups will enhance clinical trial recruitment and retention without taking on financial and regulatory risks associated with an acquisition.

Use Cases for AI in Healthcare According to Health Executives in US, UK, and Germany, May 2020
% of respondents

Use Case	%
Inferencing to improve data quality	35%
Read images to assist in diagnoses	30%
Early identification of hospital-acquired infection	30%
Patient risk stratification	27%
Improve back-office productivity	25%
Predict adverse events	25%
Forecast hospital patient admission	23%
Supply chain	23%
Early identification of sepsis	22%
Chatbots for patient education and coaching	21%

Note: n=210
Source: International Data Corporation (IDC), "AI in Healthcare: Early Stage with Steady March to Maturity", Dec 2, 2020

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