

## Digital therapy devs are bringing smart pills back, but consumers may not be ready

**Article** 



Digital Therapeutics (DTx) company Pear <u>struck</u> a bundle of partnerships to build out its prescription digital therapy platform, including a tie-up with smart pill maker EtectRx to





combine DTx with medication adherence tech that includes an ingestible digital pill system.

Consumers have been wary of smart pills due to privacy concerns and high costs—Pear will have to address both to ensure its collaboration with EtectRx is fruitful.

- Last year, digital pill unicorn Proteus filed for bankruptcy as its smart pills failed to take off. There were several reasons for Proteus' downfall, but experts indicate it was most likely tied to the fact that it's ingestible digital pills were targeting consumers with schizophrenia and bipolar disorder, who may be more distrustful of tech with a tracking component.
- Digital pills have historically come with far higher price points than traditional meds. For example, Proteus' failed digital pills reportedly cost up to \$1,650 twice the price tag of the regular brand name or generic drug.
- Pear will have to make sure its new product is on par with traditional drugs cost-wise, or show its adherence tracking differs from more intrusive tech previously on the market. For example, Proteus' digital pill system required patients to wear a long-term patch in combination with a digital pill, while EtectRx's tech only requires consumers to wear a less intrusive lanyard that patients can opt to remove when they're done taking their smart pill.

Beyond consumers, companies like Pear have to ensure doctors their tech will add value—doctors hold the key to heightened adoption since they decide whether or not to prescribe smart pills.

Doctors likely won't want to add any new tech that disrupts their current workflow or worsen admin-related burnout. If a DTx-smart pill solution requires any more paperwork or extra steps to recommend than a traditional pharmaceutical drug, it's likely providers will opt out from doing so: 58% of physicians say too many bureaucratic tasks contribute most to their high burnout levels.

And smartpill developers will have to promise better health outcomes than current medication adherence methods. Simpler medication adherence tracking methods (like counting patients' pills during in-office visits) require less expenditures and effort than smart pills, so companies like Pear and EtectRx will have to convince docs their tech provides benefits that make ditching traditional methods worth it, like improved health outcomes. EtectRx is already taking steps to prove its clinical effectiveness: In August, it teamed up with Brigham and Women's Hospital to study how its smartpill tech can improve medication adherence in HIV patients, for instance.





## **Attitudes Toward the Use of Health Devices Among** US Adults, Nov 2020

% of respondents

Believe the data is useful and want it collected by their doctor Would allow information to be sent directly from the device to their doctor's Own wearable health device or smartphone 36% Note: ages 18+ Source: NRC Health, "2021 Healthcare Consumer Trends Report," Jan 18, 2021 264064 eMarketer | Insiderin



