Legal Affairs

# **Personalized medicine**

How a new medical model could change health care delivery for your business Interviewed by Kristen Hampshire

Personalized medicine has the potential to change the way that medicine is prescribed, and it could provide more targeted, efficient care with better outcomes for patients, ultimately leading to lower costs for everyone involved, says Jacqueline Penrod, an attorney with Semanoff Ormsby Greenberg & Torchia, LLC.

"There is a lot of excitement about the potential that personalized medicine has to really change the way we deliver health care to the benefit of patients, hospitals and insurers," says Penrod. "The technology being developed can help patients in a way that will be less costly."

But much of the technology that potentially will drive personalized medicine to the forefront of the health care environment is still being hatched in laboratories as pharmaceutical companies develop products that could help improve dosing and patient education.

*Smart Business* spoke with Penrod to learn how personalized medicine could change the face of health care delivery, and what steps a business can take to learn more and take advantage of its benefits.

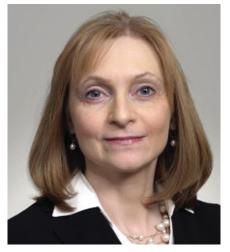
### What is personalized medicine?

Personalized medicine addresses the health care challenges of efficacy, safety and cost. It refers to customizing health care to tailor all decisions and practices to patients' needs. For example, by using genetic testing technologies to gather information about a patient, medical care can be carefully targeted.

Currently, there are a number of laboratory products on the market with respect to genetic testing that allow a provider to better understand a patient's needs. Then, proper therapy or preventive care can be prescribed in a more effective manner.

Take, for example, the drug Coumadin, used to prevent blood clots in patients with heart problems. A genetic testing product can be used to determine the best dosage for each patient, which helps doctors prescribe the best treatment, prevents hospitalization and return hospitalization, and ultimately, saves all players in the health care spectrum money.

This concept of tailoring health care is



Jacqueline Penrod Attorney Semanoff Ormsby Greenberg & Torchia, LLC

a real breakthrough in an industry that is in a state of flux. While we do not know what the future of health care holds, we recognize an emphasis on improving the way health care is delivered to address those key issues of cost, efficiency and outcomes.

## How could personalized medicine benefit business owners?

Businesses that offer health insurance to employees with this personalized medicine component could see significant cost savings. Personalized medicine would give doctors the ability to identify a patient's predisposition for a disease, then preventive therapy could be customized to meet that individual's needs. As a result, the individual stays healthier, which has an impact on workplace productivity and lost time.

Laboratory products being developed by pharmaceutical companies will allow us to group populations of people who require certain therapies. This could allow for more efficient, cost-effective care, and the cost savings trickles down to the payer. So a business that has watched the cost of health care steadily climb year after year could potentially roll back these costs if personalized medicine practices are adopted by insurers.

But first, this new field must endure continued research and development, testing and market acceptance. Personalized medicine is in its infancy, but the concept is one that is much anticipated in the industry.

### What are some of the implications associated with personalized medicine?

For now, personalized medicine does present some regulatory concern, and that's mostly because the concept is so new and so different than the way health care is currently delivered to consumers. For businesses, the main concern is the idea of genetic testing for employees and the absolute necessity for this information to be treated according to regulations set forth in the Genetic Information Nondiscrimination Act (GINA).

Essentially, this law prevents employers from making employment decisions such as hiring and promotions based on a person's health history, and also requires employers to keep medical information, including family medical history, diagnosis and treatment information, segregated from the nonmedical information contained in an employee's personnel file. It's important to consult with a legal professional to discuss what GINA means for your business, how personalized medicine could introduce some potentially litigious situations if not treated carefully and how to justly proceed if you want to explore personalized medicine if it is available from your insurer.

# What steps should a business owner take to learn more and begin implementing personalized medicine?

A number of insurers today are considering the use of newly developed (and developing) personalized medicine products. Businesses should ask insurers whether they offer coverage for any of these products and, if they do not, suggest that they consider ways in which personalized medicine might curb health care costs and lower premiums. <<

JACQUELINE PENROD is an attorney with Semanoff Ormsby Greenberg & Torchia, LLC. Reach her at jpenrod@sogtlaw.com or (215) 887-0200.

Insights Legal Affairs is brought to you by Semanoff Ormsby Greenberg & Torchia, LLC