



**David Mandell:**

Welcome. This is David Mandell, host of the program, and I'm excited today to have our guest today. I think it's going to be very interesting, and some interesting insights into his practice and his journey, which I think a lot of you will get some value out of. So, today's guest is Dr. Mukul Mehra. And I'm going to give you his bio, and then bring him on.

So, Dr. Mehra is an Alabaman. And he received his medical degree from the University of Alabama school of medicine, where he was elected into the Alpha Omega Alpha honor society. He then completed his internship and residency in internal medicine at Washington University in St. Louis. He subsequently completed his training in gastroenterology at Washington University, and received post fellowship procedure training in ERCP with Dr. Giuseppe Aliperti.

He joined Gastro Health in 2016, has been in practice for 10 years prior to that. Dr. Mehra maintains a practice in general gastroenterology, with a keen interest in pancreatic or biliary diseases, as well as diseases of the gallbladder. He performs therapeutic biliary endoscopy, pancreatic ERCP, and, I'll try to do this one, cholangioscopy. Obviously, I'm not a physician. So, these aren't the terms I deal with every day.

In 2015, and we're going to talk about this significantly, Dr. Mehra founded IllumiCare, the first healthcare information technology platform to bring cost and risk data over any electronic record. His company won the Alabama Corporate Innovator of the year award in 2016. And IllumiCare then won the 2016 American Hospital Association Innovation Award. So, we're talking about are a real successful entrepreneur, as well as a accomplished physician. So, with that, Mukul, welcome to the program.

**Mukul Mehra:**

Thanks for having me, David.

**David Mandell:**

Excellent. We're happy to have you. So, when I talk with physicians, I always like to start in the beginning. Tell us where you grew up. I think we may know that already. But what made you become a physician? And how did you gravitate into the specialty of gastroenterology?

**Mukul Mehra:**

Well, David, I mean, I grew up in... you're right, in Alabama. And I really was a math physics guy. Come on, I'm Indian. I have to be a math physics guy.

**David Mandell:**

Okay. You got talent in the genes.

**Mukul Mehra:**

Exactly. It was my first language. And so, I went off to Northwestern and I was in the college of arts and sciences, but I really wanted a career in engineering. And what was interesting to me that... I didn't have this one pivotal moment or some epiphany, but I like to talk. I like people. I like to hear the long version



of the story. I like to hold the door open for somebody and really see how their day's going. And as I sort of was gravitating towards maybe where my brain was drawn versus what I felt as a person, I just didn't think, in the field of engineering, I would get the interaction, the human relationship, and trust.

And that was it. I mean, I decided to give it a shot. I was like, "Let me apply to med school. Let's do it. There may be a fusion of the two." And of course, I picked a subspecialty that has no math and physics in it, except you can count the number of polyps you take out after a colonoscopy.

**David Mandell:**

Right. And so, you said you're in the arts and sciences. You started to think about medicine as having that human connection. And then did you... had to change your major and do pre-med after the fact? Or you kind of realized that early enough that you didn't have to kind of shift gears?

**Mukul Mehra:**

Yeah, I didn't. I remained a physics major. I completed all the requirements that were going to be necessary to get in med school. And I always sort of had that in the back of my mind, "Look, it's going to be engineering or it's going to be medicine."

**David Mandell:**

Okay.

**Mukul Mehra:**

So, it was easy. It didn't take me any time. And in fact, my last year of college, I actually transferred back to Birmingham Southern, which really prepared me for getting into University of Alabama, Medical school, which was about one eighth of the cost of a private med school. So, that was my first big financial decision.

**David Mandell:**

Well, let's talk about that. And before we go on, I just want people to know, when we do this recording... We do it with video. And I'm looking at Mukul, and he's got his Crimson tide sweatshirt on, or at least the color is Alabama crimson. And I happen to have a Crimson sweatshirt on myself also -- representing Harvard Crimson. Now we don't have the football program They have a couple of football championships, but it has to go back to before there was a forward pass, I think, back in the 1920s or something. Anyway... that's to give you listeners a visual image.

**David Mandell:**

So, you mentioned the decision to change and go to a school that... a state school that was less expensive, maybe it's also being home and all of that. But what was your exposure, interest, or even thinking around financial issues as you started in, let's say, medical school? Was that even on your radar? Tell us about that.



**Mukul Mehra:**

It was. I mean, I was very financially responsible. I mean, my parents will tell you stories of me sort of returning gifts they got, and putting it back on their credit card, because I didn't want my parents to pay for things for me. So, I did. I had a financial plan. And at the point that I made the decision to go to medical school, I really did have this moment of thinking through, "Look, I would love to eventually come out with a degree from Northwestern." In hindsight, probably I should have done that and stayed there. But instead, I could save, I don't know, around 16 to \$18,000 in my last year of college.

Private med school. Sure. They're great. The curriculums are very similar. At UAB, with a scholarship, I was going to pay \$8,400 versus private med school at that time was about 50,000. So before, it was easy. I mean, in my math brain, I was like, "I'm going to save. I could easily save \$200,000. I'm in much more control of my training than a school is." And... big financial decision that, to this day, I don't regret.

But I applied to school at university of Alabama and got a partial scholarship. And I didn't come out in debt as much from med school, which is a significant debt for a lot of positions.

**David Mandell:**

it's kind of similar to my story. I don't think I've talked about this. I was lucky enough. I went, obviously, to a private school for college. And my parents paid for that. For grad school, I was going to be on my own. And I got into a lot of different law schools. I went to the law school first, and then applied to the business school to get my MBA. But I got into a number of different law schools. And UCLA, I actually got in kind of late. It was kind of rolling. But in the first year... I remember this. 1991. Because I was an out-of-state resident, I paid \$11,000. And then, the next year, because I was an in-state resident... This is back when UC allowed you to use this first year of school as a residency test.

The second year, I paid about \$2,500. And that included... And then, I went to business school and this same tuition applied, so that my last three years of grad school were about \$7,500. And that just made a huge impact, allowed me to try to practice law. But I thought about entrepreneurial activities, but I didn't have a couple hundred thousand dollars of debt on my balance sheet. It is... very freeing. It makes you much more... I think psychologically easy, and especially, I mean, medicine is more secure in term of income.

Your gastroenterologist is going to have some kind of range of income. But you come out of law school or business school, especially if you're trying something more entrepreneurial, you don't know what you're going to make. So, not having that debt was really a key thing. So, I can totally understand that analysis going on that you did.

So, you went through your training. And tell us about the first job. I mean, did you... Was it all about geography? I want to stay in this area, and the one job was there? Or were there financial factors. Tell us a little bit about that.

**Mukul Mehra:**

Well, it was all too easy. My uncle was a gastroenterologist, and started a practice in Birmingham, and had been in practice from the seventies all the way through when I joined his group. And he had a partner who I knew well, family friend. And so, even up until the point of joining, the only discomfort



was I know them too well. And they sort of know me too well. Could that be complicated? But I've had a job offer. It was not going to be any stringing along this person meeting me and cutting me loose. When it was time to be partner, I had a fast track to partnership. It was innate trust, at least, in the vestment in that group. The only thing that came up was... At Wash U, one of our very prominent gastroenterologists, and the head of...

One of the heads of our department said, "It's a total waste for you to go into private practice. You will be bored. I know you. Terrible decision. Good luck with it." And so, Ray Klaus is a mentor. He's since passed away. I mean, to hear that from Ray, who's world renowned who had called me.

I remember ironing my clothes, because I was going out on a date with a girl who's now my wife. And I remember just getting that phone call on my cell. And that made me pause. Like, "Should I stay in academics, continue to challenge myself?" But you know Ray passed away a few years later, which means if you ever make a decision for one person over another decision that felt right, you potentially could be really sort of hosing yourself. But yeah, that was the conundrum for me. And I chose to come back in 2005, and joined my uncle's practice. And that practice has evolved into the current practice that I'm still in.

**David Mandell:**

It's funny because... we have other clients and certainly guests who talk about the intellectual stimulation that you would get if you maintain some kind of connection to academics, that you might give up if you go into private practice. But I think sometimes that interest gets channeled also into entrepreneurial ventures. And I'm guessing that's where it's going to end up for you, as we tell your story.

And Scott Faucett talked about this, who we had on a couple of weeks ago. You get to see, when you're in private practice, where the market doesn't have the right solution yet. And then, you start to have your brain start thinking, "Hey, I think I could create something that fills that gap." And we're going to get to what you've done. And it's kind of that hypothesis, and then testing it, but in the real world with real money, that is kind of a similar thing. It's not academics, but it does challenge you in a lot of ways that... once you kind of have your practice, that stretches you. It's not surprising that, that was a... To me, it's not surprising that, that was a question for you. And then, when you went into private practice, that you ended up becoming a successful entrepreneur.

So, you're in practice now, successful private practice. You're making money. How do you start dealing with financial issues? You mentioned your date, then you got married, your family is starting, et cetera, and everything from just saving versus paying down loans, or how big a house to buy, or initial investments. Did you have a family member that guided you? Did you do research? Did you find an advisor? How did you make your way through those things?

**Mukul Mehra:**

Well, you know, it's interesting. I saw it, there was a whirlwind tour of moving to Birmingham. My fiancé is now in St. Louis. She's going to move in nine months. I'm joining a new practice. She has a house. I have a condo. I sold my condo. She sold her house. We're out of debt. And so, we really had no debt as a married couple coming in because...



And in hindsight, perhaps we should have kept the condo and kept the house and rented it out in St. Louis. It was interesting, when I was at WashU, I remember somebody coming in sort of to the cafeteria... And this certainly isn't allowed anymore in hospital. But he went up to my best friend and introduced him to an IUL. And so, Neil is a dermatologist, in my wedding. He's in Scottsdale now.

And we sit around and have our weekly chats about IUL saying, "Oh, this does not make sense to me. This is what you're going to do? Like you're committed to it?" I don't know. But when I got my feet on the ground, I remember I introduced myself to OJM Group.]. I mean, I read an article in a journal. I was impressed. I reached out. And I reached out and asked very specific questions. It was not like, "Will you take over and manage my pain?" It was like, "Hey, IULs, what are they? Do these work? Is this a scam?" Right? And so, I'm a deep dive. And I was very impressed at that point.

And I know when I'm good at something, and I know what I'm not. And my goal is not to be good at everything. But my goal is to bring people on that I trust to complete areas in which I'm not good at. And I don't want to be a stock manager and a portfolio manager. I don't even care if I wouldn't be good at it. I don't want that cortisol level and stress.

**David Mandell:**

Right

**Mukul Mehra:**

So, yeah. I mean, it was fascinating that I remember reading this article on wealth management for physicians. And that, and this random conversation about IUL, was why I reached out to a team that I trusted.

**David Mandell:**

That's a very common story. Most of the folks who've contacted me or our firm over the years is because of the writing and speaking we do. And just for the listeners out there, IUL means "indexed universal life." So, it's a type of life insurance policy. And these policies are very complicated. I mean, I came into this world of finance from being a lawyer. I had an MBA. And even it took me a little while to understand what is this, and is it a good deal or not?

There are some tax benefits. In some states, there's been some asset protection benefits. But like you said, it is a long-term thing. It's life insurance. I thought that's something that benefits people when you die, not yourself. I mean, if you didn't know, you would have no idea what these policies are. And it took me a while to understand them. Now, I have a couple of them myself. But yeah, just... If I was someone... If I was in my law school cafeteria, and someone came in and started to explain this to me, I would have probably done what you did and said, "This just sounds too much for me." Right? It's...

In some ways it's easier to understand, "Oh, I want to buy a stock in it." Whatever. Amazon, right? You say, "Oh, I use Amazon all the time. Okay. So, I'll buy some stock in it," That's a little more sort of top of mind. But yeah, I think... Your point is really important and I stress this all the time, which is highest and best use. And also, how do you want to spend your time? Physicians are busy. And nearly... If you asked



most docs, the one resource that they wish they had more of was time. And do you want to spend it how?...

I use this example. My neighbor, who is very successful, bought a very large house. I hear him every other weekend doing a bunch of yard work. He obviously likes to do it. He's got his things on his ears. He's got the machines. I mean, it's just... It's crazy. It's the last thing I would ever do. You know? I'd rather pay someone to do that, and do the things I want to do. But everybody has their interests. Some people are more sort of finance interested, and others want to outsource it. B

But again, I think one of the other key things you said is people you trust. And that's important. That's where a lot of docs get in trouble. And I think, in our books, we have this kind of easy slide, or diagram. It's transparency and trust, and they go together. You got to understand how your financial advisor, or your lawyer, or your CPA, makes money and what their incentives are. And once you understand that, then you can get into a good business arrangement.

So, let's talk a little bit about the entrepreneur in you. You've obviously, even in the bio... I talked about IllumiCare. Tell us about what that is and how... first of all, what it is. And then, what inspired you, or what did you see out there that motivated you, or alerted you to the need of this kind of product in business?

Mukul Mehra:

So, IllumiCare is a technology overlay for the electronic medical record that can show the actual cost of what a physician is ordering in the hospital, and alternatives to that, which may be equally efficacious, but less costly. It's intellectual property. And we obtained our patents just a month ago, around the fact that we can do it contextually. We know who the physician is, who the patient is, what's going on with them. So, the information that we're relaying is very relevant to that interaction, that scenario. And the problem I identified... And this is key in any entrepreneurial pursuit is, identify a problem and solve it. Don't just do cool stuff quick, unless you're just bored and you want to do cool stuff, like you want to build space X and launch a rocket and get the parts right back on your platform and televise it. It's great.

But solve a problem. And to me, the problem is, is that the margins in healthcare, David, are so low. I mean, the profit margins at health systems that are profitable are like 2%. And when a patient is admitted to the hospital, it fascinated me that... how few physicians really realized that the reimbursement for that admission is fixed. I mean, you get admitted for chest pain, the reimbursement for the hospital is \$6,200. Everything we do comes out of that bottom line. The hospital, essentially, for the most part, doesn't get reimbursed because we did more stuff. And so, we are carving into their margins. And, Oh... So, the end user or the end orderer, the physician, is ordering stuff in a black box. There's no price. There's no cost.

So, when did I identify this problem? Well, look, we all round in the inpatient setting. And we scurry around. As physicians, we're always worried about our patients. The sickest ones keep us up at night. They're the first ones we think about in the morning. You say hi to your kids and kiss your wife. But in the back of your mind, you're always thinking about your patients. And it's very hard to pursue an entrepreneurial endeavor, or even begin to framework it, unless you just have time to think. And so, when I turned 40, which was what? 2013? We went to Bali. My wife surprised me. We went to Bali. We went to Indonesia. We went to a small island in Moyo Indo. And then, we went to Ubud, which was this



really... this sand like retreat. Well, the beauty... The trip was beautiful, but the beauty of the story is my wife is an avid reader.

She can read a book and I cannot. I mean, it's very hard for me to read a book. I can't remember the last time I just read a book. So, it's 23 hours, really, the flights back from Bali to Birmingham. And she's reading a book. We're all tired. And I just took out a piece of paper. And I started mapping all these cases I remembered where things went wrong. I'm not talking about medical malpractice. I mean like financial malpractice, like this patient with Crohn's got 18 CAT scans, and this patient had 14 labs drawn. Three of them were repeat labs that didn't need to be done. And I wrote it and wrote it and wrote it, and the redundancies in health care, in the inpatient setting, without knowing the cost.

And at the end of this journey, I sort of turned that diagram in colored pencils into, "Well, how would you solve this problem?" And I knew that you had to solve this problem by first trusting physicians with cost data and letting them assimilate it. Well, yada, yada, yada, there were many problems to solve, but that was the Genesis of IllumiCare.

David Mandell:

It's interesting – one thing that stands out in your description there was the idea that you had to step away, and have the time to kind of get out of the daily grind to think a little bit. And one of the takeaways I would give to other docs who have some idea of something they're seeing in their practice, that this isn't right, or there's a way to solve this, or et cetera, is to take that time now. And they don't maybe have to go to Bali and sit on a 25-hour plane ride. But to... Again, this gets back into where we were just talking about, the highest and best use.

I mean, just take some time. If they have an entrepreneurial spirit in them, and there's something they may want to do, then carve out time in the calendar one afternoon, et cetera, a week, a month, whatever that can be, to dedicate. Say, "Hey. I don't know what the business is yet, but I'm just going to brainstorm and kind of put down ideas of things that I think could be solved, and maybe go down a couple of roads initially, and then maybe come up with some ideas."

You think that would be... Is that something you would recommend to other docs, buddies of yours, who have said, "Wow, you've built something great here. I've got some ideas." What do you tell them?

Mukul Mehra:

No, absolutely. And Scott Faucett on, on your last podcast, said just... like write down your ideas. You're in a very unique position. I mean, we're experts in healthcare. So, it doesn't mean that your entrepreneurship pursuits should only be in healthcare. But be an entrepreneur and what you're an expert in, because you are in a position to see problems. And too many problem-solvers come externally outside of healthcare thinking they can tackle healthcare. And I think it is one of the most hard painful industries to solve problems in.

It's slow. It lags. Innovation is not necessarily at the forefront. But yes, write it down. I mean, I don't think that you're going to think through thoughts as you're rounding on patients, late to clinic, and



getting paged. So, take that time in the pursuit, and find a mentor. I mean, you're not going to be able to do this on your own. And I just happened to stumble into a mentor who is my co-founder.

David Mandell:

Tell me about that. What's their background. They a physician also? Or they come from the total... the business world? Let's explore this a little bit. What's their background? How'd you find them? And then, what's the role in the company?

Mukul Mehra:

Well, I found... So, my wife commissioned me a year, or a year and a half, after this Bali trip, to go to a parent student meeting at a private school. And so, I did it. And I sat next to this guy who asked me what I did. And I said, "I'm a physician." And I said, "Well, what do you do?" And he said, "I'm an entrepreneur." And I thought that was a really boring answer like... That, to me, sounded like somebody who wanted to kind of solve problems and figure things out, but doesn't quite know yet what he's going to solve. And so... But anyway, we introduced each other. We exchanged names. And GT Laborde was the co-founder of MedMined, and sold MedMined to Cardinal health in 2006 for north of a hundred million. So he was... He's not a physician by background. He's a lawyer. He doesn't practice law.

He was the COO and co-founder of MedMined, and totally understood healthcare technology. And so really, my first pursuit wasn't the pursuit of Illumicare. It was the pursuit of engaging him as a mentor. And then, he agreed to be a principal, which I sort of had to look up because that's another nebulous term to me. But I knew, David, that I wanted to be a position. And just like I wanted somebody to manage my money and portfolio, I wanted somebody to really day-to-day operationally manage a company if we got it off the ground. And I really felt like I didn't ever have to go to MBA school if I could meet his targets, because he's so process oriented and detailed.

And I sort of was getting this whirlwind tour into MBA school, but along the way recruiting. Gratuitously, one evening, he called me and he said, "Well, I don't just want to be a principal. This has legs. This has a chance to be real. I want to be your partner 50/50," which is exactly what I was looking for. So...

David Mandell:

And then, when you decided that, you guys went to an attorney, kind of write up a document? How did you move forward?... I just want to explore this for a minute... and then we'll get to our last question because we're almost at that time

You mentioned before it's important to have people you trust. And obviously, you said that this person had expertise. But I think there are physicians out there who get involved with people, and they get taken advantage of a bit, because they don't have that background, maybe a little more trusting, et cetera. So, what did you do, or what advice would you give to a doc who's sort of done the brainstorming, has an idea, maybe has a business friend or two, or a colleague, or someone that got introduced, and now want to sort of formalize things? How did you do it and what did you learn from that?

Mukul Mehra:



I did. I mean, I had gone to an attorney who actually very coincidentally knew GT, because he worked sort of in their equity raising at MedMined. But I did. I went to an attorney. Before I had ever met GT, really to protect...

When I look back at it, it was really not a formed idea. I mean, even I realized like... Well, displaying cost at the point of care is not anything that's IP. But how do I protect my... How do I organizationally protect, or contractually protect, what I'm developing as I'm developing it, as it becomes more concrete? So, I did. I mean, I formed a very basic LLC. I got stock NDAs and business associate agreement. I mean, I had to learn this.

David Mandell:

Right. An NDA, for those out there, that's non-disclosure agreement.

Mukul Mehra:

And it's interesting. I mean, I got him for free. He's like, "Look. Whatever. We can just work by the hour. This is how I would start off. That way, you're protecting the ideas you're developing. I'll let you know, at some point, if they're really needing to protect anything more." And that was it. Then, I was at least free to discuss with somebody, besides my wife, whether this has legs.

I mean, what I realized in the end is that it was only when we were solving why this had never been done, why costs could not come over to the electronic medical record, how we would technologically solve that problem. I mean, that actually ended up being our intellectual property that we needed to protect. And of course, that's what we've done.

David Mandell:

You're touching on certainly subjects that I think would make a great second interview, which we will do for sure. We'll get you back on and do a deeper dive into, I think, entrepreneurial and challenges as you grow. And the story's not written yet, because Illumicare has a lot of future to it. And I'm sure you'll get into new challenges as this thing grows.

So, I want to come to the last question I ask every physician on this, which is, if you could go back in time and either meet up with young Mukul, or to just a young doc who is coming out, what's one piece of advice that you would give them, whether it's career, or finance, or in entrepreneurial? What's one piece of advice you think is worthwhile to impart?

Mukul Mehra:

To me, there's a few. So...

One I would say is don't be afraid to take a risk. And the earlier you take the risk, the easier it is to do it. Right? It's much harder to come up with an Illumicare or whatnot when you're 65 and drawing out of your IUL or whatever. I mean, you're in a very unique position to take a risk and recover from it. And so, doing it at 40 is actually old by Bay area and West coast standards. And the other one is protect your time, so that you can have free thoughts. Your free thoughts may shift to the most innovative ideas that are suppressed by the grind of your practice. And I think if you take time to do that, and take time to



trust somebody, you, along the way, will have great thoughts that solve problems. Along the way, yes, you may be giving part of your pursuit and company to somebody else.

But having a smaller portion of something big is much more impressive than having a big portion of something very small. And every physician is equipped to solving problems. I mean, we solve our patient's problems all the time. So, all this is entrepreneurial pursuits in healthcare are just an extension and scale of problems that you're facing. And just write them down and let your thoughts flow. And don't get caught up in the grind of all of it because it actually...

I took up swimming, David. I took up swimming as a way to... I couldn't break the cycle of being in practice and launching Illumicare. I couldn't shut it off. I mean, now you can't set off two things. And so, I've just... Four years ago, I said, "I want to learn swimming from the ground. I want to learn not freestyle, a 400 IM, a 200 IM, a hundred IM. In fact, I'm doing 800 IMs. And I did it. And I told my wife, I'm going to do it because I need something meditative and relaxing. And it's amazing because you're crushing it outside of health care, because you're swimming. Some of my best thoughts come in my swim. And so, you just need to find that, because almost anybody is capable of it.

David Mandell:

And let me tell you for the folks out there, you don't know this, I played water polo in college. I was a swimmer growing up and played a lot of basketball. And when he says 400 IM, those are like the most grueling events you can do. Okay? So...that's impressive.

But I agree, as someone who spent a lot of time in the pool when I was younger, that it's a great exercise. And it gets you to think. Some people do that running too, and other exercises certainly. But thank you for that. That was great.

Well Mukul, thanks for being on. Again, we've got a lot more to talk about. We'll certainly have you on again, but I think there were some excellent insights here and people will really enjoy it. So, thank you.

Mukul Mehra:

Thank you, David, for having me.