

Newtopia Launches Habit Change Provider Category

Primary prevention through whole-person habit change enables workforce health improvements and cost savings for employers

TORONTO, Jan. 28, 2021 /CNW/ - [Newtopia Inc.](#) ("Newtopia" or the "Company") (TSXV: NEWU) a tech-enabled habit change provider focused on preventing disease is launching the category of habit change provider to enable employees to live healthier every day. Through the company's long history of partnership and experience working with some of the world's largest employer and payer innovators, Newtopia identified both the need and solution for delivering workforce habit change at scale. In pioneering this new category, Newtopia created an individualized whole-person approach that prevents, reverses, and slows the progression of chronic disease while enriching mental health, resilience and human performance.

A pandemic-fueled surge in health risk factors

Employers, health plans and payers have long acknowledged the significant direct and indirect costs of chronic health conditions and have sought to manage these risks through condition management programs and lifestyle-oriented benefits such as gym memberships and increasingly individual digital point solutions for employees.

However, this approach has proved unsuccessful; 80% of the U.S. population still has at least one risk factor for chronic disease, and that was before the surge in health risks brought on by the COVID-19 pandemic. Decreased physical activity, weight gain, mental health challenges such as stress, anxiety and depression, and increased substance abuse have all added to the urgency. Without active intervention, these risk factors lead to chronic conditions, cascade into further personal, familial, and societal problems, and disrupt work productivity.

"The world has changed, and managing employees' health risks is no longer enough. It's time to double down and significantly minimize these risks through primary prevention," said Jeff Ruby, Newtopia's founder and CEO. "The so-called health care system is ill-equipped to help people lead healthy lifestyles because it's designed to treat people after they become sick. There's no pill for prevention. Primary care physicians may make lifestyle-related recommendations, but they don't have the training, experience, incentive, or time to provide ongoing one-to-one attention needed to help people make good choices and build sustainable habits. Who is going to keep people healthy so they don't need medical intervention? Newtopia is launching the new category of habit change provider to address this critical need."

Because health systems do not adequately support primary prevention, self-insured employers along with public and private payers have attempted to fill this void with a patchwork of point solutions for condition management, nutrition, or fitness that deliver short term results at best. A more effective approach is to engage with a habit change provider that designs unique experiences at the individual level, helping employees develop lifestyle habits that maintain or improve their health over time.

What is a habit change provider?

A habit change provider is a partner that is focused on preventing, reversing, and slowing the progression of chronic disease while enriching mental health, resilience, and human performance. These results are achieved through an integrated, whole-person approach that emphasizes one-on-one coaching to help individuals develop and maintain better nutrition, exercise, and behavioral well-being habits.

The habit change process

To begin the process with a new client, Newtopia measures the employee population risk through existing biometric screening data, claims data, or an online risk screener, and then stratifies the population to identify how best to intervene. Based on their risk factors, employees are assigned to either a broad-based disease prevention program or an individualized program focused on diabetes prevention, weight management, hypertension and heart health, or healthy living with diabetes.

Within these programs, individual interventions are tailored to each participant based on their genetics, medical

history, motivation, social determinants of health, and personal preferences and goals. Virtual coaching by a personality matched Inspirator provides accountability, while long-term engagement is supported by digital tools such as connected devices and interactive apps.

Proven results

Habit change is not simply another one-size-fits-all program. It is an individualized experience that delivers long-term results.

The effectiveness of Newtopia's broad-based, whole-person approach to promoting lasting habit change outcomes was published in the peer-reviewed Journal of Occupational and Environmental Medicine, based on a randomized controlled trial of at-risk Aetna employees, demonstrated that sustained engagement with Newtopia's prevention program decreased participants' metabolic risk factors and resulted in a reduction of US\$1,464 in medical costs per participant in just the first year.

Another recent study by Santa Barbara Actuaries, commissioned by Newtopia, showed that Newtopia's habit-change programs can deliver similar medical cost savings — up to US\$1,700 per participant in the first year — among Medicare Advantage populations. Newtopia's Alternate Diabetes Prevention Program has also received full recognition from the Centers for Disease Control and Prevention, helping reduce the burden of a disease that costs \$15,000-\$20,000 per person per year to manage. Newtopia is also currently evaluating how its habit change offerings positively impact employee mental health through the clinically validated PROMIS® tool.

Performance pricing

Newtopia offers performance-based pricing, taking into account indicators such as employee engagement rates, biometric change and mental health impact, and health care utilization and costs.

The company has experienced 100% year-over-year growth over the past five years and currently has contracts for 375,000 at-risk lives.

"Changing habits takes one-to-one human involvement and relationships, not just an educational curriculum, algorithm or an app," said Lara Dodo, chief growth and operating officer at Newtopia. "Every person is unique, so one-size-fits-all programs won't solve the problem, and self-education and self-motivation have not been shown to be effective long term. A new way is needed, and habit change providers are the path forward."

About Newtopia

Newtopia is a tech-enabled habit change provider focused on preventing disease. We prevent, reverse, and slow the progression of chronic disease while enriching mental health, resilience and overall human performance. Newtopia's programs leverage genetic, social, and behavioral insights to create individualized prevention programs with a focus on type 2 diabetes, heart disease, stroke and weight. With a person-centered approach that combines virtual care, digital tools, connected devices and actionable data science, Newtopia delivers sustainable clinical and financial outcomes. Newtopia serves some of the largest nationwide employers and health plans. To learn more, visit newtopia.com.

Forward Looking Information

This news release contains forward-looking information and forward-looking statements, within the meaning of applicable Canadian securities legislation, and forward looking statements, within the meaning of applicable United States securities legislation (collectively, "forward-looking statements"), which reflects management's expectations regarding Newtopia's future growth, results from operations (including, without limitation, future production and capital expenditures), performance (both operational and financial) and business prospects and opportunities. Wherever possible, words such as "predicts", "projects", "targets", "plans", "expects", "does not expect", "budget", "scheduled", "estimates", "forecasts", "anticipate" or "does not anticipate", "believe", "intend" and similar expressions or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative or grammatical variation thereof or other variations thereof, or comparable terminology have been used to identify forward-looking statements. All statements other than statements of historical fact may be forward-looking information. Such statements reflect Newtopia's current views and intentions with respect to future events, based on information available to Newtopia, and are subject to certain risks, uncertainties, and assumptions. Material factors or assumptions were applied in providing forward-looking information. While forward-looking statements are based on data, assumptions and analyses that Newtopia believes are reasonable under the circumstances, whether actual results, performance or developments will meet Newtopia's expectations and predictions depends on a number of risks and uncertainties that could cause the actual results, performance and financial condition of Newtopia to differ materially from its expectations. These forward-looking statements include, among other things, the

estimated cost savings to plan payers associated with the use of Newtopia's platform by plan members, the potential cost of care reduction for other Medicare risk-bearing entities, the continued engagement with Newtopia's platform by plan members, clients continuing to offer Newtopia's platform pursuant to agreements entered into, statements relating to Newtopia's business plans and outlook. Forward-looking statements are not a guarantee and are based on a number of estimates and assumptions management believes to be relevant and reasonable, whether actual results, performance or developments will meet Newtopia's expectations and predictions depends on a number of risks and uncertainties that could cause the actual results, performance and financial condition of Newtopia to differ materially from its expectations. Certain of the "risk factors" that could cause actual results to differ materially from Newtopia's forward-looking statements in this press release include, without limitation: the termination of contracts by clients, risks related to COVID-19 including various recommendations, orders and measures of governmental authorities to try to limit the pandemic, including travel restrictions, border closures, non-essential business closures, quarantines, self-isolations, shelters-in-place and social distancing, disruptions to markets, economic activity, financing, supply chains and sales channels, and a deterioration of general economic conditions including a possible national or global recession; and other general economic, market and business conditions and factors, including the risk factors discussed or referred to in Newtopia's disclosure documents, filed with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com including Newtopia's final long form prospectus dated March 30, 2020.

For more information on these risks please see the "Risk Factors" in Newtopia's final long-form prospectus dated March 30, 2020. Should any factor affect Newtopia's in an unexpected manner, or should assumptions underlying the forward- looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, Newtopia does not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this press release is made as of the date of this press release, and Newtopia undertakes no obligation to publicly update or revise any forward-looking information, other than as required by applicable law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

 View original content to download multimedia:

<http://www.prnewswire.com/news-releases/newtopia-launches-habit-change-provider-category-301216803.html>

SOURCE Newtopia Inc.

 View original content to download multimedia:

<http://www.newswire.ca/en/releases/archive/January2021/28/c7378.html>

%SEDAR: 00046441E

For further information: Jeff Ruby, Chief Executive Officer, Newtopia, jruby@newtopia.com; Rob Bitter, Newtopia Media Relations, rob.bitter@finnpartners.com, 1.914.471.5615; Rikki Bennie, SVP, Marketing, Newtopia, rbennie@newtopia.com, 1.888.639.8181, ext. 208

CO: Newtopia Inc.

CNW 07:30e 28-JAN-21