

June 25, 2013

Chairman Chris Collins
Subcommittee on Health and Technology
Committee on Small Business
2361 Rayburn House Office Building
Washington, DC 20515

Chairman Collins:

We appreciate the Committee's efforts to bring attention to the important field of medical apps. The Association for Competitive Technology (ACT) is an advocacy and education organization that represents mobile application developers, including medical application developers. We represent over 5,000 small and mid-size IT firms and advocate for public policies that help our members leverage their intellectual assets to raise capital, create jobs, and innovate. Our organization was founded in 1998 with the commitment to foster an environment that allows small technology companies to flourish. Our founders believed that the greatest innovation occurs in nimble companies like these and our board of directors has always been exclusively comprised of small business owners.

It is important for this Committee to address mobile health as so many of the companies creating mobile health apps are small businesses. According to a recent study by ACT, 78% of developers are small businesses and a vast majority of those are businesses with less than 10 employees. These small businesses are located in every state, from New York to California and everywhere in between.

Small business app developers add significantly to the American economy. According to a report commissioned by TechNet, the U.S. app industry contributes more than 466,000 jobs to the economy. This year, estimates put the global revenue of the app industry at \$25 billion. As America is recovering from recession, app developers have a significantly lower unemployment rate and higher wages than the national average. App development is an area where small business is thriving.

Beyond contributing jobs and revenue to the economy, mobile health app developers provide health assistance to consumers in a way traditional medical services cannot. A physical therapist can build an app helping a patient across the country to rehabilitate from a specific injury. A doctor in a rural area could use mobile apps to keep in touch with patients scattered throughout a large geographic region. A consumer can use a mobile health app to track symptoms and be better informed when they go to their doctor.

Every month, more and more Americans are turning to their mobile devices and medical apps to make better health care decisions. With one in three Americans owning a tablet and

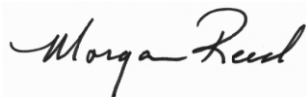
smartphones outselling feature phones, mobile devices are positioned to efficiently allow Americans to increase and improve doctor-patient communication, streamline the marketplace, and reduce medical costs through easy transfer of information. The field of m-health is starting to take off.

Understanding the risks involved in the medical profession, the industry already has mechanisms to ensure the quality of medical apps. For example, ACT member Happtique founded by the Greater New York Hospital Association created the Health App Certification Program to review and certify apps that physicians can prescribe. Happtique's efforts have helped improve users' confidence and trust and allow many to enjoy the benefits of mobile medical apps.

Mobile app developers are creating small business jobs, helping to improve the health of their consumers, and reducing the cost of health care through better communication and marketplace streamlining. In this important and growing area, we hope this Committee will ensure the protection of the small businesses that are responsible for innovation in medical mobile technology.

Thank you for addressing this important issue.

Sincerely,

A handwritten signature in cursive script that reads "Morgan Reed". The signature is written in black ink on a white background.

Executive Director