



HEALTHBOX

Studio Report





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Healthbox Studio Report

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We are dedicated to supporting entrepreneurial innovation as part of our overall mission to empower the reinvention of healthcare. The Healthbox Studio is an opportunity for us to connect emerging startups with healthcare leaders and experts to drive the industry forward.”

NEIL PATEL
President, Healthbox


4.9/5
Value rating of Studio participant experience

Healthbox Studio Overview

The Healthbox Studio is dedicated to supporting entrepreneurial innovation in healthcare. The annual, five-day program works to advance top-tier digital health startups through peer-to-peer collaboration, speaker sessions, and relationship building between participating companies, the Healthbox team, and a broad network of healthcare leaders, investors, and industry partners. The Healthbox Studio is intended for early stage, Seed to Series A companies prepared to sell. Ten startups are selected to participate each year. The program is free of charge to all participating companies with no required equity exchange.

After having the opportunity to learn from sessions throughout the week, participating companies leave with refined sales approaches and stronger marketing strategies. The participants garner valuable feedback from successful entrepreneurs, executives, and other subject matter experts that serve as mentors throughout the week. Moreover, the Healthbox Studio creates a platform for industry leaders to gain exposure to companies transforming the future of digital health and to better understand how startups approach various problems.

Studio alumni reported that the relationships formed during the week offered significant benefits to their companies. Attending mentor sessions gave companies the direct advantages of being able to practice and deliver their pitch to potential investors and prospective customers. Additionally, several of the connections made at the program resulted in sales or pilot opportunities. The majority of participants said that the connections they made during the week developed into impactful post-program relationships, extending the value of the program well beyond the five-day timeframe. Benefits from these connections included the recruitment of strategic hires, advisors, or board members, gaining insightful feedback and perspective from trusted professionals, and receiving introductions to new contacts.

Healthbox Studio Report

89%
of Studio
participants
gained
immediate
applicable
insights from
program
sessions
and mentor
meetings

Strategic Development

Insights gained through program sessions, mentor meetings, and peer interactions help companies develop a deeper understanding of key stakeholders and target customers as well as how to implement ROI-based sales strategies. As a result, companies not only improve sales approaches, but they also walk away with clarified value propositions and refined marketing strategies.

Companies highlighted the benefits of interacting with both customers and sales leaders: “We incorporated insights gained from both health systems and those selling into health systems into our sales and implementation processes right away,” reported Brock Hensen, COO of EnsoData, a healthcare artificial intelligence company.

Lance Larsen, Co-Founder & President of Markit Medical, an organization that allows users to identify and compare care costs in order to improve healthcare transparency, emphasized the importance of having both customer and insider perspectives in order to successfully accelerate the sales process from start to finish.

“Healthcare is an industry of insiders. What most healthcare startups need is an insider from their target customer segment who will brutally vet the solution, and then help sell the more refined solution into his/her network. This is precisely what the studio provides.”

LANCE LARSEN, Co-Founder & President, Markit Medical

Healthbox Studio Report

Strategic Development Cont.

In addition to the value created from participant-mentor relationships, participants also reported that peer interactions provided tremendous, unanticipated value to their companies. Bo Bergstrom, Chief Customer Officer of behavioral health company Sondermind, explained that his peers validated his approach for his company's target market, reinforcing Sondermind's place in the industry. "It led to a better understanding of where we fit into the market, and consequently, a better understanding of our own core value proposition to that market" reported Bergstrom. By engaging with participating speakers, mentors, and peers, Bo was able to confirm the company's strategic approach and more accurately specify marketing and sales goals.

Other participating companies reported similar success around being able to better specify their value proposition and build on their sales processes. For patient engagement platform SmartClinic, the Studio affirmed their strategy of offering patient engagement and education services in order for them to establish their core product in the niche space they inhabit.

Healthbox Studio Report

73%
of Studio
participants
have
established
long-term
relationships
with mentors ¹

Mentor Meetings & Networking

Throughout the Studio week, Healthbox mentors meet one-on-one with Studio participants to learn more about their solutions and provide guidance and expertise. Mentors range from healthcare leaders at provider and payor organizations to successful entrepreneurs, investors, and consultants. Many of the mentors are also subject-matter experts in areas such as sales, marketing, and recruitment.

After the Studio program closes, mentors may serve as a continued resource to Studio companies, offering to connect them to their broader healthcare network or introduce them to investment opportunities and potential partnerships.

John Hui, Co-Founder of Twiage, an emergency communication workflow and care coordination technology, experienced the value of these post-program connections after his participation in the 2016 Studio program. Hui's mentor ended up connecting him to three opportunities that provided tremendous value to Twiage. The first opportunity was an introduction to the Innovation Director of a large health system which led to multiple meetings thereafter where Twiage was able to engage with the organization. The second introduction led to Twiage receiving an invitation from the Chief Strategy Officer of an integrated health system to attend a high-level meeting; and lastly, Hui's mentor connected him with the Vice President of Sales at a successful software company who later introduced Twiage to a potential partner. Twiage experienced the networking advantages of participating in the Studio long beyond the week-long program and said that the post-program introductions created significant opportunities for his company.

All companies that participated in the 2017 Healthbox Studio expressed that they felt confident that opportunities would arise from the relationships fostered during the Studio week. Overall, 73% of Studio participants established long-term relationships with mentors.

Healthbox Studio Report

4.2/5
Mentor
experience
value rating ²

Mentor Meetings & Networking Cont.

Both mentors and Studio companies alike reported received benefits from their post-program interactions. Hilary Hatch, Founder & CEO of Vital Score, a patient-driven behavioral health solution addressing population health and quality at the individual level, highlighted the networking advantages gained from her participation in the Studio program: “The ongoing relationship with Healthbox, advisors, mentors, and other companies has had the biggest impact.”

“As a returning mentor, I am continually impressed with the business models presented by the participating entrepreneurs. The ability to meet with and interact with these innovative teams, beyond a standard vendor presentation, allows for a greater context and deeper understanding to assess these opportunities on behalf of our corporate venture capital innovation and investment efforts.”

ERIC STEAGER, Managing Director, Strategic Innovation Portfolio and Director - Corporate Development & Innovation, Independence Blue Cross

Healthbox Studio Report

50%

of Studio companies received funding and/or made connections with future potential investors



38%

of Studio companies landed a pilot or sale as a direct result of the program;

an additional **24%** are in continuing conversations with prospects

Funding, Pilot & Sales Opportunities

The Healthbox Studio program provides early stage companies access to a broad professional network that leads to substantial funding, pilot, and sales opportunities. Connecting with participants of the cohort, speakers, and mentors alike produced a network ripple effect that directly benefited Studio companies. In fact, 50% of Studio companies surveyed have received funding and/or made connections with future potential investors as a result of the program.

Thirty-eight percent of Studio companies have landed a pilot or sale, with an additional 24% reporting they have gained prospects that have or are progressing in the sales process. The founders of Wellth, a patient behavior change platform, solidified their go-to-market strategy and increased sales momentum. The same company piloted with a health insurance service company after meeting with a mentor of the organization and continued conversations with other prospective customers.

A mentor meeting successfully created a path for Greenlight Medical, a collaborative online platform simplifying hospital value analysis of new medical technology, to establish a contract with Edward-Elmhurst Health, an integrated health system in Illinois. Austin Dirks, the company's Founder & CEO, summarized the process that led to such a significant milestone: "Through our participation in the Healthbox Studio, we were introduced to Annette Kenney, Chief Strategy & Marketing Officer at Edward-Elmhurst as a mentor of the program. Annette provided insightful feedback and helped connect us to the right person within her hospital system's supply chain team. That initial warm introduction led to a demo, then a pilot, then a fully committed contract for the use of GreenLight Medical. That relationship is still going strong today at Edward-Elmhurst. Not every group can do what Healthbox can do, but given their intimate partnerships with health systems, they were able to set us on a path for continued customer growth in a tough hospital market."

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The Studio week was fantastic. Connections from Healthbox have made an impact on every aspect of our business.”

HILARY HATCH

Founder & CEO, Vital Score

Funding, Pilot & Sales Opportunities Cont.

Mentors enjoy engaging with emerging early stage companies to learn more about their solutions, build innovation competencies, and gain insights into the ever-evolving digital health market.

“We originally got involved with Healthbox because we were looking for innovative solutions to the pain points that so many in our industry are dealing with. Mentoring Healthbox entrepreneurs helped us see things through a new lens and opened us up to new ideas,” said Annette Kenney. “I believe the entrepreneurs benefited as well by getting an essential understanding of the healthcare industry, how decisions are made, and how to move products through what otherwise might be a very convoluted process.”

EnsoData advanced their capability to efficiently qualify, sell, onboard, pilot, and close enterprise health system customers; they completed the Studio with three prospects, one pilot, and valuable connections with potential channel partners.

“Our participation at the Studio was an incredibly valuable experience overall. A vast amount of content and knowledge fit digestibly into one intensive week of significant team learning, growth, and development.”

CHRIS FERNANDEZ, Co-Founder & CEO, EnsoData

By fostering relationships with entrepreneurs and industry leaders, the Healthbox Studio creates a platform for companies to transform their marketing and sales strategy, to accelerate their development process, and expand their network to yield sales, pilot, and investments opportunities.

Healthbox Studio Report

About Healthbox

Healthbox is an innovation consulting and fund management services firm that helps organizations determine when and how to build, buy, or partner.

Founded in 2010, Healthbox was the first to combine investing experience and consulting services in a way that is strategic, objective, and actionable for providers, payor, and others across the industry. Healthbox has evaluated over 3,000 early stage companies for accelerator programs, investment decisions, and sourcing vendor solutions on behalf of industry partners. Our demonstrated ability to identify, develop, evaluate, and advance high-potential ideas helps organizations build and sustain internal innovation initiatives through entrepreneurial programs and commercialization projects. We are proud to work with healthcare leaders who share our passion for empowering the reinvention of healthcare.

While Healthbox no longer hosts traditional accelerator programs, the Studio program continues our legacy of supporting and advancing entrepreneurial innovation in healthcare.

Please visit healthbox.com/events/startups to learn more about the Healthbox Studio.

The data presented in this report was collected from the Healthbox Cohort Alumni survey and the 2017 Healthbox Studio Mentor survey.