



Health Velocity Capital Raises \$300M Fund to Continue Advancing Healthcare Software and Services Innovation

San Francisco, CA, December 16, 2021. Health Velocity Capital (“Health Velocity”), the San Francisco, CA and Nashville, TN – based healthcare investment firm announced today that it has raised more than \$300 million for its newest fund to further its mission to generate outstanding financial returns while being the preferred innovation partner of entrepreneurs and investors working toward a more affordable, sustainable, and consumer-friendly healthcare system. The fund was significantly over-subscribed.

Health Velocity Capital will deploy this fund to support early and growth stage companies. The fund’s Limited Partners include a unique combination of some of the nation’s leading institutional investors; many of the nation’s largest and most influential health plans, health systems, and health technology companies; and current and former senior executives from across the healthcare ecosystem. Collectively, the strategic investor and senior executive limited partner base now represent organizations that provide insurance to more than 175 million Americans, operate more than 600 hospitals, provide pharmacy and PBM services to every American, and provide software and technology to every major health system and health plan in the country.

For more than 75 collective years, the firm’s Principals have been exclusively investing in, and building as entrepreneurs and executives, innovative healthcare software and services companies. Through their experience at Health Velocity Capital and their predecessor firms, Health Velocity Capital’s principals have worked with arms-length strategic investors for longer than almost any healthcare investment firm in the nation and partner closely with this investor base to tangibly and positively impact healthcare and the companies in whom they invest. “Working with strategic investors in a symbiotic manner is much easier said than done,” noted Saurabh Bhansali. “Over the course of our careers, and in partnership with outstanding management teams and strategic investors, we have helped facilitate more than 175 revenue-generating commercial relationships and more than 85 executive placements from our networks, and, in the process, have helped generate more than \$40 billion in equity value across dozens and dozens of companies that created new markets in healthcare and became market leaders.”

Moreover, added Kristin Torres Mowat, “As a mission-driven organization dedicated to positive improvements in our nation’s healthcare system, we have also used our strategic networks to help facilitate more than 36 commercial relationships for innovative companies outside of our portfolio, which we believe is one of the most tangible signs of our true symbiotic relationships with our strategic partners. Whether in our portfolio or external to our portfolio, we work with our partners to help them identify the right innovative themes, strategies, and companies to embrace at the right time, and that dialogue has, in turn, been instrumental in our investment performance.”

Guillaume de Zwirek, CEO of Health Velocity Capital portfolio company Well Health remarked on this unique model, “We weren’t raising capital at Well Health, and the Health Velocity Capital team introduced us to clients and board members because they liked our product and the impact it could have on healthcare. Based on those introductions and others we invited them exclusively to invest, and it was more than worth it. They have introduced us to customers, advanced prospects, placed current team members, and recruited an advisor who has driven the most important partnership for our company.”

Included among Health Velocity Capital's portfolio of 17 investments are companies such as MDLive (acquired by Cigna Evernorth), Contessa Health (acquired by Amedisys), Headspace Health (Blackstone), Zipari (Thoma Bravo), and IVX Health (Great Hill Partners). Bruce Crosby added, "Collectively, these 17 companies achieved average growth of more than 75% during 2020. We are so fortunate to work with an incredible group of entrepreneurs, executives, and innovators who have driven our success. We would not be where we are today without their passion, sacrifices, commitment, hard work, and creativity and would like to thank them for choosing to partner with us."

"I don't know of more experienced investors in digital health. We proactively chose them as an investment partner, and they have been immensely helpful. They have been strategic thought partners and used their networks and reputation to help with commercial relationships and board members. They also initiated a critical commercial relationship with one of the largest national insurers." remarked Russ Glass, CEO of Headspace Health. "They are world class health tech investors."

In closing, Marty Felsenthal noted, "We are extremely grateful to have the support and confidence of an outstanding group of institutional investors, strategic limited partners – and they are true partners – and senior healthcare executives who give us the opportunity to work with and for these amazing teams who are aligned with our mission of helping to build a more affordable, sustainable, consumer-friendly healthcare system. We are driven by a desire to excel for our entrepreneurs and our investors; we believe we have a highly unique model, set of relationships, and set of proof points that enable us to do this; and we never take for granted the responsibility and confidence placed in us by our investors and entrepreneurs."

About Health Velocity Capital

Health Velocity Capital invests exclusively in innovative healthcare software and services companies. The firm's partners have more than 75 collective years as investors, entrepreneurs, and executives helping to finance and build innovative companies that created important new healthcare markets and that became market leaders, including successful companies such as [Teladoc](#), [Livongo Health](#), [Change Healthcare](#), [MDLive](#), [Contessa Health](#), [Headspace Health](#), [Aspire Health](#), [Zipari](#), [IVX Health](#), [Well Health](#), [Compassus](#), [Aperio](#), [The Advisory Board Company](#), [Healthways \(Tivity Health\)](#), [US Renal Care](#), [Spero Health](#), [OnShift](#), [Vantage Oncology](#), D2Hawkeye, [Circulation Health](#), [Payerpath](#), and many others. In addition to investing on behalf of institutional investors, Health Velocity Capital invests on behalf of a number of the nation's largest and most influential healthcare organizations and many of their top executives who collectively represent organizations that provide health insurance to more than 175 million Americans, operate more than 600 hospitals, provide pharmacy and PBM services to all Americans, and provide software and services to every major hospital in the United States. For more information, please visit www.healthvelocitycapital.com.

Sparring Partners Capital, a New York City-based investment bank, served as exclusive placement agent, and Gunderson Dettmer Stough Villeneuve Franklin & Hachigian, LLP served as legal counsel to Health Velocity Capital in connection with the fundraiser.