



## **Morgenthaler's Picks: The Top Twelve Health IT Startups**

By Missy Krasner

Today we announced the 12 startup finalists for the 2012 DC to VC contest. DC to VC is a nation-wide contest to find the most promising health IT startups looking for Seed and Series A (\$2-5M+) funding. An annual event started by Morgenthaler Ventures over a 3 years ago to help close the gap between what was going on in Washington D.C. (at ONC, CMS and the White House) and aligned interests in the Silicon Valley on health IT investing, the event has now grown into a large health IT startup competition. Morgenthaler Ventures got interested in this space when they invested in Practice Fusion over 3 years ago (they just invested in Doximity – see funding announcement). I joined as an Executive in Residence (EIR) in January after leaving Google Health and asked Matthew at Health 2.0 to combine forces with us to make the event even bigger—given he was our featured MC last year and will be again this year, too.



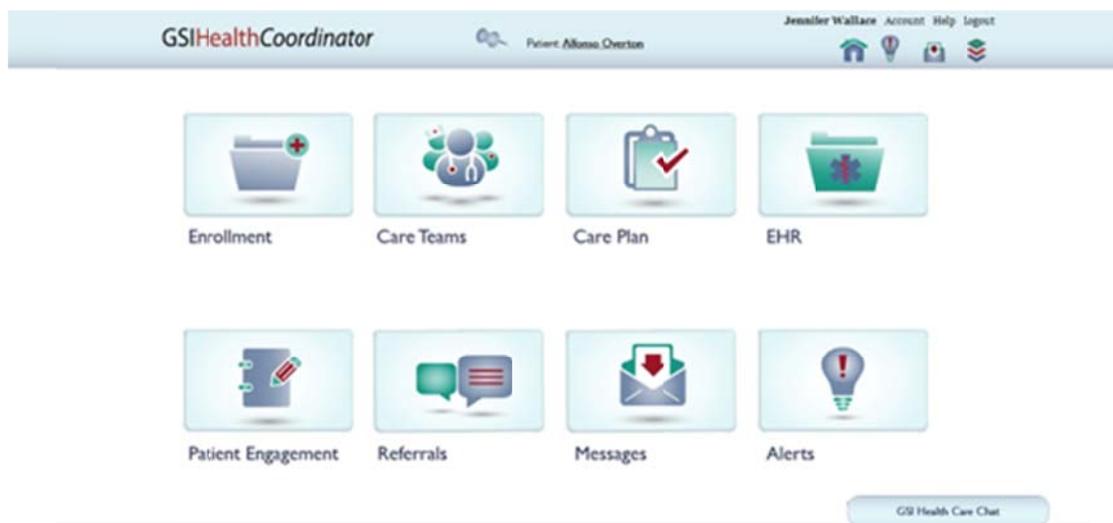
This year the application pool was overwhelming; we received over 140 applications to compete in the contest. Our pre-selection judges worked with us to narrow down the applications to the 13 finalists below who will present to a packed room of venture capitalists, angel investors, government officials and entrepreneurs on the last day of the annual Health 2.0 conference on October 10, 2012 in San Francisco, CA. Registration is open to all, so grab your seat fast as the room is getting packed!

Here is a summary of each company and why our judges liked them. Series A candidates needed to have a product or prototype in the market, show some proof that pilot customers or clients are using it, and are seeking approximately \$2M to \$5M+ in venture capital. Seed stage candidates had to be submitted through accelerator partners and be actively looking for a Seed round of funding. The full judging criteria can be found <http://www.dctovc.com/challenge/>.



## Series A Finalists

**GSI Health** delivers workflow, care coordination apps and health information exchange (HIE) solutions for hospitals that manage patients across the care continuum and outside the enterprise. They are located in Philadelphia, PA and they were founded in 2003. The founders are Leroy Jones and Lori Evans-Bernstein who were both among the very first inaugural team at the ONC at HHS when David Brailer was the first National Coordinator under President George W. Bush. They coined the term Health Information Exchange (HIE) and Regional Health Information Organization (RHIO). Now, their company is bringing that vision to fruition in the private sector. Their flagship clients are Maimonides Medical Center, a large hospital in the Bronx/New York and the Arizona Health-e Connection (AzHeC).



**CarePlanners** is a platform that enables a nationwide network of careplanners to help patients and caregivers better navigate their individual and ongoing experiences with the healthcare system using a combination of personal services and online tools. They were founded in May of 2011 but launched to the public in June of 2012. They are located in New York, NY and Alan Blaustein and Dr. Nancy Snyderman, Surgeon and Chief Medical Editor for NBC News are Co-Founders. Careplanners was born after Alan was diagnosed with thymic cancer in 2005 and became frustrated with the limited resources available to effectively navigate the system. After his recovery, Alan and longtime friend Dr. Nancy Snyderman founded CarePlanners to provide the type of service and resources Nancy gave to Alan during his illness. They have a number of employer pilots underway and are working with 2 significant not-for-profit organizations and are in the final stages of a pilot



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design with a substantial home healthcare organization in the greater New York area.

CarePlanners Beta Account FAQ Log Out 1-800-989-3588

CARECENTER

Welcome! We're Here To Help.

**Action Items** (suggestions for you and your family)

- Susan Smith: Take Charge of your Health Care. More. healthfinder.gov
- Jacob Smith: Get a Seasonal Flu Shot. More. healthfinder.gov
- Michael Smith: Protect your Skin from the Sun. More. healthfinder.gov
- Charlotte Smith: Get your Teen Screened for Depression. More. healthfinder.gov
- Molly Henshaw: Get a Seasonal Flu Shot. More. healthfinder.gov
- Jacqueline Smith: Watch your Weight. More. healthfinder.gov

**Recommended Reading**

- Are you taking care of others? Here are 11 Tips for Caregivers from AARP. Susan Smith. aarp.org
- Getting your teen involved in their healthcare. Michael Smith. webmd.com

**Your Circle**

- Jacob Smith View Profile
- Michael Smith View Profile
- Charlotte Smith View Profile
- Molly Henshaw View Profile
- Jacqueline Smith View Profile

Call us anytime. 1-800-989-3588

**Your careplanner**

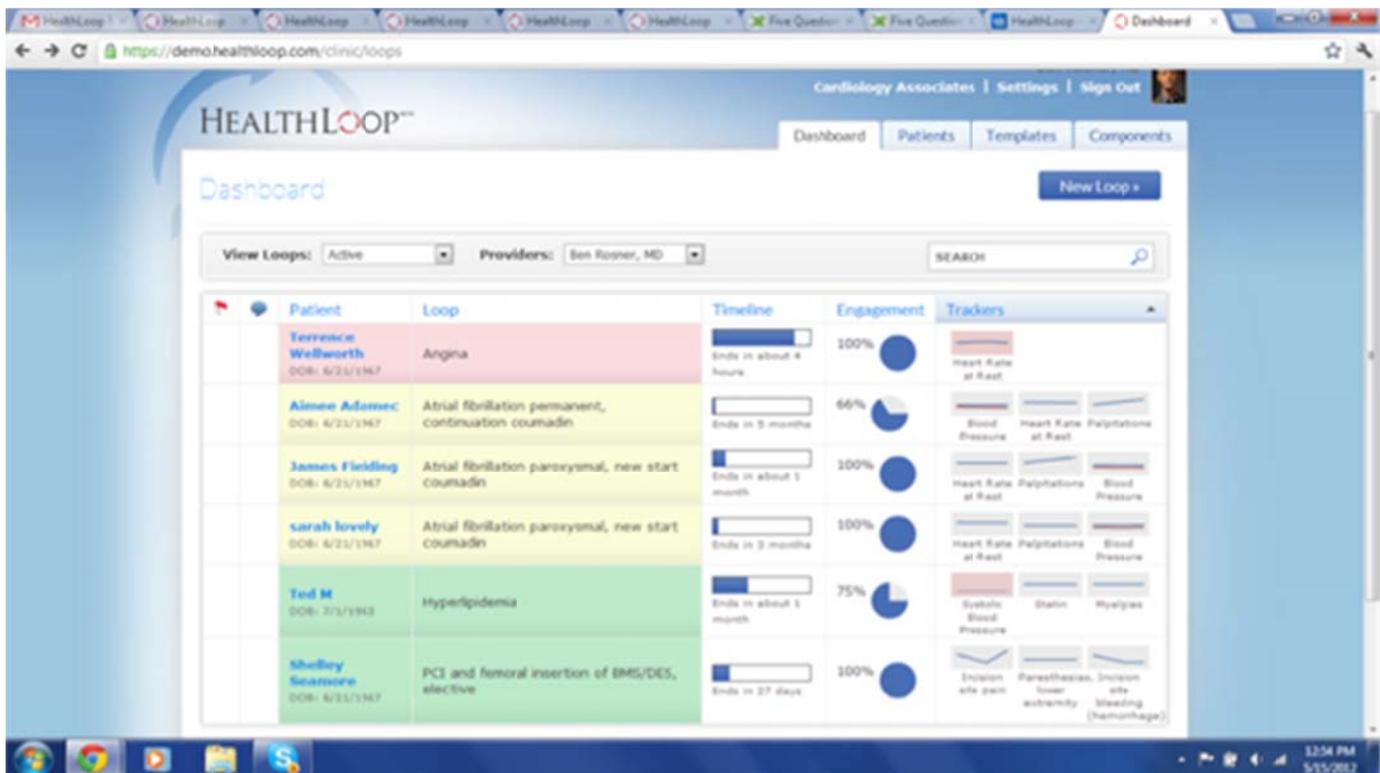
- Crystal Fornes NP, RN. crystal@careplanners.com. 1-800-989-3588

**Starling Health** offers an intuitive, touchscreen bedside communication system for hospitals to improve patient interaction at the point of care and help streamline the nurse triage and communication process. If you have ever been on a Virgin Airlines flight and pushed the stewardess button, then this is what they are doing for hospital beds and patients. They are located in New York, NY and were founded in 2011. Brian Yarnell is the Acting CEO. Their flagship clients include NYU Medical Center and War Memorial Hospital in Sault St. Marie, Michigan.





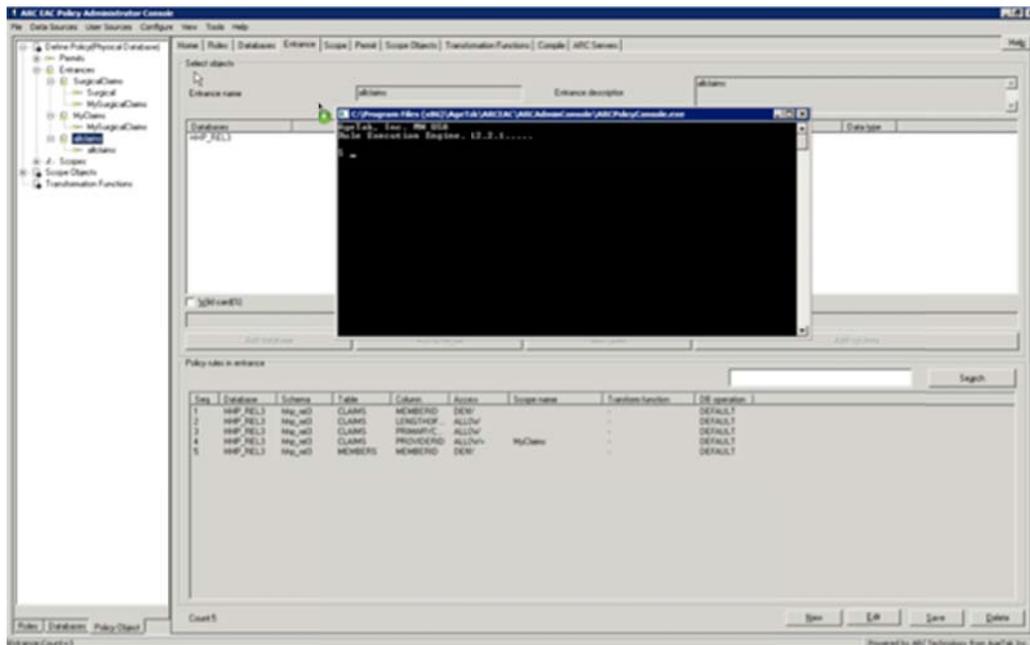
**HeathLoop** offers an automated patient follow-up solution that tracks patient recovery and improves outcomes by engaging patients with their doctor between visits. They are located in San Francisco, CA and were founded in October of 2009. Jordan Shlain, M.D. is a Co-Founder and Mike Kaplan and Ted Meisel are Angel Investors. Jordan is an actively practicing internist who believes in value-based, personalized medicine. He has founded numerous medical and technology companies with the common thread of bringing doctors and patients closer together. When he is not caring for patients, he is always fine tuning his patient centric practice at CurrentHealth. Their flagship clients include an international device manufacturer, one large national health plan, and many leading surgical physician practices.



**AgeTak** unleashes big data in healthcare from dispersed data silos in real-time based on consent from the true owner of the data. The company was founded by a father and son team in 2004 and is headquartered in Hopkins, MN with offices in Menlo Park, CA and India. Pratik Verma is the Co-Founder and COO but AgeTak was started in the basement of a town home in MN by a family of recent immigrants to the U.S. with their own personal savings. For outside seed funding, Pratik went to Stanford University to get a Ph.D. and took out a graduate student loan to help pay for the start up. Last year, the company grew to a 16-person team and generated \$3.7M in revenues from customers that include Fortune 50 healthcare organizations. They serve



financial services and healthcare clients that have data in multiple silos.



**Beyond Lucid Technologies** offers a pre-hospital records or type of electronic health record (EHR) solution for ambulance drivers, medics and first responders. They are located in Walnut Creek, CA and were founded in May 1, 2009. Jonathan Feit is the Co-Founder and CEO and Christian Witt is Co-Founder, President and CTO. An interesting story for how Beyond got started was when Jonathon joined the U.S. Army Reserve on September 11, 2011. He was slated to become a Combat Medic (91W), but was unable to complete training because of his Tourette's Syndrome. After feedback from the Department of Defense's U.S. Army Research Institute of Environmental Medicine, Jonathan went into the emergency response industry. Beyond has a pilot underway in New York City and has 5 deployments in various stages of negotiation around Northern California. Beyond also recently received a Letter of Support from the country's largest EMS provider. In total, their current pipeline covers over 620 ambulances, with an additional 4000 if they succeed in forming a partnership with the aforementioned industry leader.

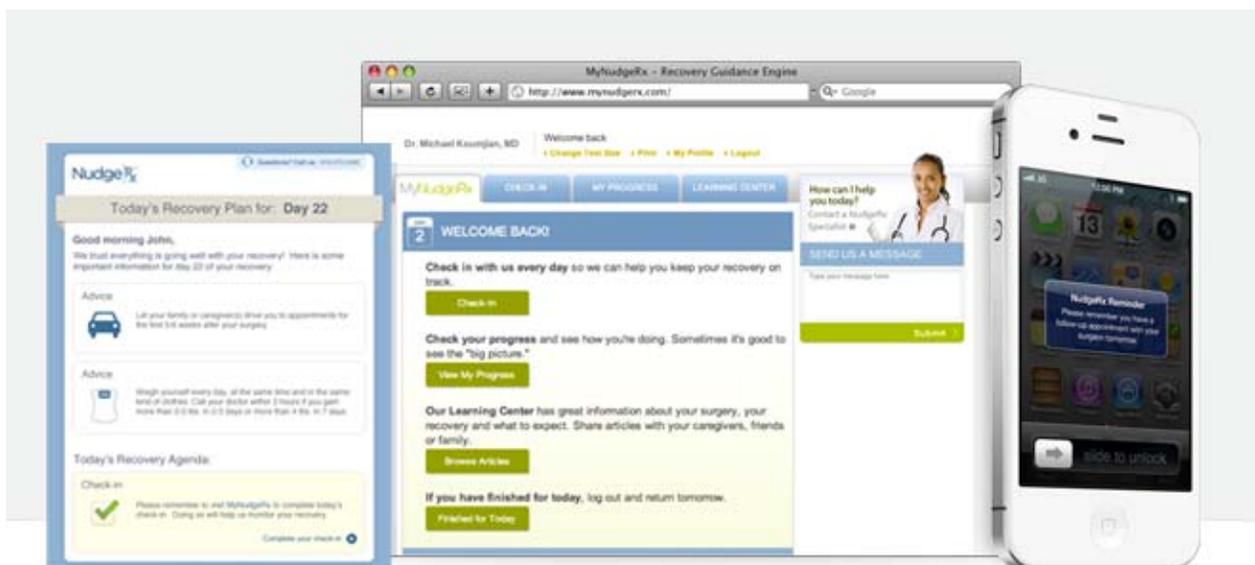




**Comprisma** is a special candidate in that they are still very early, but we really liked them for their unique solution given the current healthcare reform environment. They make health insurance markets healthier by providing risk markets for health insurers to share risk with one another, reducing the uncertainty and volatility in aggregate policy experience. Comprisma was founded shortly after the passage of the Affordable Care Act in March 2010 and was incorporated in January of 2011. Chris Dugan and Adam Pelavin are the Founding Principals of Comprisma and have been childhood friends since elementary school. They are also self-proclaimed policy wonks. Comprisma serves national and regional health insurance plans and provider networks that share financial risk for their patients.



**NudgeRX** is a Series A “Honorable Mention” and considered a finalist but will not officially compete in the contest. They reduce unplanned hospital admissions by providing daily, web-based recovery monitoring and guidance for patients and caregivers. They were founded in 2010 and are located in Seattle, WA. A brother team, David Schuster is the Co-Founder and CEO and John Schuster is the Co- Founder and COO. They currently serve 3 large hospitals in Southern California.

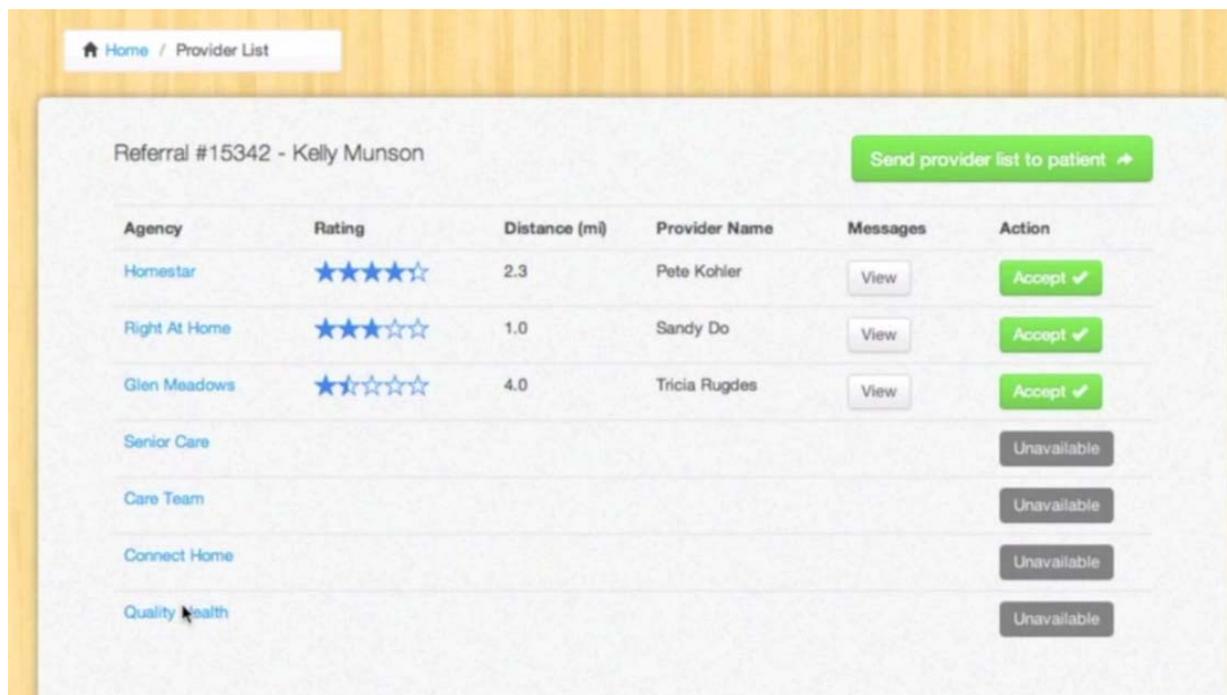




## Seed Stage Finalists

This year, the contest held open applications for Series A venture back-able health IT companies but the Seed stage candidates were submitted by accelerator partners: Rock Health, Blue Print Health, Healthbox and Startup Health. Check out our 6 Seed stage finalists below.

**Aidin** is the finalist representing Blue Print Health. They provide a hospital discharge solution for social workers and case managers to refer patients to post-acute care providers or to receive care in the home. They were founded in 2011 and are located in Nashville, TN. Russ Graney is the CEO and Mike Galbo is the COO. The company was born when Mike's family was shocked that it took 17 phone calls, 5 faxes, and 3 extra days in the hospital to find post-acute care for his uncle. Their initial pilot sites include regional medical centers in New York, Pennsylvania and California. Video link is here [www.myaidin.com/demo](http://www.myaidin.com/demo).



**United Preference** is the finalist from Healthbox. They offer flexible payment architectures on an easy-to-administer card platform for the delivery of employee and health plan incentives that help drive healthy behavior. They are located in Chicago, IL and were founded 2011. Mark Hall, CEO and Pamela Hall, COO are the co-founders and are a husband and wife team. The company formally launched at the end of April 2012 and it already supports over 200K lives within its programs, and has a Fortune 500 company client and an East Coast Blue Cross Blue Shield health plan. When United Preference applied to DC to VC, they were more of a



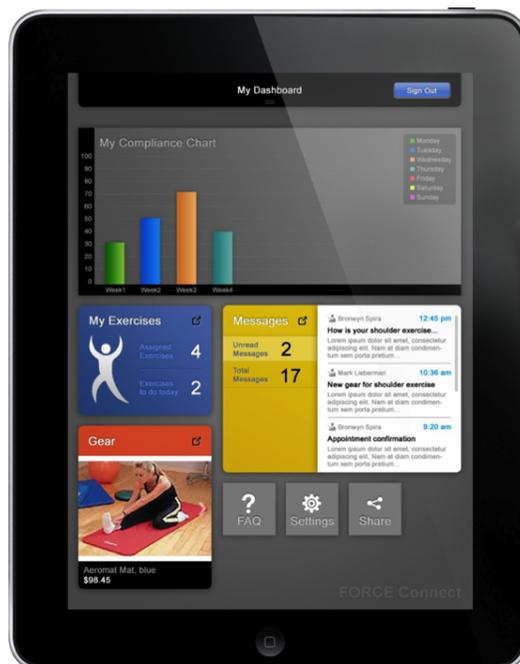
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Seed stage company, but with their recent client activity they are now seeking Series A funding.

United Preference understands that people are unique in what motivates them

**Force Therapeutics** is the finalist from Startup Health. They are a physical therapy platform for both consumers and physical therapists that leverage telehealth to help deliver mobile care in real time. FORCE Therapeutics was founded in 2010 and they are located in New York, NY. Bronwyn Spira is the CEO and Co-Founder and Mark Lieberman is Co-Founder and President. Bronwyn has been Director of Physical Therapy of major clinics and has been a practicing physical therapist for 20 years. She started FORCE Therapeutics in order to solve major inefficiencies in the delivery of injury rehab and prevention. Currently, Force has 6 physical therapy practices and 1 orthopedic surgery practice using FORCE's web and mobile platform within the New York tri-state area.





**Neposity** is the finalist from Rock Heath. They offer an iPad viewer app and cloud server that enables collaborative access to medical images, anywhere, anytime. They were founded in 2010 and are located in San Francisco, CA. Michael Pan is a Co-Founder and CEO and Zaich Chang is Co-Founder and UI Architect. Interestingly, both co-founders hail from non-healthcare backgrounds. In fact, Michael comes from DreamWorks Animation and was nominated for an academy award and worked on such films as *Shrek the Third*, *Fu Panda*, *How to Train Your Dragon*, *Shrek Forever After* and *MegaMind*. They are piloting with doctors at Brigham and Women's Hospital, a teaching affiliate of Harvard Medical School and Dana Farber Cancer Institute in Boston to improve the usability of the product.



**CaptureProof** is a special candidate in that it was not submitted by any accelerators but is the judges' choice for most promising new seed stage company. It captures, shares and compares patient photos and videos for easy analysis by doctors who want to monitor their patient's health and physical healing over time. It was incorporated in 2012 and is located in San Francisco, CA. Meghan Conroy is the CEO and Founder and has a background in pharmaceutical sales and photography. She got the idea for CaptureProof when she was managing photos for clinical trials across Europe for post lumpectomy breast reconstruction patients.



CaptureProof is launching beta sites with doctors in San Francisco and Boston and is in conversations with 2 well known consumer branded weight loss companies.



**Cara Health** is an “Honorable Mention” in the Seed Stage round and is considered a finalist but will not officially compete. They are an alum from the first class at Healthbox and originally from Ireland. They use language analytics and machine learning algorithms to calculate risk of unplanned adverse events based on live conversations with patients who are reporting their health status with care managers at call centers. Enda Madden is the Co-Founder along with Professor Carl Vogel, Director of the Centre for Computing and Language studies at Trinity College Dublin. They are piloting with 2 hospitals in the Midwest and East Coast.

### Cara

#### Cara: Patient Summary

Hospital/Discharge Calls	
Every Day Calls	
Add Patient	
Add Doctor	
Search Patients	
Search Calls	
Last Call flags/notes	
Log Out	
<b>Clinician Name:</b>	Carmel Martin
<b>Patient Name:</b>	Michael Breen
<b>Patient ID:</b>	P91
<b>Call Date:</b>	18 Jun 2012
<b>Caller:</b>	Carmel Martin
Illness	<b>intermittent red</b>
Medication	No flag for this raised for this patient today.
Medical and healthcare	<b>continuous red</b>
Social support	<b>intermittent red</b>
Environmental	No flag for this raised for this patient today.
Health promotion	<b>continuous red</b>

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**Genomera** is the second “Honorable Mention” in the Seed Stage round and is considered a finalist but will not officially compete. They are an alum from Rock Health’s first class. They offer a crowdsourcing health discovery service that helps any consumer create group health studies or clinical trials using social networking. They were founded in 2010 and are located in San Francisco, CA. Greg Biggers is Chief Instigator and CEO. The company began by helping consumers who feel unserved by the medical research establishment. Today, while continuing those participant-driven studies, Genomera also powers academic-driven studies and commercial studies. Significant customers include: Activist consumers, University of Geneva, Switzerland, Stanford University, Riken Genesis, DIY Genomics Second Genome, and multiple disease advocacy foundations.

The screenshot shows the Genomera website interface. At the top, the logo reads "genomera HEAL THE WORLD" and a user profile for "gbiggers" is visible. The main content area features a study titled "Dopamine Genes and Rapid Reality Adaptation in Thinking". The study details include:

- OBJECTIVE:** To determine if genetic variants related to dopamine processing in the brain impact the processing of memories according to their relation with ongoing reality.
- DESCRIPTION:** Our brains are able to adapt to the unexpected using an inbuilt network that makes predictions about the world and monitors how those predictions turn out. An area at the front of the brain, called the orbitofrontal cortex, plays a central role and studies have shown that patients with damage to this area confuse memories with reality and continue to anticipate events that are no longer likely to happen. This study seeks to determine if genetic variants in the dopamine processing pathway impact this process in normal, healthy volunteers. This study is being conducted in conjunction with the Center of Cognitive Neurorehabilitation at the Geneva University Hospital in Switzerland and based on ongoing research on the underlying mechanisms impacting the processing of memories according to their relation with ongoing reality. Since we are using this study to learn about collaborating with a university and hospital, some of the raw data will live with the university and hospital researchers. Please see <http://bit.ly/hbPFzD> for more information on this research.

Below the study description are buttons for "ADD POST", "SHARE NEWS", and "ASK QUESTION", followed by a text input field: "What would you like to contribute?". A notification states "snlv joined as a data participant. 13 days ago" with a "Comment..." field. Another notification states "cowgoh joined as a discussion participant. 15 days ago".

The right sidebar contains several sections:

- INVITE FRIENDS** (green button)
- ORGANIZERS:** Lists "cwhogg" (2 Studies) and "melanie" (12 Studies).
- IN PROGRESS** (progress bar)
- ORGANIZATIONS:** Features logos for "HUGO" and a molecular structure icon.
- GENOME VARIANTS:** Lists rs1076560, rs12364283, rs1800497, rs2263265, rs27048, rs27072, rs40184, rs4274224, rs4561480, rs4660, 2 more... and a "DOWNLOAD GENOTYPES" button.
- DATA PARTICIPANTS:** A grid of 24 small profile pictures and a "MORE" link.
- DOWNLOAD DEMOGRAPHICS** (blue button)

Missy Krasner is an executive in residence (EIR) at Morgenthaler Ventures.