Reimagining Opportunity and Innovation In Digital Health

Catalyzing the Impact of Underrepresented and Underfunded Digital Health Innovators
Publication Overview
This publication was developed by the RockHealth.org team after conducting extensive research on the challenges that women+ innovators and innovators of color face when accessing investment resources within digital health and collaborating with members of the Reimagining Opportunity & Innovation in Digital Health Advisory Committee. Our findings emerged from review of existing literature, analysis of startup venture investment data, and direct discussions with field experts. Thank you to everyone that contributed to this information collection, synthesis, and content development process.

Publication Authorship & Acknowledgements
This report was written by Deonta Wortham, Katie Drasser, and Anisa Mian. Special thanks to the members of the Reimagining Opportunity & Innovation in Digital Health Advisory Committee for sharing their insights and stewarding this body of work. Additional thanks to Maya Chan, Sonal Purohit, Nasseef Quasim, Derrick Simmons, Camille Bridge, Adriana Krasniansky, Megan Zweig, Claire Egan Doyle, and Courtney Martin for contributing to—and refining—this publication.

About RockHealth.org
RockHealth.org is an independent 501(c)3 organization that equips innovators with the resources, reach, and recognition needed to create an equitable digital health future for all. We do this by catalyzing an inclusive digital health ecosystem, amplifying equity-centered digital health innovations, and fostering community connections.

Letter from Rock Health’s Leadership
At Rock Health, we’re committed to transforming healthcare for all of humanity, and bringing greater humanity to healthcare. While each of our organizations—Rock Health Advisory, Rock Health Capital, and RockHealth.org—work toward this end through different means, our shared purpose continues to unite and drive us. Over the years, as our research and analysis of the forces shaping and driving digital health have deepened, we’ve learned from so many innovative entrepreneurs and organizations who are meaningfully pushing health and care forward in exciting ways. But our work has also exposed areas ripe for even more innovation and evolution too.

Back in 2020, when we released the State of Diversity in Digital Health report, we understood the findings represented untapped opportunities to truly invest in underrepresented and underfunded entrepreneurs. In expanding beyond those initial efforts, we’ve been inspired by our conversations with many of the dynamic leaders who are setting the standard for what it means to drive health equity forward—and recognized there was an opportunity for us to do more.

RockHealth.org’s new publication—Reimagining Opportunity and Innovation in Digital Health—is built upon the existing foundation created by so many other organizations and efforts that have led the way. Our hope is that RockHealth.org’s new Equitable Investment Initiative continues to expand the existing pool of knowledge, and sheds light on the further opportunities we see to continue the momentum.

Across Rock Health, we are committed to expanding our support of underrepresented and underfunded founders, collaborating with funders across capital classes, and designing with builders for overlooked and underserved populations. The publication that follows serves as an invitation for the entire Rock Health community to join us as we continue to learn and act on our commitment. We’re looking forward to the path ahead.

With gratitude,
Katie Drasser, RockHealth.org
Bill Evans, Rock Health Capital
Tom Cassels, Rock Health Advisory
Executive Summary

Over the last ten years, digital health has transformed healthcare. Digital health innovators have developed and scaled game-changing solutions. Since 2011, 1,900+ U.S.-based digital health firms were founded and individually raised at least $2M in venture funding. From 2019 to 2021 alone, the total number of venture-backed deals increased 77% (from 411 to 719), and the total amount of capital that flowed to digital health ventures increased a staggering 254% (from $8.2B to $29.1B) – though funding has slowed in 2022. The pace of growth in digital health is expansive, increasingly noted by several experts, and well on its way to transforming health for all humanity.

This is all exciting news. However, a stark reality presents itself when examining who is developing digital health ventures and where venture investment dollars are flowing.

Rock Health’s Diversity in Digital Health survey and report found that though there is a diverse group of founders developing digital health innovations—46% identified as white, 25% Asian, 11% Black, 6% Latinx, and 1% multiracial. Across gender, founders self-identified—57% as men, 41% as women, 2% as non-binary, and 2% preferred not to say. There is unequal access for these founders to receive venture-backed investment.

When disaggregated by founder race/ethnicity, funding-related data showed that:

- Among white-identifying founders (n=117), 55% were venture-backed, 16% were angel-backed, 23% boot-strapped, and 6% leveraged other capital forms.
- Among Asian-identifying founders (n=63), 63% were venture-backed, 10% were angel-backed, 22% boot-strapped, and 5% leveraged other capital forms.
- Among Latinx-identifying founders (n=14), 43% were venture-backed, 21% were angel-backed, 21% boot-strapped, and 14% leveraged other capital forms.
- Among Black-identifying founders (n=29), 24% were venture-backed, 17% were angel-backed, 41% boot-strapped, and 17% leveraged other capital forms.

When disaggregated by founder gender, funding-related data showed that:

- Among men founders (n=141), 62% were venture-backed, 18% were angel-backed, 14% boot-strapped, and 6% leveraged other capital forms.
- Among women founders (n=104), 40% were venture-backed, 13% were angel-backed, 38% boot-strapped, and 8% leveraged other capital forms.

Noting these facts, we must ask—what is the lost opportunity to all of us if we don’t meaningfully support a diverse pool of entrepreneurs addressing our most pressing health concerns? And what is the opportunity if we do?

We believe that the constrained ability of women+ innovators and innovators of color in digital health presents meaningful challenges and opportunities that have implications for the digital health industry and society at large. And urgent action is needed.

From January–June 2022, the RockHealth.org team partnered with an advisory committee of digital health experts—including digital health innovators, venture investors, impact-oriented funders, network builders, physicians, and tech executives—to identify near-term opportunities to direct investment resources to underrepresented and underfunded (UUDH) innovators. During our time together, we worked to:

- Articulate the impact of solutions created by UUDH innovators and the lost value—both economic and health-related—of not investing in their innovations.
- Acknowledge and describe the critical barriers UUDH innovators face when accessing venture investment resources.
- Identify solutions to direct an increasing flow of investment resources to UUDH innovators.

1Rock Health Digital Health Venture Funding Database
Through our work, we identified six near-term opportunities for change and tactical actions to increase support for UUDH innovators. We share these items as part of an ongoing iterative process. We invite others across the field to share your reactions, reflections, and learnings. These near-term opportunities include:

1. **Develop** the “building blocks” needed for field-wide discussion.
2. **Acknowledge** underrepresented and underfunded innovators as critical drivers of digital health innovation.
3. **Expand** investment criteria and sourcing strategies for digital health innovators.
4. **Demystify** the venture investment landscape.
5. **Promote** continuous learning about underrepresented and underfunded innovators and their innovations.
6. **Create** opportunities for innovator-focused, peer-to-peer learning.

What’s next? Ultimately, there are no easy fixes to alleviate the challenges that UUDH innovators face when attracting investment resources. Noting this, we hope that this publication builds on that of comparable efforts and prompts digital health actors to meaningfully support underrepresented and underfunded innovators by:

- Directing and allocating more funding to UUDH innovators that are leading innovations expanding the promise and potential of digital health.
- Supporting field efforts and related organizations that amplify and support the work of UUDH innovators.
- Determining your baseline and considering next steps—for investors, this may mean auditing your portfolio and investment pipeline to ensure that UUDH innovators are represented; for corporate leaders, this may mean entering into discussions with UUDH innovators to understand how their work may complement your strategic goals; for media, researchers, and advisors this may mean intentionally elevating the stories and work of UUDH innovators; and for peer-entrepreneurs, this may mean finding ways to support and champion the work of fellow innovators that are advancing digital health innovation.
- Broadening your networks by asking who is not at the table and engaging with the expressed purpose of connecting with and learning alongside transformative UUDH innovators.
- Sharing your reflections and learnings with colleagues in your organizations and your network.

We look forward to learning, engaging, and partnering with you to meaningfully support the efforts of underrepresented and underfunded innovators catalyzing innovation across the digital health space.
Over the last decade, digital health has transformed health and healthcare. During this time, digital health innovators have developed and scaled game-changing solutions, such as allowing patients to monitor their glucose levels, assess sleeping patterns, and attain medical products and services through virtual marketplaces; providers to monitor the health status of high-risk patients and engage with other patients that live in remote settings, and payers and employers to provide an expanded array of services to increasingly diverse populations. There is even an intrepid group of innovators that are boldly building the tech infrastructure needed to scale these approaches from the ground up. The pace of growth and possibility in digital health are expansive. Digital health is well on its way to transforming health for all humanity.

Digital health’s promise and potential has never been more apparent than during the COVID-19 pandemic. Since 2020, the use of tech-enabled health innovations has increased by nearly 38%. The contributors to this rise are multi-faceted and largely influenced by shifting consumer perceptions, increased provider usage, increased investor activity, and a rapidly evolving regulatory landscape at the state and federal levels. Alongside these developments, an increasing array of private, public, and social sector actors also acknowledged digital health’s promise and potential.

Increased activity across the industry can also be observed through the formation of digital health start-ups and venture investment trends. It is estimated that since 2011, 1900+ U.S.-based digital health start-ups have been founded and have individually raised at least $2M in venture funding. According to Rock Health’s 2021 Digital Health Funding Report, from 2019 to 2021 alone, the total number of venture deals increased 77% (from 411 to 719), and the total amount of capital that flowed to digital health startups increased a staggering 254% (from $8.2B to $29.1B). While venture funding has slowed in 2022, the field is still witnessing an overall upward trend in capital flowing to start-ups.

However, a stark reality presents itself when examining who is developing digital health startups and where venture investment dollars are flowing. Rock Health’s 2020 Diversity in Digital Health Report surveyed digital health leaders to understand the state of the C-Suite level diversity within digital health startups. Through this effort, the team noted that of the 253 founder respondents—46% identified as white, 25% Asian, 11% Black, 6% Latinx, and 1% multiracial. The same survey found across gender founders self-identified—57% as men, 41% as women, 2% as non-binary, and 2% preferred not to say.

From this data, we can surmise that we are seeing a meaningful array of diversity across the digital health space among founders. However, when you explore who among these founders is gaining access to investment resources, a different picture emerges.

The same report highlighted that though digital health founders of color and women founders were developing startups at a compelling rate, these innovators faced significant hurdles attracting venture-backed capital. The report noted that while 69% of white men digital health founders were venture-backed, 36% of white women founders received venture funding, 33% of Black men founders received venture funding, and only 14% of Black women founders were venture-backed. To scale their businesses these founders often leveraged “bootstrap” capital and to a lesser extent, capital from angel investors. A deeper look at this data can be found in the “A Snapshot of Digital Health Funding” section.

The barriers these underrepresented and underfunded digital health (UUDH) innovators face do not stop at attracting venture dollars. UUDH innovators have also anecdotally shared the challenges they experience navigating the digital health venture landscape. These challenges include limited access to strategic support from peers and mentors, few “warm introductions” and “sponsorship” opportunities, and a lack of galvanizing support among investors and enterprises around the value proposition and impact of their innovations.

These insights should not be surprising given that they broadly reflect macro-level realities that are observed across the venture landscape. Over the last five years, a number of reports have highlighted the challenges that innovators from diverse backgrounds face when attracting investment resources, noting that an abysmal 2% of overall venture funding goes to women-led start-ups, 2% reaches Latinx-led start-ups, and less than 1% flows to Black-led start-ups. However, when considering these facts within the context of digital health, we must ask—what is the lost opportunity to all of us if we don’t meaningfully support a diverse pool of entrepreneurs that are addressing our most pressing health concerns? And what is the opportunity if we do?

3Rock Health Digital Health Venture Funding Database
To explore these questions, RockHealth.org launched the Equitable Investments Initiative. The initiative is intended to elevate the challenges that UUDH innovators face when attracting venture investment resources, amplify the impact and work of UUDH innovators, and catalyze increased investment for these leaders. We are excited to kick off the initiative’s work with this publication.

Through an immersive six-month process (from January-June 2022), the RockHealth.org team partnered with a group of digital health experts—including digital health innovators, venture investors, impact-oriented funders, network builders, physicians, and tech executives—to identify near-term opportunities to direct investment resources to UUDH innovators. During our time together, we developed this report and worked to:

- Articulate the impact of solutions created by UUDH innovators, and the lost value—both economic and health-related—of not investing in their innovations
- Acknowledge and describe the critical barriers that UUDH innovators face when accessing venture investment resources
- Identify solutions to direct an increasing flow of investment resources to UUDH innovators

The Reimagine Innovation and Opportunity in Digital Health Advisory Committee is comprised of fourteen leaders that play a cross-section of roles within or adjacent to the digital health space.

Digital Health Innovators

- Ashley Edwards: MindRight
- Félix Manuel Chinea: Dovmmy
- Javier Evelyn: Alerje
- Kaikapana KP: InOn Health

Digital Health Investors

- Deena Shakir: Lux Capital
- Juan-Pablo Mas: Action Potential Venture Capital
- Lynne Chou O’Keefe: Define Ventures
- Payal Parikh: Unseen Capital

Digital Health Advisors and Initiative Leaders

- Chelsea Hanson: fmr. American Medical Association Center for Health Equity
- Ivor Horn, Google: Unseen Capital
- Monique Smith, Emory University School of Medicine/Health DesignED

Digital Health Philanthropic Leaders

- Alice Lin Fabiano: fmr. Johnson & Johnson; Impact Ventures
- Shivani Garg Patel: Skoll Foundation

The Reimagine Innovation and Opportunity in Digital Health Advisory Committee is comprised of fourteen leaders that play a cross-section of roles within or adjacent to the digital health space.
This publication is an output of our collaborative work and synthesizes the insights from the Reimagining Opportunity and Innovation in Digital Health Advisory Committee. Collectively, we hope that this work will catalyze greater discussion across digital health, prompting leaders to consider ways to:

- Dismantle implicit and explicit barriers that hinder the ability for scaled innovation by UUDH innovators.
- Meaningfully influence the flow of venture investment resources to UUDH innovators across the digital health landscape— including financial capital, strategic support, and broader network access.
- Interrogate and shift prevailing narratives and norms about investing in UUDH innovators and their innovations.

Throughout this report we use key terms that were developed to orient the Reimagining Opportunity and Innovation in Digital Health project. Our intent in outlining these terms is to provide clarity and transparency for our Committee’s thinking:

- **Digital Health**: Rock Health defines digital health as solutions that sit at the intersection of healthcare and technology; and not solely in medicine, but across healthcare, including wellness and administration.
- **Investments Resources**: includes financial and non-financial venture support— including mentorship, strategic counsel, network access/navigation, and financial capital of different kinds.
- **Innovators**: leaders who have founded—or currently lead—digital health organizations and initiatives.
- **Underrepresented and Underfunded Digital Health (UUDH) Innovators**: leaders that have been historically overlooked and under-capitalized in digital health; for the purpose of this publication an emphasis has been placed on leaders of color (with a focus on Black and Latinx leaders) and women+ leaders.
- **Overlooked Populations**: communities that face persistent systemic inequities and to date have been underserved by digital health innovations (e.g., women+, communities of color, low-income populations, rural populations, etc.).
Emerging from this work, our team has identified three guiding principles that we believe should orient subsequent field approaches aimed at increasing the flow of investment resources to UUDH innovators.

1. This work must be grounded in a stance of active learning and curiosity that is mutually held by all actors involved, including innovators, investors, enterprise representatives, etc.

2. We must acknowledge that there is no “easy-win” or single solution to solve this challenge and that only coordinated efforts—on the part of varied stakeholders—will bring about durable change.

3. Equity-oriented principles must be deep-rooted throughout your efforts, which must include talking honestly about power and how it shows up and informs behavior across this space.

This publication is structured in three sections:

1. **The State of Play**: Our first section provides context on the state of digital health today, including: (1) a synthesis of the existing knowledge that explores the impact of diverse perspectives on business and social outcomes and (2) data from our Diversity in Digital Health report which sheds light on the accessibility of venture dollars for UUDH innovators.

2. **Opportunities for Change**: The second section outlines the observations and recommendations identified by our Advisory Committee. This section sheds light on (1) the critical barriers that UUDH innovators face when attracting investment resources and (2) the near-term actions that digital health actors can take today to dismantle those barriers. Additionally, this section spotlights innovators, investors, and organizations that are leading efforts to expand the promise and potential of digital health. These spotlights were chosen because of their dedication to support underrepresented innovators or overlooked populations within digital health innovation and their potential to highlight emerging practices for the digital health ecosystem.

3. **Call to Action**: In our last section, the RockHealth.org team shares a ‘Call for Continued Learning, Action, and Partnership’ where we invite actors across digital health to work—and learn—alongside us as we work to support UUDH innovators.

We also hope that this work builds on the growing body of knowledge that highlights the importance of supporting innovators that bring diverse lived experiences, perspectives, and expertise to the innovation landscape—and the lost opportunity associated with their undercapitalization.

**Guiding Principles To Orient Future Efforts**

1. This work must be grounded in a stance of active learning and curiosity that is mutually held by all actors involved, including innovators, investors, enterprise representatives, etc.

2. We must acknowledge that there is no “easy-win” or single solution to solve this challenge and that only coordinated efforts—on the part of varied stakeholders—will bring about durable change.

3. Equity-oriented principles must be deep-rooted throughout your efforts, which must include talking honestly about power and how it shows up and informs behavior across this space.

**Intended Audiences**

This publication was developed to reach multiple audiences that currently work—or have an emerging interest in—the digital health space. We anticipate that this work will spark interest among digital health innovators, venture investors, individual philanthropists, foundations, enterprises, researchers, and advisors, among others. Our choice to communicate with such a wide group is intentional. While investment-related decisions are formally made by fund managers, there are also other powerful avenues to support and amplify an innovator’s work (e.g., amplification opportunities, sharing learnings, network support, etc.). Our hope is that each of these audiences will find helpful knowledge within this publication. We also hope that this work inspires other ways to amplify, support, and invest in dynamic UUDH innovators leading incredible work across this growing field.
**SECTION II**

**The Impact of Diverse Perspective in Entrepreneurial and Business Contexts**

What is the Value and Impact of Diverse Perspective in Entrepreneurial and Business Contexts

There is a large and growing knowledge base that confirms the tangible impact that diverse perspectives and lived experiences have on business growth, innovation, and performance—particularly at the executive level. This research has confirmed that teams and executives with diverse lived and professional experiences are better positioned to:

1. holistically assess problems;
2. develop solutions/approaches that are more likely to address the acute needs of diverse audiences;
3. leverage pools of expertise that are commonly overlooked; and
4. identify where markets are overlooking or underserving the needs of certain populations.

Notably, there are several case examples that illustrate the ways that increasingly diverse perspectives have impacted two acute commercial and societal challenges—clinical trial participation and corporate business performance. These case examples also highlight what was at stake if diverse perspectives were not included in the design, development, and implementation of these efforts.

### Overview

**Increased Diversity Among Clinical Trial Participants**

Although 40% of the U.S. population is non-white, in 2020 75% of the 32,000 trials approved by the FDA consisted of only white participants. According to recent research the absence of diversity in the clinical research and trial process has meaningful implications given that non-diverse clinical trial participant groups can compromise the generalizability of clinical research findings; hinder clinical innovation/discoveries; and may lead to lack of access to effective medical interventions, among other things.

**Diverse Workforces Drive Increased Innovation for Organizations**

Corporate America has been predominantly white and male-centric for decades. Over the last decade several companies have invested in diversity initiatives, to increase diversity within their talent pools and to increase innovation and business performance. There is emerging research that shows that some companies are reaping the benefits of workforces that develop inclusive cultures that can attract and develop talent from diverse backgrounds and lived experiences.

### Desired Impact

Different stakeholders across the U.S. healthcare ecosystem recognize the shortcomings of clinical trial diversity and urgency to increase diversity among participants. Because of the long runway for drug discovery and clinical trials, the results of increased recruitment on drug efficacy and safety will not be evident in the near future.

Research has shown that organizations that have diverse leadership teams are better positioned to innovate compared to their less diverse counterparts. A McKinsey study illustrated that top-quartile companies on executive-level gender diversity worldwide had a 21% likelihood of outperforming their fourth-quartile industry peers on earnings before interest and taxes (EBIT) margin. Companies that are advancing this work are also creating values-aligned purpose for all employees through equity and inclusion centered initiatives, which includes challenging power dynamics and perspectives that enable employees from underrepresented backgrounds to impact decision-making about products and partnerships.
Progress To Date

Multi-faceted approaches are being carried out by various stakeholders to meaningfully increase participant diversity in clinical trials. These initiatives include, but are not limited to:

- **FDA guidance**—issued in 2020—to enhance the diversity in clinical trials to increase health intervention efficacy
- **Multi-Regional Clinical Trials (MRCT)** centers publishing clinical trial toolkits to provide tactical guidance on improving diversity among clinical trial populations and address the barriers participants face
- **Collaborative community efforts**—like those led by MedTech Color—that aim to demystify the clinical research process or diverse patient populations

Various initiatives have been implemented to increase workforce diversity and support individuals throughout an employee’s professional journey from college recruitment to the C-Suite. These initiatives include but are not limited to:

- Adjusting hiring practices to create flexibilities to hire full-time, part-time, and contractor positions to reach numerous types of workers
- Attracting and retaining diverse talent, by implementing fair hiring practices with equal pay initiatives
- Engaging diverse talent through initiatives that provide peer-support and learning while also fostering connections

Next Steps

Clinical trials that are starting or started after November 2020 are using the updated FDA clinical trials diversity guidance. This guidance is expected to lead to greater clinical trial diversity that will develop more clinical effective interventions for the overall population in the future. New results on participation diversity and clinical efficacy can be expected in the next 5-10 years.

Organizations are working to operationalize commitments to hiring, supporting, promoting, and retaining employees from diverse backgrounds at all levels—especially leadership, enact fair hiring and transparent compensation practices, and advance internally that promote inclusive cultures. Organizational leaders can also look to existing initiatives and other related efforts for guidance and inspiration.

SECTION II THE IMPACT OF DIVERSE PERSPECTIVE IN ENTREPRENEURIAL AND BUSINESS CONTEXTS

Noting the impact that diverse perspectives, teams, and lived experiences have on individual companies, products, and projects, we would like to consider their impact on entire industries—including the ability to advance overall innovation, increase impact and reach, identify unforeseen risks, and contribute to long-term growth and sustainability.

The peril and promise for digital health is clear. We must harness the collective wisdom and genius of all innovators that are developing dynamic solutions to address our most pressing health challenges. Doing so will increase the diversity of leaders within digital health, and the possibility that digital health can address the needs of all.
SECTION III
A Snapshot of Digital Health Funding

In 2020 Rock Health published the Diversity in Digital Health Report to understand the state of diversity among leaders at U.S.-based digital health start-ups (i.e., managers, directors, VPs, C-suite executives, and founders). To collect data for the report, we crafted a survey to gather demographic data directly from leaders in addition to their perspectives on where critical diversity gaps exist across digital health. Survey respondents included 678 digital health startup leaders, of which 253 were digital health founders.

These leaders provided self-identified demographic data on their gender, racial/ethnic background, and sexual orientation. Founder respondents were also asked to provide context on how they were financing their startup—through venture capital, angel investment, a bootstrapped approach, or other forms of capital.

All data provided by survey respondents were anonymized and reported in aggregate to share broad diversity and funding trends across the digital health space.

The survey found that among the 253 founder respondents—46% were white, 25% Asian, 11% Black, 6% Latinx, and 1% multiracial. Across gender, founders self-identified—57% as men, 41% as women, 2% as non-binary, and 2% preferred not to say.

Despite the diversity among digital health startup founders, there was a marked difference in the types of capital these founders used to scale their companies.

When disaggregated by founder race/ethnicity, funding-related data showed that:
- Among white-identifying founders (n=117), 55% were venture-backed, 16% were angel-backed, 23% boot-strapped, and 6% leveraged other capital forms.
- Among Asian-identifying founders (n=63), 63% were venture-backed, 10% were angel-backed, 22% boot-strapped, and 5% leveraged other capital forms.
- Among Latinx-identifying founders (n=14), 43% were venture-backed, 21% were angel-backed, 21% boot-strapped, and 14% leveraged other capital forms.
- Among Black-identifying founders (n=29), 24% were venture-backed, 17% were angel-backed, 41% boot-strapped, and 17% leveraged other capital forms.

When disaggregated by founder gender, funding-related data showed that:
- Among men founders (n=141), 62% were venture-backed, 18% were angel-backed, 14% boot-strapped, and 6% leveraged other capital forms.
- Among women founders (n=104), 60% were venture-backed, 13% were angel-backed, 38% boot-strapped, and 8% leveraged other capital forms.

When an intersectional analysis was applied to demonstrate the combined factors of gender and race/ethnicity on funding approaches, Asian men and white men founder respondents reported the highest rates of being venture-backed (72% and 69% respectively)—meanwhile, they reported the lowest rates of bootstrapping (both 10% respectively) their startups. Conversely, black women founder respondents reported the lowest rates of being venture-backed (14%) and highest rates of bootstrapping (57%).

This data provides a snapshot of how venture capital is deployed across digital health, and who has access. This contextualizes the challenges UUDH innovators face when attracting growth capital and resources, and aligns with broader trends across venture capital.

We hope to bring together data about founder representation with the explicit amount of capital flowing to those founders, to gain a greater picture of outstanding challenges and progress. While this type of initiative poses a number of challenges, we look forward to working with our community to ensure we hold close the values of equity, privacy, self-disclosure, and transparency as we build an approach and methodology to better understand capital allocation by gender, race, and ethnicity. As we advance our work, we intend to attract the resources and develop the infrastructure needed to launch an effort of this sort.
SECTION IV
Opportunities for Change

Through our work with the The Reimagining Opportunity and Innovation in Digital Health Advisory Committee, we identified the following opportunities that are uniquely positioned to increase support to UUDH innovators in the near-term.

We believe that these opportunities can provide common language and grounding principles to support UUDH innovators, suggest tangible milestones to assess progress, and catalyze broad-based action among a wide array of digital health actors.

These near-term opportunities for change include:

- **Opportunity I:** Developing the “building blocks” needed for field-wide discussion
- **Opportunity II:** Acknowledging underrepresented and underfunded innovators as critical drivers of digital health innovation
- **Opportunity III:** Expanding investment criteria and sourcing strategies for digital health innovators
- **Opportunity IV:** Demystifying the venture investment landscape
- **Opportunity V:** Promoting continuous learning about underrepresented and underfunded innovators and their innovations
- **Opportunity VI:** Creating opportunities for innovator-focused, peer-to-peer learning

We share these items as a part of an ongoing and iterative process that we hope to refine over time. Noting this, we invite others across the field to share your reactions, reflections, and learnings with us.
Opportunity Area I

Developing the “Building Blocks” Needed for Field-Wide Discussion

To date, anecdotal references have been used to illustrate the persistent challenges that UUDH innovators face attracting investment resources. These anecdotes serve dual purposes by highlighting the first-hand experiences of these innovators and acknowledging the absence of accessible language and data that illustrates the acute challenges that they face. The absence of language and data obscures the reality that these issues do not singularly impact UUDH innovators—they also have industry and societal implications. One way to provide a holistic view of the challenges faced by UUDH innovators is to establish “building blocks”—grounding terminology and supporting data—needed for deeper awareness, understanding, and discussion. These “building blocks” are critical to identifying and addressing missed opportunities across the digital health industry.

We believe that near-term actions to make progress against this opportunity include:

Action 1 - Disaggregate and Amplify Data on the Impact of Digital Health Innovations for Specific Populations: Disaggregating and amplifying industry-specific data—across demographic areas—can be used to highlight and drive activity to unexplored digital health innovation opportunities. Approaches that support the disaggregation of impact-related data could be used to highlight: which target populations are/are not being served; which health challenges are/are not being met; and the broader impact that digital health innovations have on health outcomes.

Action 2 - Assess the Flow of Digital Health Venture Funding: Increased attention and resources should be used to study what digital health innovators and value propositions are receiving funding. Morgan Stanley’s Multicultural Innovation Lab has shared that by not investing in women entrepreneurs and entrepreneurs of color, the U.S. economy is leaving an estimated $4.4 trillion in economic output on the table. Mirroring efforts being led by other entities, collecting and using this data can inform our understanding of where significant gaps exist in digital health, including where innovators are persistently “getting stuck” and where course correction across the field is needed.

Action 3 - Align On Common Language to Discuss Digital Health Innovations: Normalizing common approaches and tools to discuss the impact and value propositions of digital health innovations can strengthen our understanding of the role UUDH innovators play within the digital health industry. This action could support the ability for UUDH innovators to highlight their work’s impact and note where they are positioned to have an outsized impact for their target populations.

SECTION IV OPPORTUNITIES FOR CHANGE

Opportunity Area I

Developing the “Building Blocks” Needed for Field-Wide Discussion

To date, anecdotal references have been used to illustrate the persistent challenges that UUDH innovators face attracting investment resources. These anecdotes serve dual purposes by highlighting the first-hand experiences of these innovators and acknowledging the absence of accessible language and data that illustrates the acute challenges that they face. The absence of language and data obscures the reality that these issues do not singularly impact UUDH innovators—they also have industry and societal implications. One way to provide a holistic view of the challenges faced by UUDH innovators is to establish “building blocks”—grounding terminology and supporting data—needed for deeper awareness, understanding, and discussion. These “building blocks” are critical to identifying and addressing missed opportunities across the digital health industry.

We believe that near-term actions to make progress against this opportunity include:

Action 1 - Disaggregate and Amplify Data on the Impact of Digital Health Innovations for Specific Populations: Disaggregating and amplifying industry-specific data—across demographic areas—can be used to highlight and drive activity to unexplored digital health innovation opportunities. Approaches that support the disaggregation of impact-related data could be used to highlight: which target populations are/are not being served; which health challenges are/are not being met; and the broader impact that digital health innovations have on health outcomes.

Action 2 - Assess the Flow of Digital Health Venture Funding: Increased attention and resources should be used to study what digital health innovators and value propositions are receiving funding. Morgan Stanley’s Multicultural Innovation Lab has shared that by not investing in women entrepreneurs and entrepreneurs of color, the U.S. economy is leaving an estimated $4.4 trillion in economic output on the table. Mirroring efforts being led by other entities, collecting and using this data can inform our understanding of where significant gaps exist in digital health, including where innovators are persistently “getting stuck” and where course correction across the field is needed.

Action 3 - Align On Common Language to Discuss Digital Health Innovations: Normalizing common approaches and tools to discuss the impact and value propositions of digital health innovations can strengthen our understanding of the role UUDH innovators play within the digital health industry. This action could support the ability for UUDH innovators to highlight their work’s impact and note where they are positioned to have an outsized impact for their target populations.

SECTION IV OPPORTUNITIES FOR CHANGE

Field Spotlight

Kevin Dedner | Hurdle Health

THE INNOVATOR

Kevin has dedicated his 20+ year career to the most pressing issues in public health. He founded Hurdle Health to ensure that everyone has access to culturally responsive mental healthcare.

THE OPPORTUNITY

For employers and payers, mental healthcare access is becoming table stakes in benefit design; however, most existing mental health solutions are not designed to meet the specific needs of overlooked and underserved communities. For example, research suggests that the Black adult community is up to 20% more likely to experience serious mental health problems, but significantly less likely to utilize services.

THE SOLUTION

Hurdle Health offers culturally responsive, evidence-based virtual mental health services to people of all backgrounds, with a focus on people of color. The company’s unique model is rooted in dynamic cultural humility training for Hurdle therapists, frequent clinical rounds and consults, consistent patient feedback, and ongoing support to ensure that each person receives personalized care. The model’s efficacy has resulted in multiple national contracts with payers and patient retention metrics up to three times longer than industry averages.

IMPACT

Indicators that Hurdle uses to track the success of their work include:

- 30M Americans have access to Hurdle
- 12 sessions per patient on average (3x the national average)
- 11k+ sessions completed on the platform

RECOMMENDATION FOR THE ECOSYSTEM

“Listen to founders who have firsthand, lived experience with the problems they’re solving. The pandemic and death of George Floyd made it clear to the market that I was solving a big problem... but I consider myself Hurdle’s first patient, and I knew I was solving a big problem well before.”

Kevin Dedner, MPH
Founder and CEO, Hurdle Health
**FIELD SPOTLIGHT**

**Piraye Yurttas Beim | Celmatix**

**THE INNOVATOR**

Piraye has been an innovator in women’s health for 20+ years. Her work as a scientist and entrepreneur has spanned across digital health, diagnostics, and therapeutics. After completing her PhD at Cornell University (Weill) and post-doctoral research at the University of Cambridge, Dr. Beim launched **Celmatix** to develop the next generation of interventions and advancements in women’s health.

**THE OPPORTUNITY**

Women’s health represents a significant opportunity to shift the paradigm away from sick care to prevention, wellness, and early interventions. Approximately half of all women have a condition early in their lives that is impacted by the health and function of their ovaries (e.g., polycystic ovary syndrome, infertility, endometriosis, etc.); and these conditions predispose women to other high-burden, high-cost diseases down the road. However, digital health innovations have primarily been based on scientific discoveries that were made early last century. Despite this lack of progress, innovations developed outside of women’s health (e.g., genomics and AI drug discovery) can enable innovators to leverage emerging technologies and rapidly break new ground in women’s health.

**THE SOLUTION**

Celmatix aims to bring women’s health into the 21st century by defining a new therapeutic category focused on ovarian health. The company has created a multi-omics and real-world data platform that includes ovarian health information for over 500,000 unique individuals, which enabled the team to identify key biological pathways underlying women’s health conditions and develop a growing pipeline of next-generation therapies. The organization’s model also leverages innovative partnerships with Evotec, Bayer, and the Bill & Melinda Gates Foundation across discovery, development, and commercialization. Celmatix has multiple pipeline programs in development, but its lead program is focused on protecting the ovarian function of the almost 2 million pre-menopausal women exposed to gonadotoxic chemotherapy each year.

**IMPACT**

Illustrative success indicators used by Celmatix:

<table>
<thead>
<tr>
<th>570K</th>
<th>$100M</th>
<th>6</th>
</tr>
</thead>
<tbody>
<tr>
<td>unique individuals included in ovarian health datasets</td>
<td>in funding raised</td>
<td>pre-clinical pipeline programs in development</td>
</tr>
</tbody>
</table>

**RECOMMENDATION FOR THE ECOSYSTEM**

“Hire female check writers, let them write checks to female founders, and empower female founders to innovate for women. Everyone will benefit. Funds will have greater returns, patients and consumers will have better products, and we’ll all have a better society. It’s a no-brainer—but if we don’t tackle each one of these pillars, we’re not going to make progress.”

---

**SECTION IV OPPORTUNITIES FOR CHANGE**

**Opportunity Area II**

**Acknowledging Underrepresented and Underfunded Innovators as Critical Drivers of Digital Health Innovation**

Despite their growing numbers UUDH innovators are rarely elevated within field-level discussions. When UUDH innovators are discussed across the industry, they are often positioned solely as health equity plays or quasi-philanthropic endeavors. These restrictive and sometimes misleading frames can adversely affect the field’s ability to recognize and learn alongside UUDH innovators and the ability for UUDH innovators to attract growth resources. While there are dedicated efforts to highlight the integral contributions of UUDH innovators—particularly those exploring new issue areas or serving increasingly diverse populations—additional momentum is needed.

We believe that near-term actions to make progress against this opportunity include:

**Action 1 - Understand the Distinct Focus Areas and Intended Impact of Underrepresented and Underfunded Innovators’ Work:**

UUDH innovators are often presumed to (1) only serve overlooked populations, (2) have a sole health equity focus, or (3) operate as quasi-philanthropic endeavors. While there are UUDH innovators that fit into all three of these categories, it is not true for every innovator. This mental jump—which the Advisory Committee has termed “typecasting”—hinders—UUDH innovators from ideally positioning themselves, their companies, and the impact of their innovations. To overcome this challenge digital health actors can start discussions with UUDH innovators by asking two simple prompts—”How should I understand the power and potential of your work?” and “What do you need to succeed?” These starting points allow UUDH innovators to craft self-directed narratives that clarify their unique value proposition, their intended target population, their intended impact for that population, and their intended path for growth.

**Action 2 - Recognize Underrepresented and Underfunded Innovators as Holders of Unique Knowledge and Market Understanding:**

Recognizing UUDH innovators as holders of often untapped or overlooked sources of knowledge elevates them as experts and frames their innovations as valuable opportunities instead of unfamiliar risks. This reframes could also mitigate the “burden of proof” placed on underrepresented and underfunded innovators to spend a disproportionate amount of time educating investors on unfamiliar markets instead of demonstrating why their innovations are well-positioned to scale and improve health outcomes.
FIELD SPOTLIGHT
ASHLEY EDWARDS | MindRight Health

THE INNOVATOR
After leading operations at a Newark-based school, Ashley founded MindRight Health to meet the unique mental healthcare needs of underserved communities—especially students and teens. In 2020, she became the first Black woman to raise over $1M+ in venture capital in New Jersey.

THE OPPORTUNITY
People of color frequently experience trauma and stress associated with institutional racism, reinforcing the need for access to high-quality mental health services. This is particularly true for adolescents of color and students from overlooked communities; however, these individuals often lack accessible, culturally-responsive, and stigma-free solutions. Technology-based interventions have the potential to reduce barriers to critical services—especially for adolescents—by providing coaching and regular check-ins via text messaging.

THE SOLUTION
MindRight Health provides culturally-responsive, personalized mental health coaching over text messaging to adolescents—honoring their lived experiences and meeting them where they are. The solution is uniquely designed to offer an upstream, non-clinical intervention for those in need of emotional support, especially for individuals who may not be therapy-ready and/or face barriers to accessing clinical care.

While most text-based mental health solutions focus on crisis response, MindRight takes a proactive and preventative approach built on long-term relationships. The model, led by coaches and clinicians who reflect the diversity of their membership, enables the company to establish trust and build rapport so that if a crisis does strike, MindRight can provide more informed, personalized, and seamless support. MindRight has already seen demand from Medicaid MCOs with 4+ payers partnering with them to provide services in multiple states.

IMPACT
Here are some indicators that MindRight uses to track the success of their work:

| 7 days/week availability of mental health coaching service | 90% member text message response rate | 3+ years of consistent messaging with most active members |

RECOMMENDATION FOR THE ECOSYSTEM
"The diligence process for mental health startups should include how they’re engaging with communities—there’s some innovations that might actually be harmful for various communities. Investors should be able to answer the question, ‘At scale, how does this product/service impact the care of the most marginalized communities?’"

SECTION IV OPPORTUNITIES FOR CHANGE

Opportunity Area III: Expanding Investment Criteria and Sourcing Strategies for Digital Health Innovators

Investment and partnership criteria are used by funds and enterprises to gauge potential investment and partnership opportunities. These criteria have the intended purpose of providing insight on a startup’s leadership team, total addressable market (TAM), and impact on healthcare or business outcomes. However, these criteria have often not been developed with diversity in mind and have in turn adversely impacted UUDH innovators. To support an increasingly diverse pool of innovators these criteria should be revisited and developed through new lenses. Doing so will support UUDH innovators access investment resources while also providing new opportunities for funds and enterprises to expand their pattern recognition and address an increasing array of health challenges.

We believe that near-term actions to make progress against this opportunity include:

**Action 1 - Reevaluate Selection and Partnership Criteria:**
Reevaluating investment and partnership criteria can highlight where initial “stage-gates” adversely impact UUDH innovators. Though these criteria may provide a surface understanding of a company’s recent history, they do not provide a robust picture of a company’s ability for sustainable growth, particularly when startups are entering or creating new markets. Specific criteria that may create initial obstacles for UUDH innovators include: (1) total addressable market (TAM) assessments, (2) assumptions about market traction/anticipated margins, (3) past entrepreneurial track records, (4) education/professional backgrounds, and (5) participants in friends and family rounds. Comparable efforts are being used to increase the flow of capital to funds led by women and/or people of color, similar approaches to refine assessment frameworks could be leveraged by venture funds to increase investment in UUDH innovators.

**Action 2 - Elevate “Proximate” Expertise:**
When exploring new market opportunities or developing solutions for traditionally overlooked populations, digital health actors can acknowledge and support innovators that have “proximate” expertise, meaning those that have a deep awareness of or connection to the problem or populations that are being solved for. This expertise, historically overlooked and undervalued, can be leveraged to strengthen market awareness, support problem analysis, and advance the development of impactful digital health innovations.

---

“See the effects of underinvestment—communities are dealing with intergenerational compounding factors like food deserts and violence, which are system-level problems. Without more system-level solutions, these challenges will be perpetuated.”

Ashley Edwards
Founder and CEO, MindRight Health
Opportunity Area III
Expanding Investment Criteria and Sourcing Strategies for Digital Health Innovators (Continued)

Action 3 - Reevaluate the Investment Pitch, Selection, and Diligence Process: Dual realities are faced by men and women innovators when navigating the venture investment landscape. One example of this phenomenon was highlighted in a 2017 study that found that men innovators were three-times more likely to be asked “promotion-oriented” questions (highlighting upside and potential gains) while women innovators were three-times more likely to be asked “prevention-oriented” questions (highlighting potential losses and risk mitigation). Other studies have noted that implicit and explicit “stage-gates” can often curb underrepresented and underfunded innovators from advancing through an investment selection process. Investors can level the playing field by creating uniform and equitable processes through which companies are identified and accessed. Examples include creating an open call pitch process or standardizing prompt questions during introductory calls.

Action 4 - Identity Fund-Specific Equity Commitments: Investment funds are well-positioned to define customized ways that their teams are uniquely suited to support UUDH innovators. In the last two years, this approach has been leveraged by several actors and has resulted in (1) the development of new funds that have the expressed purpose of investing in women innovators or leaders of color, (2) co-investment opportunities with funds led by women or people of color, (3) the application of an equity-focused lens to strategic support work, and (4) the ongoing development of fund managers that bring diverse areas of expertise and lived experience into their investing efforts. These efforts collectively create opportunities for the field to address the direct needs of UUDH innovators while also building organizations that can meaningfully support them over time.

If we want solutions for our communities, we have to create them. We can’t wait for others. We have to show that investing in these types of opportunities can generate great returns and better outcomes. Once we show that it works, other investors will follow. We are proud to take the torch as a pioneer in shifting the landscape of women’s health and investment.”

Maria Velissaris
Founding & Managing Partner
SteelSky Ventures

THE INNOVATOR
A true entrepreneur, Maria started a shipping and storage company at age 19 that was later acquired by U-Haul. After leading business units across a number of organizations, Maria joined an angel investor group in 2017 and began investing in women’s health companies. She then launched her own fund, SteelSky Ventures, in 2020.

THE OPPORTUNITY
Women make over 80% of healthcare spending decisions in the U.S., yet women healthcare entrepreneurs face hurdles in securing venture capital funding. In 2020, women-led startups received just 2.3% of venture capital funding. In 2020, women-led startups received just 2.3% of venture capital funding. In light of these funding gaps and women’s broader role in the economy, there is a significant opportunity for healthcare investors, especially early-stage funds, to focus on women-led companies in women’s health.

THE SOLUTION
SteelSky Ventures is built on the belief that women’s healthcare is a global market opportunity, primed for entrepreneurial innovation and growth. The fund invests across the full spectrum of women’s health (e.g., medical devices, consumer health, and digital health). SteelSky’s unique positioning centers on ensuring representation, meeting the needs of all women, and forming close relationships with strategic limited partners (LPs) and advisors who act as the voice of the market. In turn, SteelSky is able to facilitate meaningful connections and business relationships for their partners and portfolio companies. The SteelSky team recently moved their headquarters to Atlanta to engage a diverse startup ecosystem and tap into a market that has been overlooked and underserved.

IMPACT
Here are some indicators that SteelSky Ventures uses to track the success of their work:

- $73M in AUM raised to invest across a portfolio of companies innovating in women’s health
- 94% of their portfolio companies are led by at least one woman, Black, Latinx, or AAPI founder
- 100% of 2020 fund investments have raised follow on funding on the platform

RECOMMENDATION FOR THE ECOSYSTEM
“If you want to see different solutions, you have to invest differently. You have to be open to investing in founders that may not look like you or be a part of your academic or social networks. The VC ecosystem is ripe for disruption and funders and funders with diverse backgrounds and lived experiences are going to change the landscape in a way we’ve never seen before.”
THE INNOVATOR
Kathryne has dedicated her professional life, from medical school to health tech startups and venture capital, to improving patient outcomes at scale. Prior to her work as a Partner at Jumpstart Nova, Kathryne advised investments at CTIP, an FDA-funded pediatric medical device accelerator, and founded Health Tech DEI, which advises funds on inclusive investment strategies and solutions.

THE OPPORTUNITY
Black Americans make up 12.4% of the U.S. population, according to the 2020 Census. Yet, only 1.3% of venture funding went to Black founders in 2021—and that was a record year. By investing in Black-founded and -led companies, healthcare VCs have the potential to increase funding parity, drive change and improve outcomes in healthcare, and deliver outsized returns.

THE SOLUTION
Jumpstart Nova is a $55M venture fund designed to invest exclusively in Black-founded and -led early-stage (Seed and Series A) healthcare innovation companies. The fund’s thesis is rooted in the belief that traditional investors are missing out on significant innovations, ideas, and returns by ignoring founders from overlooked communities. Jumpstart Nova has developed a unique base of strategic limited partners with deep experience across a range of healthcare institutions (e.g., hospitals, health systems, medical schools). These strategic partners create a competitive advantage for Jumpstart Nova portfolio companies by offering actionable go-to-market counsel, pressure-testing product ideas, and accelerating the companies’ early-stage growth through pilots and other industry connections.

IMPACT
Here are some indicators that Jumpstart Nova uses to track the success of their work:

| 7 investments to-date | $55M fund | 8+ leading organizations as strategic limited partners |

RECOMMENDATION FOR THE ECOSYSTEM
"It’s simple—if folks want to invest in underrepresented founders and fund managers, they should invest in them with capital. Because capital in my opinion is what drives the needle. It’s a significant driver of innovation. Things go where money goes."

Opportunity Area IV
Demystifying the Venture Investment Landscape

Venture capital deals frequently take place behind closed doors. The industry is well-known for its insular culture, where deep connections are often required to identify leads and unlock capital. Given that UUDH innovators have historically been excluded from venture networks these realities disproportionately impact their ability to grow and scale their startups.

Building on existing efforts, more can be done to demystify the norms that inform venture investing activities for UUDH innovators and prepare them to navigate the often complex venture landscape.

We believe that near-term actions to make progress against this opportunity include:

Action 1 - Expand Awareness of Non-Venture Capital Funding Opportunities: Venture capital is often the first avenue that entrepreneurs explore to grow their startups. However, venture dollars may not always be the right tool to support an innovator’s existing work and growth aspirations. Depending on the organization’s stage of development, value proposition, intended target population, and level of evidence there may be other pathways to secure growth capital. Broader awareness of other funding options, —including non-dilutive capital sources—could increase support for UUDH innovators’ throughout their company’s life cycle.

Action 2 - Bring Greater Transparency to Venture Investing Activities: Several innovators have noted that limited transparency about how decisions are made across the venture investing landscape often hinders their ability to access the knowledge, connections, and resources needed to scale their startups. To address this and related challenges, venture capitalists can provide context on how they initiate and steward relationships with entrepreneurs, including paths for investment and ongoing partnership.

Action 3 - Strategically Broaden Venture Networks: To support an increasingly diverse group of innovators and to enter emerging markets funds can seek opportunities to engage with innovators, investors, and organizations that have “proximate” expertise. Several of these organizations have catalyzed powerful networks that have increased the diversity of the venture investor pool and expanded support for innovators from diverse backgrounds. Meaningfully engaging these networks—with the expressed purpose of broadening startup connections or elevating emerging opportunities—could generate deeper awareness and greater investment work led by UUDH innovators.
“Some constructs are set up to benefit certain types of people. Acting like these systems are irrefutable natural laws is a mistake—systems are based on decisions, and different decisions can produce different outcomes. We can reimagine the systems, change the game, and create something new.”

Erika Seth Davies
CEO, Rhia Ventures

FIELD SPOTLIGHT
Erika Seth Davies | Rhia Ventures

THE INNOVATOR
Moving from nonprofits to the world of finance, Erika has dedicated her career to advancing diversity, equity, and inclusion. In 2018 Erika founded the Racial Equity Asset Lab (The REAL), a venture that addresses racial equity via impact investing and works to shift capital to address disparities. Her commitment to just reproductive and maternal health and equitable investing—particularly for overlooked populations—guides her work as CEO of Rhia Ventures.

THE OPPORTUNITY
Inequities in maternal and reproductive care are among the most glaring concerns for the U.S. healthcare system. The United States ranks 55 in the world for maternal mortality, faces clear racial disparities in outcomes, and has clear contraceptive usage gaps—25% of the country’s ~6 million pregnancies are unplanned. Moreover, innovation has been relatively limited as many contraceptives haven’t significantly advanced for 50+ years. This stagnation, inequity, and lack of entrepreneurial activity creates opportunity for funders and founders who understand racial, reproductive, and maternal health inequities and are motivated to effect change in the space.

THE SOLUTION
Rhia Ventures is purpose-built to create a strong U.S. market for sexual, reproductive, and maternal health with equitable outcomes for all. The model places women of color and birthing people at the center of investment conversations and leverages capital to generate systemic change. Rhia also advises corporations on how to best shift spending toward equitable ventures, and connects key players across the reproductive and maternal health landscape. By incorporating The REAL framework for impact investing, Rhia Ventures is embedding equitable principles into its investment decisions and collaborations with diverse funders, from sourcing to diligence and ongoing portfolio support.

IMPACT
Here are some indicators that Rhia Ventures uses to track the success of their work:

- 2.5M women served by products and services of RH Capital’s portfolio
- 14 investments in high-impact, early-stage companies in Fund II
- 70% of portfolio companies led by women or people of color

RECOMMENDATION FOR THE ECOSYSTEM
“Just do something—don’t get stuck conceptualizing. Begin by learning about the amazing things that others with lived experience and diverse perspectives have done. Then, leverage your role in the ecosystem and support founders and initiatives focused on equity. No matter your role, you have influence and can impact the system.”

Deena Shakir
Partner, Lux Capital

FIELD SPOTLIGHT
Deena Shakir | Lux Capital

THE INNOVATOR
Deena invests in transformative technologies that improve lives and livelihoods. Prior to her role as Partner at Lux Capital, she was a Partner at GV (Google Ventures) and a Presidential Management Fellow at The U.S. Department of State under Secretary Clinton. Deena focuses on investing in mission-driven, equity-centered health tech companies.

THE OPPORTUNITY
Women and people of color are significantly underrepresented as investors and venture-backed entrepreneurs in healthcare and health tech. These disparities lead to missed opportunities for value creation, preventable downstream costs, and a dearth of needed innovation. Funds that reduce barriers to entry for diverse investors and founding teams can identify untapped opportunities and deliver significant social and financial returns.

THE SOLUTION
Lux Capital invests in founders and companies that are creating the future of healthcare, with a focus on health equity and women’s health. The fund’s approach is designed to support a diverse group of founders in navigating the healthcare and venture landscape, leveraging the expertise and relationships of trusted partners. The team believes that pursuing a combination of social and financial returns “takes a village” and requires resources beyond capital (e.g., public-private partnerships, increased collaboration between clinicians, activists, and fellow entrepreneurs). Therefore, Lux Capital acts as a convener for a broad group of stakeholders through their f(Lux) events, connecting founders to a diverse network of science, technology, and business leaders.

IMPACT
Here are some indicators that Lux Capital uses to track the success of their work:

- $5B combined valuation of Lux-backed women’s health companies
- $75M+ investment in women’s health-focused companies
- 20% of Lux companies led by a woman-founder or CEO

RECOMMENDATION FOR THE ECOSYSTEM
“For investors: Continue to focus on equity as a real opportunity for value creation. For startups: Find yourselves investors who can align the overlay of value creation and equity—find investors who truly understand your space.”
SECTION IV OPPORTUNITIES FOR CHANGE

Opportunity Area V
Promoting Continuous Learning about Underrepresented and Underfunded Innovators and Their Innovations

Greater attention must be paid to ensure that the digital health industry continuously amplifies the work led by UUDH innovators and their impact on their target populations. The California Health Care Foundation has noted that well-defined and executed amplification efforts can widen the “artificially narrow band” of innovators that investment resources have historically been funneled to. Leveraging existing or new platforms—like the In Full Health Initiative’s blog series—to promote awareness and learning can increase awareness of the many ways that UUDH innovators are building game changing digital health startups.

We believe that a near-term action to make progress against this opportunity includes:

Action 1 - Use Institutional Platforms to Spotlight Underrepresented and Underfunded Innovators: Leveraging new and existing institutional platforms to spotlight UUDH innovators provides an opportunity to promote their work and its impact. This action would bring heightened attention to the UUDH innovators while also elevating “best practices” for broader adoption. These spotlights could include business school cases that highlight the growth journey of underrepresented and underfunded innovators and their startups, elevating the distinct choice points that they made throughout their entrepreneurial journey. Other spotlights could be developed by enterprise players to highlight how they have worked with UUDH innovators to address their patient populations.

"You need more diverse perspectives. Full stop. Healthcare is for everyone, but the biggest challenges exist for overlooked communities who need real solutions. If you’re not funding companies, partnering, or contracting with companies that are focused on people of color, that’s a problem!"

Shruti Kothari
Founder, Women of Community and Black Healthcare Founder Spotlight

THE INNOVATOR
Shruti has worked as a leader across health education, community engagement, quality improvement, early stage startups, and mission-driven enterprises. In addition to her role as Director of Industry Initiatives, Health Care Reform at Blue Shield of California, Shruti is the Founder of Women of Community, Co-Founder and Co-CEO of Crown Society, and creator of the Black Healthcare Founder Spotlight.

THE OPPORTUNITY
Women face significant hurdles in advancing their healthcare careers, however, the barriers are magnified for women of color—30% of healthcare senior leaders are white women, while only 4% are women of color. In short, while women in general are underrepresented, women of color are virtually non-existent. This lack of representation signifies a clear need for healthcare stakeholders to elevate the voices of women of color and develop executive teams that reflect the diversity of their communities.

THE SOLUTION
Women of Community (WOC) is an online community designed to celebrate women of color—Black, Latinx, Asian and Pacific Islander, Muslim, Indigenous—who are contributing to the health of their communities. WOC hosts community events, distributes newsletters, and launches social media advocacy campaigns to elevate the voices of women of color and improve representation in healthcare leadership. The platform also leverages powerful video interview series (​Take 10, Black Healthcare Founder Spotlight) and unique storytelling to share the experiences of innovators and leaders with diverse backgrounds. WOC’s content and community engagement on Instagram and LinkedIn have attracted thousands of women of color and allies, 62% of whom are senior executives and healthcare leaders.

IMPACT
Here are some stats that Women of Community uses to track their success:

- 5,000+ community members
- 30K average monthly impressions
- 125+ women of color elevated and celebrated on the platform

RECOMMENDATION FOR THE ECOSYSTEM
"Have a bias toward action. Start with something concrete like collecting and analyzing data to identify disparities. If you’re an investor, ensure that your boards, C-suite leaders, and contracts are representative. If you’re an industry leader, look at the diversity of your suppliers and recruiting pipeline. Start with your universe—set goals and achieve them."

Shruti Kothari
Founder, Women of Community and Black Healthcare Founder Spotlight
Continuous learning with peers can catalyze UUDH innovators ability to grow throughout their entrepreneurial journeys. UUDH innovators can utilize learning and connection opportunities to learn about tactics for startup development and growth from peers, mentors, and industry leaders.

We believe that near-term actions to make progress against this opportunity include:

**Action #1 - Promote Peer Learning & Connection:** Spaces for network connections where innovators can develop intentional peer-to-peer, and mentorship-driven relationships can foster learning. Dedicated peer learning spaces can provide space for innovators to share lessons learned and offer guidance to peers navigating new challenges. These learning and connection opportunities can support innovators as they identify pertinent needs, build pattern recognition, and discuss the joys and pains of entrepreneurship.

**Action #2 - Connect Underrepresented and Underfunded Innovators with Other Digital Health Leaders:** Leveraging the expertise of non-investing, enterprise digital health leaders—those working within enterprises, payer systems, and advisory firms—is an underleveraged tool to support UUDH innovators. These leaders hold knowledge and can provide counsel on the evidence bases that are needed to partner with large enterprises/systems, how their innovations sit within the broader context of digital health, and how their innovations may be integrated into—and impact—the lives of their target populations.

**Opportunity Area VI**

Creating Opportunities for Innovator-Focused, Peer-to-Peer Learning

**THE INNOVATOR**

André is dedicated to building the future of health through an equity lens. After 15+ years of innovating in community and public health, André founded Onboard Health, a specialized executive search and advisory firm focused on creating a more inclusive workforce. In 2020, he was named to Fortune Magazine’s 40 Under 40 in Healthcare.

**THE OPPORTUNITY**

Despite growing evidence that greater diversity in teams is associated with higher performance, many healthcare institutions struggle to build representative teams and inclusive environments for their people and clients. Too often organizations attempt to tackle public health issues faced by people of color, or other overlooked communities, without a single person from those communities on their team. Without improvements to representation and inclusion, healthcare companies risk losing out on top talent, more equitable outcomes, and novel approaches to care delivery.

**THE SOLUTION**

Onboard Health leverages a unique, two-sided model to help companies recruit diverse leadership teams and create cultures centered on equity and inclusion. The first pillar of the business, executive search, leverages their network of thousands of BIPOC and LGBTQ+ professionals, working across venture capital, business development, operations, health equity, design, and data science. The Onboard Health Talent Network connects individuals through community and social platforms, equips them with education and programming, and supports them through career transitions and new opportunities. The second pillar, advisory services, provides consulting and programming to help organizations develop inclusive cultures and enable all team members to thrive.

**IMPACT**

Here are some indicators that Onboard Health uses to track the success of their work:

- 7.5K members in talent network
- 100+ ecosystem companies across the health industry
- 30K network effect

**RECOMMENDATION FOR THE ECOSYSTEM**

“As leaders, take a step back and assess. Sometimes you need to get out of your own way and look around at the marketplace. Learn from what the creative, new companies are doing and decide how you want to contribute and evolve. After a self-assessment, invite a trusted partner to come in and help you identify organizational blindspots.”

**FIELD SPOTLIGHT**

André Blackman | Onboard Health

**André Blackman**

Founder & CEO, Onboard Health

“People expect companies to evolve—not just pay attention to equity—but actually change for the better. A company will lose its best employees if it doesn’t improve because people are becoming less willing to sacrifice themselves for their jobs. If you’re really trying to create an inclusive environment, you’ll take the time to ensure the mechanics of your company are equitable and your brand reflects those values.”

André Blackman

Founder & CEO, Onboard Health
**FIELD SPOTLIGHT**

**Javier Evelyn | MedTech Color**

**THE INNOVATOR**

Javier is a mission-driven entrepreneur, ecosystem builder, and a Founding Team Member of MedTech Color. Motivated by his personal experience living with multiple food allergies, he founded Alerje, a medtech and digital health startup focused on improving the lives of millions dealing with life-threatening food allergies. In 2020, Javier was selected as an awardee of the inaugural Black Founders Fund by Google for Startups.

**THE OPPORTUNITY**

The lack of diversity and inclusion in medical device product development is not only a social or cultural concern—it is a public health issue that directly affects the safety and effectiveness of medical devices and clinical outcomes for diverse patient populations. Moreover, the absence of diverse leadership and consideration for communities of color create critical gaps across the full lifecycle of medical devices. Founders of color are well-equipped to solve many of these significant, unmet needs in the medical device industry; however, Black and Hispanic entrepreneurs face the greatest barriers to accessing capital, accounting for less than 4% of all venture deals.

**THE SOLUTION**

MedTech Color is purpose-built to advance the representation of persons of color in the medical device industry. The organization aims to build the world’s largest network of Black and Hispanic medtech leaders, increase diverse representation in clinical trials and medical device development, and help create 100 new Black and Brown CEOs by 2030. MedTech Color advances early-stage medtech companies founded by Black and Brown professionals through funding and mentorship opportunities awarded during its annual Pitch Competition. The organization creates thought leadership, professional development resources, and hosts or participates in a number of other networking events to support and grow its community. These ecosystem initiatives include panels, industry meetings, workshops, and the annual Networking Breakfast in partnership with AdvaMed at the MedTech Conference.

**IMPACT**

Here are some indicators that MedTech Color uses to track the success of their work:

- **1,700+** members, contacts, and supporters in its growing network
- **$300k** cash and in-kind services provided to early-stage founders through its Pitch Competition
- **12+** leading healthcare and medtech organizations as Collaborative Community Sponsors

**RECOMMENDATION FOR THE ECOSYSTEM**

“As Black and Brown populations will be the majority groups in the coming decades, it will be critical not only for these communities, but also for the entire country, to build tools and reprogram systems for inclusivity. This allows space for innovators with cultural context and awareness to build the tools and solutions that we will need tomorrow.”

---

**SECTION V**

**What’s Next? A Call for Continued Learning, Action, and Partnership**

As named at the start of this publication, there are no easy-fixes to ameliorate the challenges that UUDH innovators face when attracting investment resources. Noting this, we hope that this publication—and RockHealth.org’s emerging work—builds off the efforts of **comparable initiatives** and prompts other digital health actors to find avenues to support UUDH innovators.

We additionally call on these actors to consider ways that they can meaningfully contribute to efforts that support underrepresented and underfunded innovators by:

- **Directing and allocating more funding to UUDH innovators** who are leading innovations that expand the promise and potential of digital health.
- **Supporting field efforts and related organizations** that amplify and support the work of UUDH innovators.
- **Determining your baseline and considering next steps**, based on your unique context—for investors this may mean auditing your portfolio and investment pipeline to ensure that UUDH innovators are represented; for corporate leaders this may mean entering into discussions with UUDH innovators to understand how their work may complement your strategic goals; for media, researchers, and advisors this may mean intentionally elevating the stories and work of UUDH innovators; and for peer-entrepreneurs this may mean finding ways to support and champion fellow innovators that are advancing digital health innovation.
- **Broadening your networks** by asking who is not at the table and engaging with the expressed purpose of connecting with and learning alongside transformative UUDH innovators.
- **Sharing your reflections and learnings** with colleagues in your organizations and your network.
Appendix

Reimagining Opportunity & Innovation in Digital Health Discovery Interview Participants

Alice Lin Fabiano | Vice President, Global Philanthropy, American Express (former. Global Director at Johnson & Johnson, Global Community Impact)*
Alice Vilma | Managing Director, Morgan Stanley Multicultural Strategy Group
Ashley Edwards | Founder + CEO, MindRight Health*
Bill Evans | Founder + General Partner, Rock Health Capital*
Chelsea Hanson | former. Director, Health Equity + Innovation, American Medical Association*
Deena Shakir | Partner, Lux Capital*
Erik Cardenas | Co-Founder + CEO, Zócalo Health
Erika Seth Davies | CEO, Rhia Ventures
Félix Manuel Chinea | Health Equity & Inclusion Strategy, Senior Manager, Doximity*
Ivelyse Andino | Founder + CEO, Radical Health
Ivor Horn | Director, Health Equity & Product Inclusion, Google / Partner, Unseen Capital*
Javier Evelyn | Founder + CEO, Alerje*
Juan-Pablo Mas | Partner, Action Potential Venture Capital / Co-founder of LatinX VC*
Kathryne Cooper | Partner, Jumpstart Nova*
Kaakpema “KP” Yelpaala | Co-Founder + CEO, InOn Health*
Leah Sparks | Founder + CEO, Wildflower Health
Lori Melichar | Director, Pioneer Portfolio, Robert Wood Johnson Foundation
Lynne Chou O’Keefe | Founder + Managing Partner, Define Ventures*
Margaret Laws | President + CEO, Hopelab
Mariza Harden | Co-Founder + COO, Zócalo Health
Megan Zweig | COO, Rock Health Advisory*
Monique Smith | Executive Director, Health Design ED*
Payal Parikh | Principal, Unseen Capital*
Selma Bueno | Managing Director, Morgan Stanley Multicultural Strategy Group
Shivani Garg Patel | Chief Strategy Officer, Skoll Foundation*

*Reimagining Opportunity and Innovation in Digital Health Advisory Committee Member
### DIVERSITY RIDER PLEDGE
- **Diversity in Venture Investing**
  - **WHY WOMEN-OWNED STARTUPS ARE A BETTER BET**
    - Boston Consulting Group
  - **DIVERSITY & INCLUSION IN THE VC INDUSTRY**
    - Deloitte
  - **HOW THE PITCH PROCESS IS FAILING WOMEN ENTREPRENEURS**
    - Harvard Business Review
  - **INSTITUTIONAL INVESTORS MUST HELP CLOSE THE RACE AND GENDER GAPS IN VENTURE CAPITAL**
    - Harvard Business Review
  - **ADVANCING GENDER EQUITY IN VENTURE CAPITAL**
    - Harvard Kennedy School
  - **VC PROGRESS TOWARD RACIAL EQUITY**
    - Morgan Stanley
  - **THE TRILLION-DOLLAR BLIND-SPOT**
    - Morgan Stanley Multicultural Inno. Lab
  - **HOW DIVERSITY CAN DRIVE INNOVATION**
    - Harvard Business Review
  - **DIVERSITY WINS: HOW INCLUSION MATTERS**

### AMA’S EQUITY MISSION & STRATEGIC PLAN
- **Digital Health and Health Equity**
  - **ADVANCING HEALTH EQUITY: A GUIDE TO LANGUAGE, NARRATIVE AND CONCEPTS**
    - American Medical Association
  - **A FRAMEWORK FOR ELIMINATING HEALTH DISPARITIES USING TELEHEALTH**
    - American Telemedicine Association
  - **UNDERINVESTED: STRATEGIES FOR SUPPORTING DIVERSITY, EQUITY, AND INCLUSION IN HEALTH CARE VENTURE INVESTMENT**
    - California Health Care Foundation
  - **HOW HEALTH SYSTEMS CAN HELP ADDRESS LANGUAGE BARRIERS TO ACHIEVE DIGITAL HEALTH EQUITY**
    - CHOP PolicyLab
  - **DIGITAL HEALTH EQUITY PLEDGE**
    - eHealth Initiative
  - **BUSINESS CASE FOR CHANGE IN U.S. HEALTH INNOVATION RESOURCING**
    - In Full Health Initiative
  - **FIVE PRINCIPLES FOR EQUITABLE HEALTH INNOVATION**
    - In Full Health Initiative
  - **FOCUSING ON DIGITAL HEALTH EQUITY**
    - JAMA

### DIVERSITY IN DIGITAL HEALTH
- **Diversity in Digital Health**
  - **THE STATE OF GENDER EQUITY IN DIGITAL HEALTH**
    - Rock Health