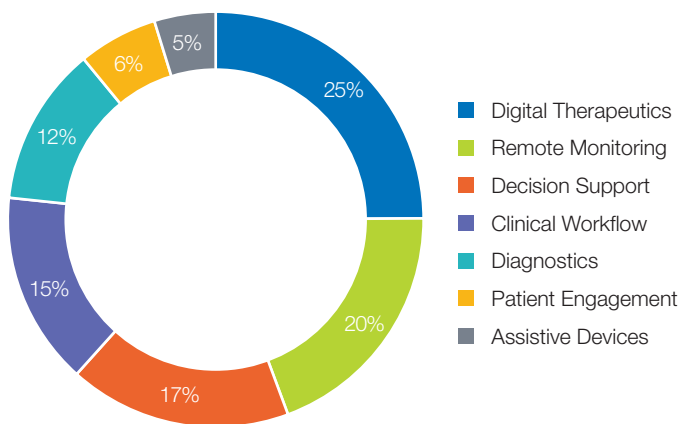# START-UP NATION CENTRAL
DIGITAL HEALTH TRENDS 2019[1]

The digital health sector is prospering in Israel. With over 550 innovative companies, technology hubs, R&D centers, incubators, and multinational corporations in this space, the vibrant Israeli digital health ecosystem has more than doubled in size since 2011.

Israel has more than 25 years of accumulated data in its healthcare system, 98% of which is digitized. In early 2018, the
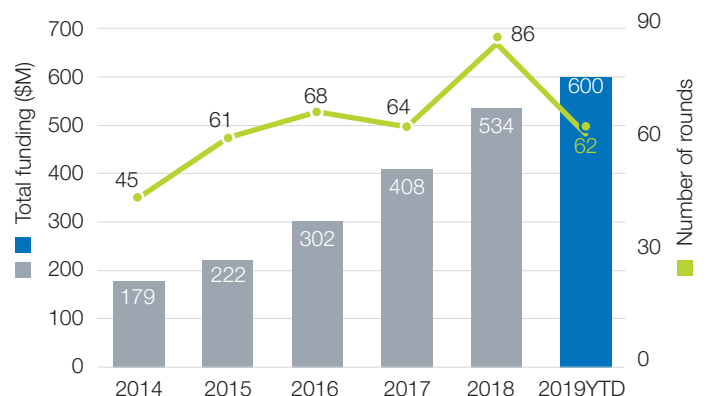
Israeli government approved a budget of over $300M to support digital health as the next economic growth engine. Among its goals are financial incentives to encourage collaborations between Israeli technologies and foreign healthcare systems.

Digital therapeutics is the largest subsector of the Israeli digital health sector, with 138 companies, followed by remote monitoring, with 109 companies.

Digital Health Subsectors (by Number of Companies)

- 25% Digital Therapeutics
- 20% Remote Monitoring
- 17% Decision Support
- 15% Clinical Workflow
- 12% Diagnostics
- 6% Patient Engagement
- 5% Assistive Devices

Investment and Funding Rounds (2014 – 2019)

Year	Total funding ($M)	Number of rounds
2014	179	45
2015	222	61
2016	302	68
2017	408	64
2018	534	86
2019YTD	600	62

Funding raised by Israeli digital health start-ups in 2019 (up to November) totaled $600M across 62 deals, exceeding the 2018 Fiscal Year amount. In 2019, the median funding round was $7M, with a growing number of later stage rounds. **Five funding rounds surpassed $30M each:**

Healthy.io
Smartphone urinalysis AI company Healthy.io raised $60M in a C round

Viz.ai
AI-powered synchronized stroke care company VIZ raised $50M in a B round

EarlySense®
Contactless remote monitoring AI company EarlySense raised $39M

theranica
Migraine relief company Theranica raised $35M in a B round

DAY TWO
Personalized AI-nutrition start-up DayTwo raised $31M in a B round

ISRAELI INNOVATION: DIGITAL HEALTH

THERE ARE **MORE THAN 500** INNOVATIVE DIGITAL HEALTH COMPANIES IN ISRAEL

DECISION SUPPORT

Medial EarlySign • aidoc • CLEW The Future of Clinical Intelligence • SERENUS AI REINVENTING MEDICAL DECISIONS™ • DIA IMAGING ANALYSIS • Data2Life

MedAware • TALIAZ • zebra MEDICAL.VISION • GENOOX • elminda

REMOTE MONITORING

CU CONTINUSE BIOMETRICS • biobeat Medical Smartmonitoring • MyndYou • nanit • Datos

EarlySense • tytocare • Oxitone • somatix Data with a purpose

ASSISTIVE DEVICES

AngelSense • iphope • ORCAM • voiceitt • SESAME ENABLE TOUCH FREE CONTROL

DIGITAL THERAPEUTICS

Intendu • sleeprate • sweetch • DAY TWO

VRHealth • helparound • NiNiSpeech

DECISION SUPPORT
REMOTE MONITORING
CLINICAL WORKFLOW
DIAGNOSTICS
ASSISTIVE DEVICES
DIGITAL THERAPEUTICS
PATIENT ENGAGEMENT

Hospital

UPDATED: JANUARY 2019

CLINICAL WORKFLOW

check-ER • Simplee • MDClone

ORPHEUS MEDICAL • TAILORMED

DIAGNOSTICS

sight • FDNA Accessible Genetics • k • MeMed

6 over 6 Optometry • hand • MobileODT Mobile Optical Detection Technologies • Healthy.io

PATIENT ENGAGEMENT

BELONG.LIFE Beating cancer together • vaica • NEURA

ValeraHealth • Medisafe

Telesofia MEDICAL • Water.IO • Medorion

The start-ups on this map have been chosen in accordance with the following criteria:
- Privately held
- External financing
- Released product
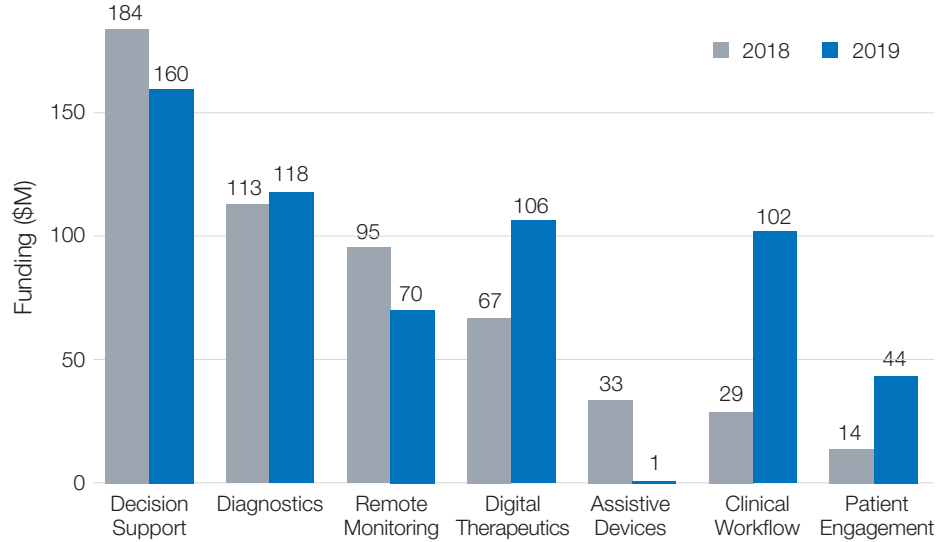- Digital Health as a core business

START-UP NATION CENTRAL

Start-Up Nation Central is an Israel-based non-profit, serving as a gateway to Israeli innovation. The organization leverages its in-depth knowledge of Israel's innovation sector to connect business leaders, governments, and NGOs from across the globe to the most relevant people and technologies that can address their most pressing challenges

In 2019, there were new healthcare-dedicated VCs raised and being raised, including aMoon II's $660M Health Tech and Life Sciences Fund, Pitango's $150M Health Tech Fund, Ourcrowd's $50M Med Tech Fund, and Triventures' ARC (first closing of the targeted $40M).

Within the ecosystem, approximately 40% of digital health companies utilize Artificial Intelligence in their solutions. Furthermore, 75% of digital health companies that raised funds in 2019 were AI-driven companies, and most of the AI-driven companies are in the field of decision support, which provides essential tools for healthcare providers in numerous settings.

Funding by Subsector ($M)

Legend: 2018, 2019

Subsector	2018	2019
Decision Support	184	160
Diagnostics	113	118
Remote Monitoring	95	70
Digital Therapeutics	67	106
Assistive Devices	33	1
Clinical Workflow	29	102
Patient Engagement	14	44

Decision support start-ups raised **$160M** in funding in 2019, 27% of the total investment in the sector ($600M) through the largest number of rounds – **17 out of 62 (27%)**.

Diagnostics (20% of the total sector funding), **digital therapeutics** (18% of the total sector funding) and **clinical workflow** (17% of the total sector funding) each raised more in the first 10 months of 2019 than in the Fiscal Year of 2018.

The **clinical workflow** subsector benefited from increased interest in **data protection and cybersecurity technologies** in 2019, resulting in 63% of subsector funding being allocated to these areas (4 out of 8 rounds).

SUCCESS STORIES

tytocare™

Remote diagnostics kit company TytoCare started distributing its solution via Best Buy and Novant Health in the US.

Anthem®

Anthem Health launched the Anthem Israel Innovation Center, its first innovation arm in Israel.

K Health

Personalized virtual symptom checker K Health teamed up with Anthem, one of the largest managed health companies in the US with 40M members.

ARC INNOVATION AT SHEBA MEDICAL CENTER

The Sheba ARC Innovation Center was officially launched in 2019, aiming to bring new technologies into the hospital and community ecosystem to improve patient care.

START-UP NATION CENTRAL