



EMERGING TECH RESEARCH

Healthcare IT Report

VC and PE trends and emerging opportunities



Q1
2024

REPORT PREVIEW

The full report is available through the PitchBook Platform.



Contents

Vertical update	3
Q1 2024 timeline	4
Healthcare IT landscape	5
Healthcare IT VC ecosystem market map	6
Healthcare IT PE ecosystem market map	7
VC and PE activity	8
Emerging opportunities	18
Diabetes care management	19
Remote monitoring and chronic condition management ecosystem market map	23
The fragmented RPM/CCM landscape	24

Institutional Research Group

Analysis



Rebecca Springer, Ph.D. Lead Analyst, Healthcare
rebecca.springer@pitchbook.com
pbinstitutionalresearch@pitchbook.com

Data

Collin Anderson Data Analyst

Publishing

Report designed by **Joey Schaffer** and **Chloe Ladwig**

Published on May 30, 2024



Healthcare IT landscape

- 1** Electronic health records & clinical information
- 2** Revenue cycle
- 3** Operations
- 4** Analytics
- 5** Infrastructure & compliance





Healthcare IT VC ecosystem market map

This market map is an overview of venture-backed or growth-stage companies. [Click to view the full map on the PitchBook Platform.](#)

1 Electronic health records (EHRs) & clinical information

Generalist EHRs & enterprise systems



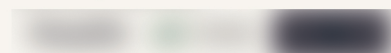
Vertical EHRs & enterprise systems



Picture archiving & communication system (PACS), radiology information system (RIS) & clinical image workflows



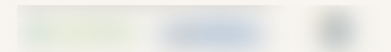
Laboratory information system (LIS) & laboratory workflows



Clinical documentation



Care coordination & referrals



Care team communication



Remote patient monitoring software

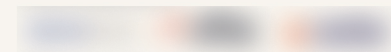


2 Revenue cycle

End-to-end revenue cycle management (RCM)



Patient payments



Billing & coding



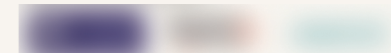
Revenue optimization



Payment integrity



Payer workflow tools



4 Analytics

Population health & risk analysis



VBC enablement



Clinical decision support



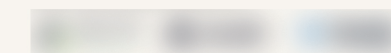
Prescription optimization



Outcomes measurement



Multifunctional analytics



3 Operations

Practice management



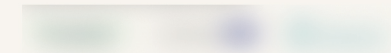
Patient & member engagement



Scheduling & intake



Telemedicine enablement



Surgery operations



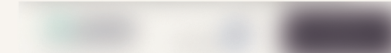
Workforce management



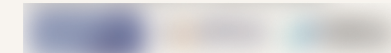
Resource management & procurement



Pharmacy & medication management



Provider education & improvement



5 Infrastructure & compliance

Directories, credentialing & networks



Security, identity & access



Cloud & software platforms



Data ecosystem



Process automation



Governance, risk & compliance (GRC) & quality assurance





Healthcare IT PE ecosystem market map

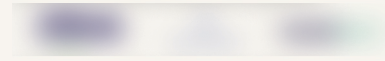
This market map is an overview of PE-backed companies in each segment that are currently active in PE portfolios. [Click to view the full map on the PitchBook Platform.](#)

1 EHRs & clinical information

Generalist EHRs & enterprise systems



Vertical EHRs & enterprise systems



PACS, RIS & clinical image workflows



LIS & laboratory workflows



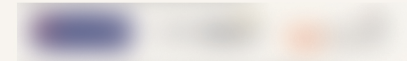
Clinical documentation



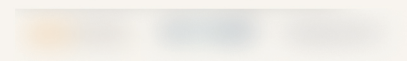
Care coordination & referrals



Care team communication



Remote patient monitoring software



2 Revenue cycle

End-to-end RCM



Patient payments



Billing & coding



Revenue optimization



Payment integrity

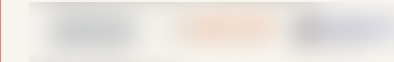


Payer workflow tools



4 Analytics

Population health & risk analysis



VBC enablement



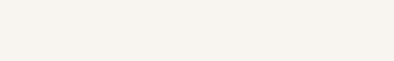
Clinical decision support



Prescription optimization



Outcomes measurement



Multifunctional analytics



3 Operations

Practice management



Patient & member engagement



Scheduling & intake



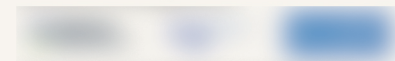
Telemedicine enablement



Surgery operations



Workforce management



Resource management & procurement



Pharmacy & medication management



Provider education & improvement



5 Infrastructure & compliance

Directories, credentialing & networks



Security, identity & access



Cloud & software platforms

Data ecosystem



Process automation



GRC & quality assurance



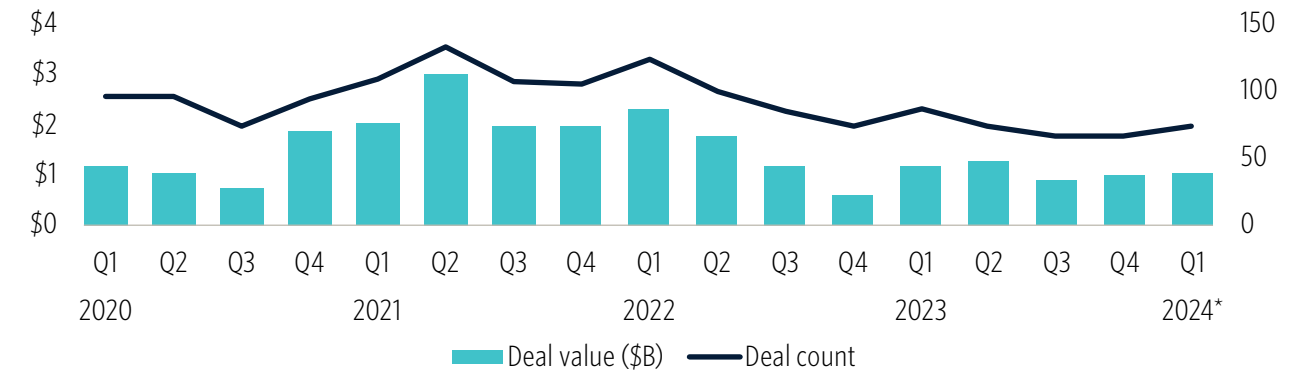


VC and PE activity

In Q1 2024, healthcare IT companies cumulatively raised \$1.0 billion in VC funding across 74 deals, representing a 3.3% increase in deal value and a 10.4% increase in deal count QoQ. Cumulative VC deal value for healthcare IT over the past 12 months decreased by 11.9% compared with the previous 12 months. The quarter's largest VC deal by far was the Lightspeed- and Redpoint-led \$150.0 million Series C by ambient clinical documentation company [Abridge](#). Broadly considered one of the leading companies in this crowded category, [Abridge](#) has notched partnerships with Epic, NVIDIA, MemorialCare, and Sutter Health and raised a \$30.0 million Series B in October 2023. The company's rapid return to the fundraising market underscores not only the enthusiasm that VC investors are displaying toward AI scribes—one of the most accessible applications of LLMs in healthcare—but also the high cost associated with training AI models. Other noteworthy fundraises included a \$40.0 million Series B for coding automation company [CodaMetrix](#) and a \$50.0 million Series B for prior authorization automation company [Cohere Health](#), which we [profiled](#) in last quarter's report.

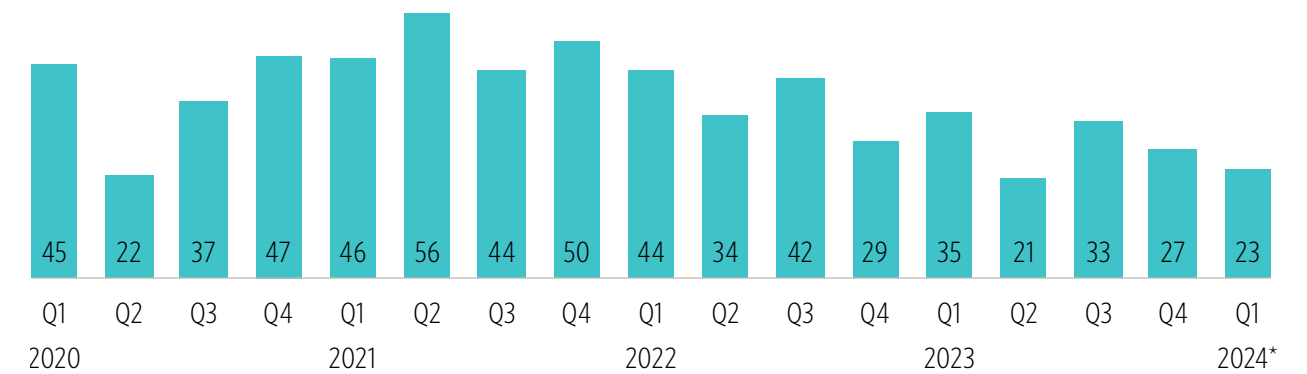
PE investors announced or closed 23 healthcare IT deals in Q1 2024, down 14.8% from Q4 2023. Over the past 12 months, PE investors have announced or closed 25.7% fewer healthcare IT deals than in the previous 12 months. The closing of KKR's stake in payer tech company [Cotiviti](#) and New Mountain Capital's approach of [R1 RCM](#) for a \$5.6 billion take-private represent the two largest deals of the quarter. Also noteworthy were Frazier Healthcare Partners' purchase of patient payments solution [RevSpring](#) from GTCR, and Sunstone Partners' acquisition of RPM services provider [Accuhealth](#). We discuss the opportunity in RPM and the [Accuhealth](#) deal later in this report.

Healthcare IT VC deal activity by quarter



Source: PitchBook • Geography: Global • *As of March 31, 2024

Healthcare IT PE deal count by quarter



Source: PitchBook • Geography: Global • *As of March 31, 2024



VC AND PE ACTIVITY

Key healthcare IT early-stage VC deals in Q1 2024*

Company	Close date	Category	Deal value (\$M)	Deal series	Lead investor(s)
Tennr	March 26	Process automation	\$18.0	Series A	Andreessen Horowitz
Hippocratic AI	March 18	Process automation	\$55.0	Series A	General Catalyst, Premji Invest
Rad AI	March 8	Clinical documentation	\$63.0	Series B	N/A
Plenful	March 7	Process automation	\$17.0	Series A	TQ Ventures
Chamber Cardio	March 6	VBC enablement	\$8.0	N/A	General Catalyst
Fabric	February 21	Resource management & procurement	\$60.0	Series A	General Catalyst
Anatomy Financial	February 13	Billing and coding	\$7.6	N/A	Lightspeed Venture Partners
Medical Force	February 7	Vertical EHRs & enterprise systems	\$10.2	N/A	N/A
Quantile Health	February 2	Patient payments	\$7.7	N/A	Munich Re Ventures
Codex	February 1	Patient & member engagement	\$11.0	N/A	N/A

Source: PitchBook • Geography: Global • *As of March 31, 2024



VC AND PE ACTIVITY

Key healthcare IT late-stage and venture-growth deals in Q1 2024*

Company	Close date	Category	Deal value (\$M)	Deal series	Lead investor(s)
Abridge	March 29	Clinical documentation	\$150.0	Series C	Lightspeed Venture Partners, Redpoint Ventures
HiLabs	March 11	Directories, credentialing & networks	\$39.0	Series B	Denali Growth Partners, Eight Roads
CodaMetrix	February 29	Billing & coding	\$40.0	Series B	Transformation Capital
Reveleer	February 26	Revenue optimization	\$65.0	N/A	Hercules Capital BDC
HealthSnap	February 21	RPM software	\$25.0	Series B	Sands Capital
Cylera	February 5	Security, identity & access	\$26.0	Series B	N/A
Cohere Health	January 26	Billing & coding	\$50.0	Series B	Deerfield Management
Amigo Tech	January 26	Practice management	\$32.7	N/A	N/A
Artisight	January 11	Resource management & procurement	\$42.0	Series B	N/A
Nabla	January 5	Telemedicine enablement	\$24.0	Series B	Cathay Innovation

Source: PitchBook • Geography: Global • *As of March 31, 2024

About PitchBook Industry and Technology Research

Independent, objective, and timely market intel

As the private markets continue to grow in complexity and competition, it's essential for investors to understand the industries, sectors, and companies driving the asset class.

Our Industry and Technology Research provides detailed analysis of nascent tech sectors so you can better navigate the changing markets you operate in—and pursue new opportunities with confidence.

©2024 by PitchBook Data, Inc. All rights reserved. No part of this publication may be reproduced in any form or by any means—graphic, electronic, or mechanical, including photocopying, recording, taping, and information storage and retrieval systems—without the express written permission of PitchBook Data, Inc. Contents are based on information from sources believed to be reliable, but accuracy and completeness cannot be guaranteed. Nothing herein should be construed as any past, current or future recommendation to buy or sell any security or an offer to sell, or a solicitation of an offer to buy any security. This material does not purport to contain all of the information that a prospective investor may wish to consider and is not to be relied upon as such or used in substitution for the exercise of independent judgment.

PitchBook Data, Inc.

John Gabbert Founder, CEO

Nizar Tarhuni Vice President, Institutional Research and Editorial

Paul Condra Head of Emerging Technology Research

Additional research

Eric Bellomo
eric.bellomo@pitchbook.com
Gaming
E-Commerce

Brendan Burke
brendan.burke@pitchbook.com
Data Analytics
Information Security
Artificial Intelligence & Machine Learning

Aaron DeGagne
aaron.degagne@pitchbook.com
Medtech
Digital Health

Alex Frederick
alex.frederick@pitchbook.com
Agtech
Foodtech

Jonathan Geurkink
jonathan.geurkink@pitchbook.com
Supply Chain Tech
Mobility Tech

Kazi Helal
kazi.helal@pitchbook.com
Biopharma
Pharmatech

Derek Hernandez
derek.hernandez@pitchbook.com
Enterprise SaaS
Infrastructure SaaS

Ali Javaheri
ali.javaheri@pitchbook.com
Emerging Spaces

Robert Le
robert.le@pitchbook.com
Insurtech
Crypto

John MacDonagh
john.macdonagh@pitchbook.com
Carbon & Emissions Tech
Clean Energy Tech

Rebecca Springer
rebecca.springer@pitchbook.com
Healthcare Services
Healthcare IT

Rudy Yang
rudy.yang@pitchbook.com
Enterprise Fintech
Retail Fintech