

DIGITAL HEALTH DOWNLOAD

SPRING 2021



TO HELP YOU STAY ABREAST OF KEY DEVELOPMENTS, we are pleased to share this quarter's issue of the *Digital Health Download*, a series curating the latest business and regulatory news impacting the industry.

Over three months into 2021 and the pace of digital health innovation shows no signs of abating. Investments in big data platforms, such as Clayton, Dubilier & Rice's investment in M2GEN, an oncology-focused health informatics solutions company, are on the rise. Digital health SPAC deals also continue, as demonstrated by SPAC SC Health Corp's merger with Rockley Photonics and Owlet Baby Care's merger with SPAC Sandbridge Acquisition Corporation.

This quarter, Ropes & Gray attorneys continued to offer their perspectives on emerging trends, including the unique legal considerations in data-centric life science collaborations, as well as FDA regulatory developments in the area of AI and machine learning. We also discussed in *Bloomberg Law* anticipated digital health trends for 2021, including the continued expansion of big data, AI, and telehealth.

We've summarized below the recent digital health updates that have captured our interest. If you have questions about digital health, please contact us or your usual Ropes & Gray advisor.

Best,

[Megan Baca](#)

Partner, Silicon Valley

[Kellie Combs](#)

Partner, Washington, D.C.

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Co-Chairs of the Ropes & Gray Digital Health Initiative

IN THIS ISSUE

- ROPES & GRAY IN THE NEWS.....2
- ROPES & GRAY INSIGHTS3
- FUNDING AND INVESTMENTS3
- IPOs4
- PARTNERSHIPS AND TRANSACTIONS4
- FDA CLEARANCES AND PRODUCT/SOFTWARE LAUNCHES5
- INTERNATIONAL5

Stay tuned for an initial recording of the Ropes & Gray

Decoding Digital Health

podcast series later this month

ROPES*talk*



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ROPES & GRAY IN THE NEWS

- Rockley Photonics is set to merge with the SPAC **SC Health Corp.**, in a deal that will give the combined company a *pro forma* enterprise value of \$1.2 billion.
– March 2021 ([Ropes & Gray](#))
 - **ROPES & GRAY** acted as legal advisor to **SC Health Corp.**, with a team led by Carl Marcellino and Libby Todd, that included Nicholas Matthew, Paul Tropp, Christopher Capuzzi, Tara Fisher, Elaine Murphy, Brenda Coleman, Christopher Agnoli, Ruchit Patel, Ama Adams, Deidre Johnson, Loretta Richard and Rohan Massey.
- M2GEN announced a significant new investment by **Clayton, Dubilier & Rice funds**, the Merck Global Health Innovation Fund and McKesson Ventures to recapitalize M2GEN, a leading oncology data and informatics platform.
– March 2021 ([Ropes & Gray](#))
 - **ROPES & GRAY** acted as legal advisor to **Clayton, Dubilier & Rice**, with a team led by Carolyn Vardi and Scott Abramowitz, that included David Peloquin, Al Cacoza, Megan Baca, Michael Beauvais, Allie Alperovich, Megan Bisk and Adam Greenwood.
- **Avista Capital Partners** agreed to invest in eMolecules, a novel and fast-growing e-procurement platform for high-value chemicals and bioreagents. – March 2021 ([Ropes & Gray](#))
 - **ROPES & GRAY** acted as legal advisor to **Avista Capital Partners** with a team that included Bob Rivollier, David Sandyk, Adrienne Ortega, Violetta Kokolus, Danna Kivell, Megan Bisk, Benjamin Rogers, Ryan Rohlfen, Peter Alpert and Kellie Combs.
- Owlet Baby Care Inc. and **Sandbridge Acquisition Corporation**, a special purpose acquisition company co-sponsored by affiliates of Sandbridge Capital and PIMCO private funds, have entered into a definitive merger agreement. – February 2021 ([Ropes & Gray](#))
- **ROPES & GRAY** acted as legal advisor to **Sandbridge Acquisition Corporation**, with a team led by Emily Oldshue and Chris Comeau, that included Kellie Combs, Renata Ferrari, Rocky Tsai, Elaine Murphy, Rohan Massey, Erica Han, Clare Sellars, Brendan Hanifin, James Kaplan, Brittany Pifer, Sarah Smith, Kasey McNamara, Giancarlo Lee, Kyle Higley, Michael Mendelevich, Alec Oveis, Brandon Sisson, Michael Purcell, Rob Baxter, Abbey Shaw and Lauren Foy.
- **Aquiline Capital Partners** invested in National Medical Billing Services, an industry-leading health care revenue cycle management company serving the ambulatory surgery center market. – February 2021 ([Ropes & Gray](#))
 - **ROPES & GRAY** acted as legal advisor to **Aquiline Capital Partners**, with a team that included Danna Kivell, Timothy McCrystal and Violetta Kokolus.
- **H.I.G. Capital** has entered an agreement to invest \$225 million in eHealth Inc., a leading health insurance marketplace. – February 2021 ([Ropes & Gray](#))
 - **ROPES & GRAY** acted as legal advisor to **H.I.G. Capital**, with a team led by Eric Issadore, that included PJ Sullivan and Benjamin Kozik.
- **New Mountain Capital** agreed to sell Cytel Inc., one of the largest providers of statistical software and advanced analytics for clinical trial design and biometrics execution, to **Nordic Capital** and Astorg. – January 2021 ([Ropes & Gray](#))
 - **ROPES & GRAY** acted as legal advisor to **New Mountain Capital**, with a team led by Garrett Charon and John Sorkin, that included Todd B. Kornreich, Stefanie Birkmann, Adam Greenwood, Alyssa Kollmeyer, Danna Kivell, Jennifer Romig, Ruchit Patel and Jonathan Klarfeld.

Continued on page 3



DIGITAL HEALTH DOWNLOAD

Continued from page 2

- **WellSky Corp.**, a global health and community care technology company jointly owned by **TPG Capital** and **Leonard Green & Partners**, completed the acquisition of CarePort Health, a care coordination software company.
– January 2021 ([Ropes & Gray](#))
 - **ROPES & GRAY** acted as legal advisor to **WellSky Corp.** with a team that included Jay Freedman, Chau Le, Matt Jacobson, Michael Lee, Benjamin Rogers, Doug Brayley, Danna Kivell, Ellen Sueda, Christina Bergeron and Ed McNicholas.
- **Bain Capital Double Impact** invested in TeachTown, a provider of evidence-based education curriculum software for students with special needs. – January 2021 ([Ropes & Gray](#))
 - **ROPES & GRAY** acted as legal advisor to **Bain Capital**, with a team led by Charles Boer and Jose DeMedeiros, that included Edward Black, Edward McNicholas, Megan Bisk, Renata Ferrari, Christine Moundas and Pamela Glazier.



FUNDING AND INVESTMENTS

- Digital mental health company Ginger landed \$100 million in a Series E funding round led by **Blackstone Growth**.
– March 24, 2021 ([MobiHealthNews](#))
- AppliedVR, a digital therapeutics company developing the next generation of Virtual Reality digital medicine, has announced \$29 million in Series A funding.
– March 23, 2021 ([Digital Health Times](#))
- Ro, a direct-to-consumer telehealth app for pharmacy services, completed a \$500 million Series D financing round. – March 23, 2021 ([Becker's Hospital Review](#))
- AKASA (formerly Alpha Health), the only Unified Automation™ company for revenue cycle management in healthcare, announced it has raised \$60 million in its

ROPES & GRAY INSIGHTS

- Data Issues in Life Science Collaborations
– March 29, 2021
- Health Info Blocking Rule Creates Opportunities For Research – March 8, 2021
- Non-binding Guidance: FDA Regulatory Developments in AI and Machine Learning
– March 4, 2021
- FDA Publishes Action Plan for Oversight of Artificial Intelligence/Machine Learning-Based Medical Software – February 9, 2021
- CMS Finalizes Permanent Changes for Certain Telehealth Services Modified During COVID-19 Public Health Emergency
– January 5, 2021
- Digital Health 2021: Trends in Big Data, AI, Telehealth, and Beyond – January 4, 2021
- 2 Major Digital Health Trends Driven by COVID-19 – December 22, 2020

series B round of funding. – March 23, 2021
([Becker's Hospital Review](#))

- Kidney care company **Strive Health** landed \$140 million in a Series B funding led by Alphabet's growth fund CapitalG, bringing its total funding to \$223.5 million.
– March 18, 2021 ([MobiHealthNews](#))
- Paige (formerly Paige.AI) has updated its \$100 million Series C, announcing that **KKR** has joined the round as a co-lead and brought its total to "over \$125 million."
– March 9, 2021 ([MobiHealthNews](#))

Continued on page 4



DIGITAL HEALTH DOWNLOAD

Continued from page 3

- Drug discovery platform **Valo Health** closed a \$300 million Series B round, bringing its total funding to over \$450 million. – March 9, 2021 ([Valo Health](#))
- **Zocdoc** raised \$150 million from private equity firm **Francisco Partners** to support their pivot to telehealth at the beginning of the pandemic. – February 8, 2021 ([Med City News](#))



PARTNERSHIPS AND TRANSACTIONS

- Telehealth company Doctor On Demand plans to combine with Grand Rounds to form a “first of its kind patient-centric integrated virtual care company.” – March 16, 2021 ([Fierce Healthcare](#))
- **Cardinal Health** announced that it has signed a definitive agreement to sell its Cordis business to **Hellman & Friedman** for approximately \$1 billion. – March 15, 2021 ([Vascular News](#))
- Enzyre has entered into a strategic partnership with **Takeda** to develop assays for the diagnosis and monitoring of congenital bleeding disorders. – March 5, 2021 ([Pharma Focus Asia](#))
- **Walgreens** has tapped some of the biggest names in digital health like **Abbott**, BetterHelp, and Hinge Health to expand its offering on its Find Care platform, which helps connect customers to healthcare providers. – March 4, 2021 ([MobiHealthNews](#))
- Best Buy has stepped further into the health and technology market with a new partnership with **Apple**. – March 4, 2021 ([MobiHealthNews](#))
- Contract research organization **ICON** is set to acquire PRA Health Sciences in a \$12 billion deal. – February 24, 2021 ([Med City News](#))

- **CVC Capital Partners** announced that CVC Fund VII has agreed to acquire a majority interest in MedRisk. – February 23, 2021 ([CVC](#))
- Boston Scientific has announced that it has entered into an agreement to acquire remote monitoring developer Preventice Solutions. – January 21, 2021 ([Fierce Biotech](#))
- Philips signed an agreement to acquire Capsule Technologies, a medical device integration and data technologies company, for \$635 million. – January 20, 2021 ([Becker's Hospital Review](#))
- **Biogen** announced a new virtual research study, in collaboration with **Apple**, to investigate the role Apple Watch and iPhone could play in monitoring cognitive performance and screening for decline in cognitive health, including mild cognitive impairment (MCI). – January 11, 2021 ([Biogen](#))
- UnitedHealth Group's subsidiary Optum is purchasing health technology company **Change Healthcare** in a \$13.5 billion all-cash transaction. – January 6, 2021 ([Med City News](#))



IPOs

- **Oscar Health** has unveiled a plan to go public for \$1.054 billion, making it the largest public debut by a health tech startup so far this year. – February 22, 2021 ([Modern Healthcare](#))
- Sharecare, a digital health company, recently announced it will merge with special purpose acquisition company Falcon Capital Acquisition. – February 17, 2021 ([Becker's Hospital Review](#))
- Consumer telehealth and wellness brand Hims & Hers completed its merger with special purpose acquisition company Oaktree Acquisition Corp. – January 21, 2021 ([MobiHealthNews](#))

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FDA CLEARANCES AND PRODUCT/ SOFTWARE LAUNCHES

- Boston Medical Center is launching an mHealth app designed to assist health care providers using medication-assisted treatment (MAT) therapy.
– March 23, 2021 ([MHealthIntelligence](#))
- **Apple** joins the tech companies displaying COVID-19 vaccination centers through VaccineFinder, a tool created by Boston Children's Hospital with CDC support. – March 17, 2021 ([MobiHealthNews](#))
- Amazon's app-based health care service for employees, Amazon Care, will soon launch throughout the country.
– March 15, 2021 ([Healthcare IT News](#))
- NowRx is expanding into telehealth and will now enable provider-patient, app-based interactions, in addition to prescription medication deliveries.
– March 10, 2021 ([Med City News](#))
- **Zocdoc** founder Cyrus Massoumi has created Dr. B, an online platform that matches vaccine providers with extra vaccines to those willing to get one at a moment's notice – March 9, 2021 ([New York Times](#))
- **Change Healthcare** and Amazon Web Services are launching a new data science as a service offering that provides de-identified claims data integrated with social determinants of health. – March 9, 2021 ([Becker's Hospital Review](#))



INTERNATIONAL

- 111, Inc., a leading tech-enabled healthcare platform company in China, has entered into a strategic cooperation agreement with **BeiGene Co.**, a commercial-stage biotechnology company.
– March 17, 2021 ([111](#))
- WuXi Biologics, a global company with leading open-access biologics technology platforms, has entered into an equity agreement with **Pfizer** China to acquire its biologics manufacturing facilities and its labor force in Hangzhou, China. – March 16, 2021 ([Fierce Pharma](#))
- EU4Health is the EU's health response to the COVID-19 pandemic and the region's health challenges. Actions like strengthening and digitalizing health systems will be financially supported. – April 1, 2021 ([Healthcare IT News](#))



LEARN MORE

Check out the Ropes & Gray Digital Health [page](#) for the latest insights, upcoming events and useful tools.

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