

Akili plans to go public via \$1B SPAC deal—and we expect more gamified digital therapies to pop up

Article

The news: Digital therapeutics (DTx) company **Akili** is going public in a \$1 billion deal via a SPAC merger with Social Capital Suvretta Holdings Corp. It's expected to go public by mid-2022.

More on Akili: In June 2020, Akili's EndeavorRx app-based video game DTx received a first-of-its-kind FDA clearance as a valid prescription treatment for children with ADHD.

- The DTx specifically targets inattention in children: The video game lets users navigate their virtual character through a course that requires them to focus on specific tasks and dodge obstacles to level up in the game.
- In March 2021, Akili released results of a clinical trial evaluating the effectiveness of EndeavorRx: **68.3% of children showed improvements in ADHD-related impairments** after two months of using the video game therapy, and that improved with time.
- And another 2021 clinical study showed that EndeavorRx was similarly effective for both children who did and did not take ADHD medications.

Why it matters: There's been a spike in pediatric ADHD diagnoses since the pandemic, making a DTx like Akili's all the more attractive to parents and providers looking for non-drug supplement to ADHD treatment.

- **Around 10% of children have been diagnosed with ADHD in the US alone.**
- And since the pandemic the prevalence of ADHD among children has only gone up: **In March 2020, there was a 67% increase in ADHD diagnoses** in patients aged 13 to 17 compared with 2019, according to an Athenahealth study.
- Further, requests for providers who specialize in ADHD have jumped 60% since March 2020.
- While medications can improve ADHD symptoms, some children experience side effects at higher doses, making non-drug-based regimens attractive.

Why Akili could succeed: A gamified ADHD virtual therapy could easily appeal to parents/providers looking for a digital treatment tool that a child with ADHD can stick to.

- 83.2% of adolescents own a smartphone, which means there's a large, easily tappable base of potential users for a gamified DTx like Akili's.

But: It's important to note that EndeavorRx is not yet covered by insurance and costs \$100 per month—making it accessible only to those that can shell out the hundreds of dollars it

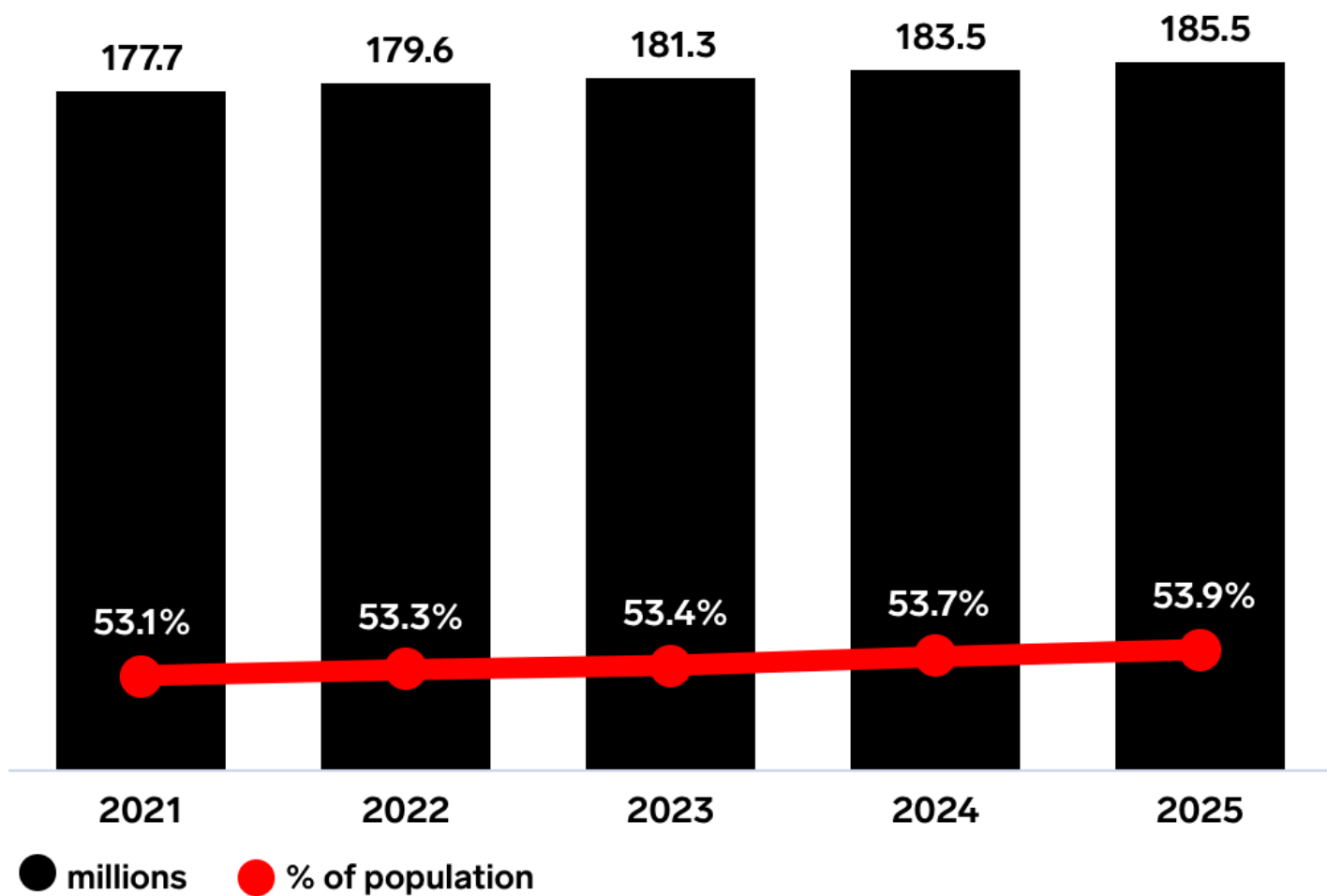
would take for their kid to see improvement.

The future of gamified digital therapies: Video game-based therapies can help boost patient engagement in healthcare areas beyond ADHD treatment (like chronic disease management), high engagement with treatment could act as a preventative health measure.

- Digital gamers already make up more than half (53.3%) of the US population, and that's expected to grow, [per](#) our Video Game Users forecast.
- This could mean that many patients may be incentivized to actually use a gamified DTx recommended by their doctor.

Digital Gamers

US, 2021-2025



Source: eMarketer, August 2021

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