

Lyra Health nabs \$200M to fuel international expansion

Article

Digital mental health company **Lyra Health** scored **\$200 million** in funding to expand internationally, catapulting its valuation to **\$4.6 billion**.

- Its clients already include massive employers like **Uber** and **eBay**.

- It'll broaden its global reach through its recent partnership with **ICAS**, a global employee assistance program provider that'll enable Lyra to deliver care in more than 180 countries.

We're seeing more US-based telehealth cos expand in countries with telehealth-friendly regulations while the US states debate the fate of telehealth in the post-pandemic era.

- **The US has state-specific licensing requirements, and some laxness around virtual care is fading alongside the pandemic—but the UK has always allowed international doctors to deliver care to its residents.** For example, during the pandemic, Arkansas allowed physicians licensed in other states to deliver care via telehealth; but last month, its legislature ended this relaxed policy. However, the UK says physicians located abroad can provide its residents virtual care, as long as the physician is qualified and registered within their own country—and this wasn't a new consideration for the pandemic.
- **Many telehealth companies are already seeking global expansion to tap into a wider, more telehealth-friendly market.** For example, **Teladoc** offers its services to residents in countries like Australia, Canada, and Spain. And **Hims & Hers** recently announced its European expansion plans through its acquisition of London-based D2C firm **Honest Health**.

But the US isn't lacking demand for virtual mental health—in fact, US patients will likely opt for it in the long haul:

- **Most consumers will likely prefer telemental health care over in-office visits post-pandemic since it eliminates barriers like cost and transport.** While telehealth claim lines for primary care conditions remained low (around 3%) between January and March, telemental health usage remained drastically higher, comprising 57% of all telehealth claims from February to March alone. This means many US individuals are still opting for virtual mental health care despite getting vaccinated—so it's likely usage levels won't fall anytime soon, especially for price-conscious consumers. During the pandemic, about 67% of individuals said telehealth visits removed typical barriers like cost.
- **Mental virtual care may even be more effective in reducing anxiety and depression levels in patients—which could convince docs to opt for telemental health long-term, too.** For example, GAD-7 scores are used to measure longitudinal changes in anxiety levels. After 4.4 weeks of telemental health encounters, patients reported a 6.9 point decrease in their scores (a clinically significant reduction), according to six-month study data by CirrusMD. Most (86%) mental health providers say they've delivered care virtually since the pandemic hit—but

proving the clinical effectiveness of telemental health could convince the remaining mental health providers to jump ship from office care to more long-term virtual visits, too.