

AstraZeneca pours millions into a digital health startup, but it could lag behind pharma peers

Article

The news: AstraZeneca invested approximately **\$33 million** in UK-based digital health startup **Huma Therapeutics**, according to a company press release.

Key details about the tie-up:

- Huma will subsequently acquire AstraZeneca's asthma and heart disease management platform (AMAZE) as a part of the deal.
- Huma develops applications that let clinicians remotely monitor a patient's chronic condition. In fact, the startup already collaborates with AstraZeneca to carry out clinical trials.
- The **AstraZeneca-Huma deal marks AstraZeneca's first digital health investment**, according to its chief digital officer.

AstraZeneca is late to the digital health game: Its peers like **Bayer**, **Boehringer Ingelheim**, and **Sanofi** already have long-term digital health investments, namely in the digital therapeutics space.

- For example, Bayer invested in Huma in 2019—and it's been a long-time investor in diabetes management startup **One Drop**.
- And both Sanofi and Boehringer Ingelheim poured funds into digital therapeutics (DTx) company **Click Therapeutics'** previous raises.
- Not to mention, Sanofi recently **inked** a **\$30 million** multiyear contract with DTx entrant **DarioHealth** to commercialize digital therapies for conditions like diabetes, hypertension, musculoskeletal health, and mental health.

AstraZeneca's new stake in Huma Therapeutics could help it gain a stronger foothold in the digital chronic disease management space—but it'll need to catch up to pharma competitors that have had contracts with health tech startups for a few years now.

What's next? It's likely pharma giants will amp their investments in DTx in the near future—especially as more health consumers seek alternatives to traditional medication when possible.

Many US adults are skeptical about trying out new meds for their condition, and believe some doctors are too “quick” to prescribe medication.

- **About 72% of health consumers try to avoid pills when possible**, **per** a 2021 LendingTree survey of 1,100 consumers.

- The hesitancy to try out new meds in combination with consumer interest in digitally tracking their chronic conditions digitally could be the perfect storm for rising DTx adoption. About **34% of diabetic patients say they use digital methods to track their disease**, [according to Rock Health](#).
- That means traditional pharma companies like AstraZeneca will have to act quickly to claim their stake in the DTx market or risk missing out on a key audience.

Top 3 Reasons to Prescribe Prescription Digital Therapeutics (PDTs) According to US Physicians*, Oct 2021

% of respondents



Note: n=200; *physician respondents for this question were aware of the products when answering the question; it was unblinded and revealed the product was a PDT, physicians were asked to carefully consider each PDT's clinical results, and then were prompted about PDTs once unblinding the data
Source: Cowen & Company, "Physician Survey on Prescription Digital Therapeutics"; Insider Intelligence calculations, Feb 14, 2022

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