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# Crossover Health nabs $168M—here's why its virtual, in-person hybrid care model should worry traditional providers

Article

Primary care startup Crossover Health, which works with Big Tech cos to set up virtual-first primary care clinics across the US, secured a $168 million Series D funding haul led by the likes of Amazon and LinkedIn. Crossover's services for self-insured employers span mental health, chronic care, and health coaching, and it has plans to work with health insurance companies, with one undisclosed partnership set to launch this summer.

**There are 3 key reasons why Crossover is set up to successfully disrupt the primary care space:**

- **It's in hyper-growth mode.** The startup serves over 400,000 members and is geared to rack up $165 million in revenue in 2021, according to its presentation at the 2021 JP Morgan Healthcare Conference. Currently, it offers telehealth in all 50 states and operates 48 clinics across 11 states.
- **It's backed by well-known brands like Amazon, which boosts its credibility and mindshare.** Around 26% of its members are Amazon employees, and it recently launched 17 new clinics near Amazon's distribution centers across different states. Crossover also touts other self-insured employer clients like Apple, Facebook, LinkedIn, and Microsoft.
- **It offers employers payment flexibility and promise of reducing healthcare spending.** Unlike some of its competitors, Crossover offers two types of contracts to its employer clients: The first allows employers to pay for a set of healthcare services for a given employee population, and the second allows employers to pay Crossover based on the number of employees who actively use its service each month. On top of this, Crossover says it can help lower employers' healthcare costs by 15% via investing upfront in primary care and preventative care services that can address health conditions before they snowball into something more dire and costly.

**Consolidation could be the next chapter for primary care startups to drive home their relevance and impact in US healthcare.**

- **The primary care market has seen a flurry of activity from startups lately. Forward Health** scored $225 million in March, **VillageMD** has been expanding to new states and is planning to open 40 new clinics by the end of summer, and the freshly public **One Medical** saw its membership skyrocket 29% year-over-year in Q3'2020.
- **As these startups become more accepted as standard care options, it'll make sense for them to combine capabilities to strengthen their foothold in the market.** Primary care startups are carving out their spot in the US healthcare market as many traditional care

practices suffer. To crystallize their roots in healthcare, they could consolidate to make employers' and consumers' transition to digitally-enabled primary care more seamless: For example, merging provider networks and payer partnerships could give these startups greater reach and deeper penetration.