

# Amwell heats up the telehealth space with two new acquisitions

Article

**The news:** Telehealth giant **Amwell** is acquiring digital mental health platform **SilverCloud Health** and automated virtual healthcare company **Conversa Health** for a combined **\$320 million**. This comes around 10 months after Amwell was first [mulling](#) a mental health acquisition.

- These acquisitions will **expand Amwell's ability to provide care in between one-off virtual visits** using interactive digital therapies and technologies.
- Further, Amwell will now have access to **a larger client base of health systems, insurers, and employers**, and be able to expand its footprint to new markets, where SilverCloud and Conversa Health already operate. The deals are set to close in this quarter.

**More on this:** SilverCloud is a mental health digital therapeutics (DTx) platform that offers virtual [programs](#) based on cognitive behavioral therapy (CBT) that guide users through therapy, mindfulness tools, and interactive modules.

- The programs are **evidence-based and clinically validated:** They've demonstrated the same efficacy level as in-person care for around **20%** of users with a diagnosable mental health condition, and have helped **65%** of users to decrease their symptoms of anxiety and depression.
- Acquiring SilverCloud not only burnishes Amwell's suite of mental health solutions, but it also brings its impressive list of **300+ healthcare partners**, including **Kaiser Permanente, Optum, Providence Health**, and the UK's **National Health Service** into the fold.—partnerships it can potentially leverage down the line to upsell its other virtual care products.

On the other hand, Conversa Health's Virtual Care and Triage Platform combines **remote monitoring, analytics, and patient engagement features** to enable more efficient, personalized care.

- Amwell can now join Conversa Health's care coordination and patient engagement capabilities with its own telehealth solutions to further boost patient experience and outcomes.
- For example, **Northwell Health** [uses](#) Conversa Health's tech to **remotely manage, monitor, and engage with patients** to ensure a patient's health journey is making progress in between visits.

**A prediction we got right:** We [posited](#) that **Amwell would scoop up a DTx company after it released its Q4 2020 financial results** back in March.

This move also falls in line with a prediction we made last year in our [Digital Therapeutics Report](#), calling out SilverCloud specifically and how **telehealth vendors would integrate DTx for mental health or chronic conditions to capture a larger segment of consumers.**

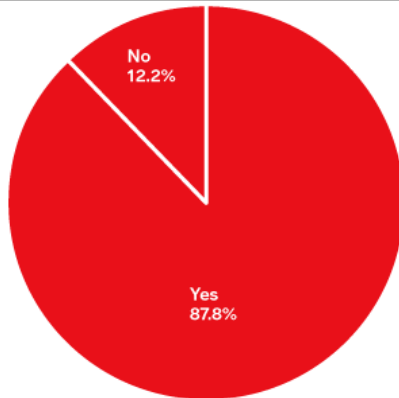
**The bigger picture:** As the coronavirus pandemic evolves, telehealth is entering a new chapter where companies can't rely solely on their own technology to stay competitive. Instead, they have to develop an omnichannel presence by connecting telehealth visits to other digital health solutions (like DTx) to fortify their value proposition.

- In October 2020, **Teladoc** shook up the telehealth space with its blockbuster **\$18 billion** acquisition of DTx firm **Livongo**. It was the first major instance where we saw DTx on the big stage, holding hands with telehealth. Now, Amwell's simultaneous acquisitions of SilverCloud and Conversa Health mirror Teladoc's Livongo acquisition—maybe not in size, but in strategy.
- Now that **telehealth visits are dropping off**, it makes sense to lean into DTx solutions, which have a growing body of clinical evidence and regulatory and reimbursement pathways: For example, clinical evidence on app-based DTx effectiveness has grown by over **2,000** published studies since 2007, according to IQVIA's 2021 Digital Health Trends report.

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**US Telehealth/Telemedicine Users Who Wish to Continue Using Telehealth/Telemedicine Post-Coronavirus Pandemic, March 2021**  
% of respondents

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Note: n=1,117 ages 18+; for nonurgent medical consultations  
Source: Sykes, "2021 Telehealth Survey" conducted by Pollfish, April 2, 2021

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