

# Tomorrow Health nabs \$60 million as investors grow cautious amid economic uncertainty

Article

**The news:** Home-based care company **Tomorrow Health** (founded by a former **Oscar Health** exec) raised **\$60 million** in its Series B round.

- The startup aims to use the cash infusion to expand partnerships with national and regional health plans.

**What it does:** Tomorrow Health makes home care more accessible for chronic disease patients transitioning out of the hospital.

- The company's platform lets patients purchase medical supplies and equipment referred by a physician, and matches them with suppliers spanning **40,000** products and services. Unlike online retailers like **Amazon**, Tomorrow Health partners with insurers and providers who offer referrals.
- Tomorrow Health tracks every step of at-home care, including prescriptions, payer billing, and fulfillment.

The startup nabbed **125** partnerships with health plans and health systems.

- For example, in 2021, it teamed up with large regional insurer **Geisinger Health Plan (GHP)**.
- Collaborating with health systems or insurers gives lesser-known digital health companies a partner with a well-known brand presence (and large member base).
- Tomorrow Health gets access to GHP's member base of **550,000 members**, **5,000 referring providers**, and **180 durable medical equipment suppliers**, for instance.

**Zooming out on health tech funding:** While Tomorrow Health's total funding just hit \$93 million, digital health funding **slowed down** in Q1. We expect to see less funding dollars flow into digital health startups—and, in turn, more scaling down—amid economic volatility.

- Digital health funding reached **\$6 billion** across 183 deals during Q1'22—lagging behind **Q4'21 (\$7.3B)**, according to a **report** by Rock Health.

Investors likely became more cautious in Q1 due to inflation and geopolitical tensions. And health tech entrants are reshuffling their organizations to focus less on scaling. In fact, digital health startups like **Carbon Health** and **Cue Health** already **laid off** hundreds of employees amid economic uncertainty and shifting business priorities away from COVID-19.

