

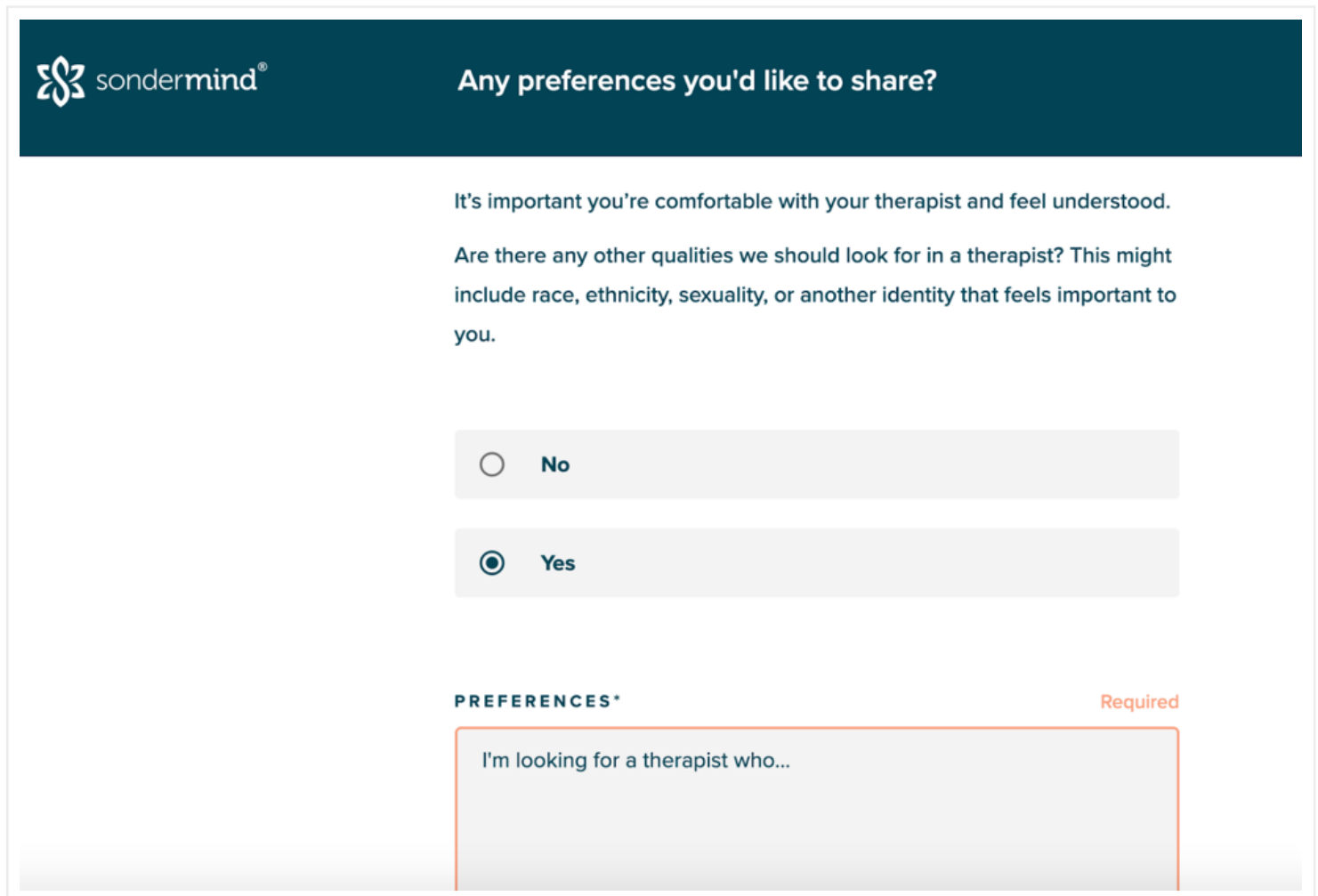
# Investors are betting on Zocdoc-like mental health startups

Article

**The news:** Mental health matchmaking startup **SonderMind** scored **\$150 million** in Series C funding to expand its therapist network across all 50 states.

**Here's how SonderMind works:** Consumers access the platform by filling out a questionnaire about their care needs, insurance information, and payment information. Then, they get linked

with a mental health provider for a virtual visit, and SonderMind handles billing and insurer interactions on the back end.



The screenshot shows a dark teal header with the SonderMind logo on the left and the text "Any preferences you'd like to share?" on the right. Below the header, there is a paragraph of text: "It's important you're comfortable with your therapist and feel understood. Are there any other qualities we should look for in a therapist? This might include race, ethnicity, sexuality, or another identity that feels important to you." Below this text are two radio button options: "No" (unselected) and "Yes" (selected). Below the radio buttons is a section titled "PREFERENCES\*" with a red "Required" label. The text "I'm looking for a therapist who..." is visible inside a light gray text box.

**Why investors are betting on tech like SonderMind:** Consumers don't access mental healthcare services because- it's very difficult to find inexpensive and diverse providers—two things startups like Sondermind are tackling.

**Some individuals don't seek professional mental health services due to high cost barriers** Like Sondermind, competitor **Headway** connects individuals with a mental health provider based on selections like insurance eligibility—and its cost savings tool helps patients see how much they'd save using its platform versus finding a therapist through their insurer's website.

**Plus, some consumers say it's increasingly difficult to find a therapist of color who understands their cultural values.** To this end, Sondermind's site prompts patients to request

personal preferences (like a therapist from different ethnic backgrounds), while physician searching tools on payers' websites like **Cigna** have limited options to do the same.

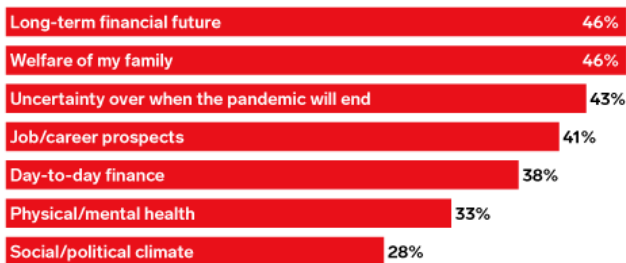
**What's next?** There's no shortage of startups with physician- and appointment-booking tools at their core—this is what medical appointment booking giant **Zocdoc's** business model is centered on—so, we expect to see a lot of consolidation happening to avoid cannibalization.

- Just last week, Zocdoc **partnered** with **Headway** to provide their consumers with more affordable choices—a smart move on newer entrant Headway's part, considering Zocdoc reaches **millions** of consumers every month, including **partnerships** with entities like the City of Chicago.
- As consumer demand for virtual mental health remains high, we could see ZocDoc's competitors like **Sesame Health** link up with the likes of SonderMind to gain access to lower-cost, diverse mental health providers.

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#### Factors that Contribute to Stress According to Millennial\* Adults Worldwide, Feb 2021

% of respondents



Note: among respondents who feel stressed currently; \*born during 1983-1994  
Source: Deloitte, "The Deloitte Global 2021 Millennial and Gen Z Survey: A call for accountability and action," June 15, 2021

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