The digital health sector is prospering in Israel. With over 550 innovative companies, technology hubs, R&D centers, incubators, and multinational corporations in this space, the vibrant Israeli digital health ecosystem has more than doubled in size since 2011.

Israel has more than 25 years of accumulated data in its healthcare system, 98% of which is digitized. In early 2018, the AI-powered synchronized stroke care company VIZ raised $50M in a B round.

Digital therapeutics is the largest subsector of the Israeli digital health sector, with 138 companies, followed by remote monitoring, with 109 companies.

Investment and Funding Rounds (2014 – 2019)

Funding raised by Israeli digital health start-ups in 2019 (up to November) totaled $600M across 62 deals, exceeding the 2018 Fiscal Year amount. In 2019, the median funding round was $7M, with a growing number of later stage rounds. Five funding rounds surpassed $30M each:

- **Healthy.io**: urinalysis AI company raised $60M in a C round.
- **iz.ai**: AI-powered synchronized stroke care company raised $50M in a B round.
- **EarlySense**: Contactless remote monitoring AI company raised $39M in a B round.
- **Theranica**: Migraine relief company raised $35M in a B round.
- **DayTwo**: Personalized AI-nutrition start-up raised $31M in a B round.

1 Up until November 2019
ISRAELI INNOVATION: DIGITAL HEALTH

THERE ARE MORE THAN 500 INNOVATIVE DIGITAL HEALTH COMPANIES IN ISRAEL

DECISION SUPPORT
- Medial
- EarlySign
- aiDoc
- CLAW
- Data2Life
- MedAware
- TALIAZ
- zebra
- GENOX
- elminda

REMOTE MONITORING
- CU
- beat
- MyndYou
- nanit
- Datos
- EarlySense
- tytocare
- qxitone
- somatix

ASSISTIVE DEVICES
- AngelSense
- ORCAM
- Liphope
- Intendu
- sleeptrax
- swaatch
- DAY
- TWC

DIGITAL THERAPEUTICS
- VR Health
- helparound
- NINISpeech

CLINICAL WORKFLOW
- Simplee
- MDline
- ORPHEUSMEDICAL
- TAILORED

DIAGNOSTICS
- BelongLife
- vaica
- NEURA
- ValeraHealth
- Medisafe
- Telesofia
- Water.IO
- Medorion

PATIENT ENGAGEMENT
- Healthy.io

The start-ups on this map have been chosen in accordance with the following criteria:
- Privately held
- External financing
- Released product
- Digital Health as a core business

UPDATE: JANUARY 2019

Start-Up Nation Central is an Israel-based non-profit, serving as a gateway to Israeli innovation. The organization leverages its in-depth knowledge of Israel's innovation sector to connect business leaders, governments, and NGOs from across the globe to the most relevant people and technologies that can address their most pressing challenges.
In 2019, there were new healthcare-dedicated VCs raised and being raised, including aMoon II’s $660M Health Tech and Life Sciences Fund, Pitango’s $150M Health Tech Fund, OurCrowd’s $50M Med Tech Fund, and Triventures’ ARC (first closing of the targeted $40M).

Within the ecosystem, approximately 40% of digital health companies utilize Artificial Intelligence in their solutions. Furthermore, 75% of digital health companies that raised funds in 2019 were AI-driven companies, and most of the AI-driven companies are in the field of decision support, which provides essential tools for healthcare providers in numerous settings.

**Decision support**
- Start-ups raised $160M in funding in 2019, 27% of the total investment in the sector ($600M) through the largest number of rounds – 17 out of 62 (27%).

**Diagnostics** (20% of the total sector funding), **digital therapeutics** (18% of the total sector funding) and **clinical workflow** (17% of the total sector funding) each raised more in the first 10 months of 2019 than in the Fiscal Year of 2018.

The **clinical workflow** subsector benefited from increased interest in data protection and cybersecurity technologies in 2019, resulting in 63% of subsector funding being allocated to these areas (4 out of 8 rounds).

**SUCCESS STORIES**

**TytoCare**
Remote diagnostics kit company TytoCare started distributing its solution via Best Buy and Novant Health in the US.

**K Health**
Personalized virtual symptom checker K Health teamed up with Anthem, one of the largest managed health companies in the US with 40M members.

**Anthem Health**
The Sheba ARC Innovation Center was officially launched in 2019, aiming to bring new technologies into the hospital and community ecosystem to improve patient care.

**About Start-Up Nation Central**
Start-Up Nation Central is an independent non-profit that builds bridges to Israeli innovation. We connect business, government, and NGO leaders around the world to Israeli innovation; we help develop technological sectors with high-growth potential; and we accumulate knowledge and generate in-depth insights about Israel’s innovation sector.

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