

# Stellar Health Raises Over \$60 Million in Series B Funding Round Led by General Atlantic

## Company plans to accelerate growth of team and support expansion into new and existing markets

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Stellar Health (“Stellar”), a leading healthcare technology company, today announced that it has raised over \$60 million in Series B funding. The funding round was led by General Atlantic, a leading global growth equity firm, with participation from Point72 Ventures and Primary Venture Partners, who led Stellar’s Series A financing in 2020. New investors also include Mike Pykosz and Geoff Price, two of the co-founders of Oak Street Health, a leading network of value-based primary care centers for adults on Medicare. With the additional capital and resources provided by this new round of funding, the Company plans to focus on growing and investing in its team, as well as advancing product development, engineering, and operations initiatives, all to support the expansion of its differentiated services to new and existing markets.

“The healthcare landscape is experiencing a seismic shift towards favoring systems that motivate and allow providers to focus on what matters most – patients,” said Michael Meng, Co-Founder and CEO of Stellar Health. “Stellar’s partnership with General Atlantic aims to further accelerate our growth trajectory to expand both internally and externally, and to address workflow evolution. It will also support our efforts to activate practice staff by solving economic barriers that exist in the shift to value-based care. We will continue to evolve our product in ways that will improve the healthcare experience for providers and patients alike.”

Founded in 2018 by leaders in the healthcare and technology spaces, Stellar empowers providers to deliver high-quality, value-based care through their innovative, cloud-native point-of-care platform. By integrating patient data, tracking provider workflows, and pushing meaningful, actionable insights directly to providers and practice staff, the Stellar platform helps primary care providers achieve value-based care outcomes for their patients. A significant example of the platform in use comes from a primary care physician who had a scheduled annual wellness visit with a 77-year-old male patient in the Fall of 2020. The patient came in with no indication of any cardiovascular or stroke risk and the physician was unaware of a diagnosis of stroke from six years prior. Using the Stellar platform, with its advanced system of analytics and identification, the primary care physician was informed of the patient’s heightened risk and had the right incentives to offer meaningful care at a critical time, placing the patient on secondary prevention treatments. This intervention, with the right behavioral economics, changed the patient’s trajectory forever. Stellar simplifies value-based care effectively by engaging and incentivizing providers to take actions that reduce inefficient medical utilization, improve documentation accuracy, advance the quality of care delivered, and in turn compensate providers for each action in real time.

“Stellar Health has developed an intuitive, modern, and behavior-focused platform that enables a broad continuum of providers to advance patient outcomes,” said Robbert Vorhoff, Managing Director and Global Head of Healthcare at General Atlantic. “In just three years, Stellar Health has established itself as a leading player in the field, delivering significant value to its clients and provider network. As long-standing advocates for the shift to value-based care, we are excited to partner with the Stellar Health team in further developing its platform.”

“Stellar’s technology platform uses data to make recommendations and incentivize provider decisions,” said Sri Chandrasekar, Partner at Point72 Ventures. “We believe this unique data-driven approach will compound the impact on patient outcomes over time. We’re excited to continue to support Michael and his team as they grow their business.”

Since the beginning of 2020, the Company has increased its robust payor and provider network, with more than 60 collaborations across 20 states, managing more than 375,000 patients in total. With this capital raise, Stellar expects to continue expanding into new markets, as well as grow its team to support product development,

engineering, and operations. In 2021 alone, Stellar has tripled in size to over 90 employees and plans to double the size of its team within the next year. Stellar Health has also seen strong performance improvement and high user engagement with its modern platform, including a weekly active rate of greater than 80%, medical expense ratio improvement of greater than 15%, and improvement of Medicare Advantage Star ratings of greater than one full Star.

Today, more than a third of reimbursement contracts are value-based<sup>[1]</sup>, a trend that continues upward every year, and more than half of all providers are now participating in at least one accountable care organization (ACO) type program. While the industry has successfully transitioned providers into value-based arrangements (VBAs), provider engagement and performance has lagged as providers struggle to see tangible reward from shifting their focus towards providing high quality, value-based care.

Stellar rewards providers for the time it takes to complete value-based work that generates a strong ROI for health plans or risk-bearing organizations, leading to higher quality and more affordable care for patients. “Traditional fee-for-service healthcare has not historically equipped primary care providers with the right tools and framework to help their patients achieve the highest quality care and best health outcomes,” said Mike Pykosz, CEO of Oak Street Health. “Stellar Health’s innovative platform combines proven value-based care knowledge with simple, meaningful actions to bring value-based care to broad groups of patients, including those on Medicare, Medicaid, and individual or commercial health plans.”

### **About Stellar Health**

Stellar Health (“Stellar”) is a healthcare technology company focused on enabling success across the value-based care (“VBC”) continuum by bridging the incentive gap between providers and payors. The Stellar solution is the first point-of-care, cloud-based platform that helps primary care providers continually engage with their patients by providing them real-time information and tangible action-based incentives for improving quality of care. With Stellar, providers can achieve a range of VBC goals, like improving quality scores and optimizing the patient care journey through transitions of care and high-value referrals, all with the objective of improving patient health. For more information on Stellar Health, visit [www.stellar.health](http://www.stellar.health).

### **About General Atlantic**

General Atlantic is a leading global growth equity firm with more than four decades of experience providing capital and strategic support for over 400 growth companies throughout its history. Established in 1980 to partner with visionary entrepreneurs and deliver lasting impact, the firm combines a collaborative global approach, sector specific expertise, a long-term investment horizon and a deep understanding of growth drivers to partner with great entrepreneurs and management teams to scale innovative businesses around the world. General Atlantic currently has over \$78 billion in assets under management inclusive of all products as of June 30, 2021 and more than 175 investment professionals based in New York, Amsterdam, Beijing, Hong Kong, Jakarta, London, Mexico City, Mumbai, Munich, Palo Alto, São Paulo, Shanghai, Singapore and Stamford. For more information on General Atlantic, please visit the website: [www.generalatlantic.com](http://www.generalatlantic.com).

[1] <http://hcp-lan.org/workproducts/2018-APM-Progress-Press-Release.pdf>

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