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# 'High Unmet Need' For Better Treatments Will Drive Women's Health Funding In 2024

by [Marion Webb](#)

Women's health start-ups focusing on areas of high unmet need such as menopause, infertility, preventive care and post-partum care will continue to attract investors, experts say. Meanwhile, machine learning and AI, as well as next gen-treatments such as psychedelic therapy, stand to drive advancements in the space.

Investment in women's health has declined sharply since 2021, but venture companies expect start-ups with innovative solutions, especially in areas of high unmet need like menopause and endometriosis, will continue to attract funding.

According to SVB, now part of First Citizens Bank, venture funding in the US and Europe for women's health rose from \$111m in the first half of 2018 to \$498m in the first half of 2023.

However, it has cooled of late. Leerink Partners says venture funding in women's and family health care peaked in 2021 at more than \$2.5bn, fell to \$1.7bn in 2022, and has dropped to \$707m in 2023 as of October. (Also see "['Femtech' Evolving Beyond Periods, Pregnancy And Postpartum: What's Next In \\$1.2Tr Women's Health](#)" - Medtech Insight, 24 Feb, 2022.)

Women's health has historically been underinvested and even stigmatized, but it is a space where access to critical care, including pre-natal care, is still lacking in the US. And the need for finding better treatments for conditions such as endometriosis, cervical and breast cancer and treating symptoms related to menopause is significant.

"I'm really excited about the environment and potential for what 2024 can bring for women's health," Holly Maloney, managing director at venture capital firm General Catalyst, told *Medtech Insight*. "We really are just scratching the surface of what is possible and what is needed as it relates to giving women in this country the care that is needed and empowering them with the

resources they need to care for their families.”



Source: Medtech Insight

“It is a more challenging fundraising environment for start-ups across the board,” said Maneesha Ghiya, managing partner of FemHealth Ventures, which invests in companies focused on women’s health. “But I think that companies with promising products and substantial potential are continuing to attract investor capital.”



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FemHealth Ventures, which is focused on women’s health, faced significant

hurdles closing a \$32m debut fund earlier this year. The company targeted \$50m for its initial fund and already had investors’ verbal commitment, Ghiya said. But with the stock market falling late last year and concern about the declining value of their portfolios, several investors pulled out. The collapse of Silicon Valley Bank in March derailed funding further.

Ghiya said the firm was fortunate to have closed the fund in April. FemHealth plans to invest in 20 companies and seeks start-ups “with technologies or treatments for conditions that only affect women, illnesses that mostly affect women and disorders that affect women differently than they effect men,” she said.

## Magnitude Of Unmet Need

Sasha Kelemen, head of Women and Family Healthcare Services and Technology Investment Banking at Leerink Partners, also remains bullish on women’s health for private capital investment and growth opportunities.

“While market opportunities within ObGyn and fertility are relatively well understood, there is enormous whitespace to support women longitudinally,” Kelemen [recently wrote](#) on the Leerink Partners website. “Despite the recent market pullback, we are seeing several high-quality assets

come to market and close oversubscribed rounds, several of which have yet to be announced and are understated as a result.”

Looking at different segments in women’s health, Leerink Partners expects the market for pelvic rehabilitation to top \$46bn by 2023. The fertility space is expected to see the highest compound annual growth rate of 26% with an estimated market size of \$19bn.

Breast imaging, currently worth about \$4bn, is expected to grow at a CAGR of 7%, while ObGyn ancillary services are expected to see the slowest CAGR of only 2%, while remaining a substantial market opportunity at \$44bn.

While it’s still early days in the femtech movement, there has been an increase in funding in areas such as sexual, pelvic and mental health, Kelemen says. “In particular, we see interest in addressing pelvic floor dysfunction, postpartum care, and mid-life care, including menopause, to name a few emerging investment areas.”

Ghiya added pregnancy, cancers that affect women like breast and ovarian cancer, endometriosis –affecting about 10% of women and girls of reproductive age – and polycystic ovary syndrome, a common hormonal problem for women of childbearing age, to the list of substantial unmet needs in women’s health.

She also expects to see more investment in 2024 in preventive care. That includes monitoring women through pregnancy for such complications as preeclampsia, a serious blood-pressure condition that can develop during pregnancy.

Mirvie is among the companies trying to predict and prevent preeclampsia. The San Francisco-based diagnostics start-up claims to be the first company to receive breakthrough device designation from the US Food and Drug Administration for a test that can identify preeclampsia risk months before any clinical presentation of symptoms.



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In September, Mirvie passed another big milestone toward commercializing its RNA platform by receiving CLIA certification, making it the first RNA-based test do so, Mirvie's CEO Maneesh Jain told *Medtech Insight* at the recent HLTH conference in Las Vegas. (Also see "[Mirvie Granted Breakthrough Device Designation For Test To Identify Risk Of Preeclampsia](#)" - Medtech Insight, 3 May, 2022.)

Elderly care is also on investors' radar, Ghiya said. According to the Centers for Disease Control and Prevention, women fall more often than men in part due to hormonal changes that lead to reduced bone loss and early onset of osteoporosis.

One of FemHealth's investments is Denver-based women's digital health company Nymbi Science, which is developing an app to help older people improve strength and balance to prevent falls. The company raised \$12m in a series B round led by Cobalt Ventures last November.

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7wireVentures*

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## **Digital Health To Exceed \$100BN By 2030**

Investment in women's digital health has slowed since its peak in 2021, but is expected to see significant growth despite the headwinds.

Leerink Partners expects that the market size for digital health products and services, such as virtual care, at-home diagnostics, and machine learning in in-vitro fertilization (IVF), will exceed \$100bn by 2030.

"AI and machine learning will continue to emerge as a dominant force in women's health care, helping health organizations absorb large data sets to deliver enhanced diagnostics, personalized care journeys, and true precision medicine applications," according to venture firm [7wireVentures](#).

Mirvie's Jain agreed. Mirvie's platform uses machine learning to analyze tens of thousands of RNA messages from the mother, the baby and placenta. Looking at 2024 and beyond, Jain expects that we will see "big advancements" in women's health to really understand conditions such as preeclampsia on a molecular level, similar to major breakthroughs seen in fields like cardiology and oncology.

"Femtech has come to be known as an area that is more related to ease of use and convenience," Jain said. "I think in this next generation of companies or advancement, we have to think about

women's health from understanding the biology.”

Ghiya expects that delivering care virtually via apps, such as for menopausal and pregnant women, will remain important as health care systems are facing rising staffing shortages and financial pressures. Wearables and other sensor technologies, including ingestible pills with sensors that can provide real-time data for monitoring chronic diseases, are on the rise, she said.

“Across all of these categories, AI is having an impact,” Ghiya said. “More and more companies are bringing AI technologies into drug discovery, diagnostics and device accuracy and digital health.”

Kelemen says that growth is driven by multiple factors: the rising awareness of female life stages including menstruation, maternity, and menopause; employers expanding reproductive benefits; the rising number of women turning to digital health tools; attractive payor contracting and tailwinds from the COVID-19 pandemic; and the reversal of Roe v. Wade. All have caused a market shift in venture with investors putting \$100bn to work for women and family digital health. (Also see "[Women's Health Expert Panel Addresses Challenges, Opportunities In Post-Roe Era](#)" - Medtech Insight, 30 Jan, 2023.)

### **‘A Great Deal Of Exploitation’**

Currently, much of the investment in women's health is in consumer products, such as apps and wearables to track symptoms and manage disease.

Not enough research dollars are dedicated to very common conditions, such as for bacterial vaginosis and uterine fibroids, for which there are no good treatments available, said Barbara Levy, the chief medical officer at the virtual health clinic Visana Health. Levy is also an ObGyn and menopausal specialist.

“There is no National Institute of [Women's] Health Center, we have a [National Institute of Child Health and Human Development] and that's where women's health sits,” Levy said. (Also see "[First Lady To Lead First Ever Initiative On Women's Health](#)" - Medtech Insight, 14 Nov, 2023.)

### **Recent Investments**

General Catalyst's portfolio company Evvy announced in September it raised \$14m to scale up its precision health platform for women. Evvy launched a vaginal health test in 2021 and has plans to add additional tests for sexually transmitted infections and antibiotic resistance testing to its panel of vaginal health tests.

Palo Alto, CA-based Midi Health, which focuses on women's midlife, also announced in September it raised \$25m led by GV. Meeno, also based in Palo Alto, raised \$3.9m led by Sequioia to build out its AI-powered chatbot designed to fight loneliness.



Without wanting to sound “too much like a feminist,” Levy said, the reality is that Congress is not interested in allocating research dollars to women’s health issues, because they are “most interested in things that affect them and they are disproportionately men.”

Many venture investors tend to hold women’s health investments to a higher standard, and existing funds dedicated to women’s health are “relatively small” and often target consumer products that are not backed by scientific evidence, she said.

“They are saying they support women, but in many ways they’re exploiting [women], because they don’t have the research behind them that show that they [products] actually work or that they work long-term ... I’m not trying to paint this picture that they are all bad, but women are so desperate for help that I see a great deal of exploitation out there,” Levy said.

Los Angeles-based medtech company QT Medical, which focuses on cardiac care technology, in September closed a \$12m series B round led by CDIB Capital and Taiwania Capital.

Chicago, IL-based start-up Partum Health, which specializes in interdisciplinary pregnancy and post-partum care, announced in September it raised \$3.1m led by True Wealth Ventures.

Austin, Tx-based Elligo Health Research, which provides a technology platform for clinical research, announced in October it received \$40m from Horizon Technology Finance.

## Menopause Murkiness

She gave the example of hormone testing, which she believes offers women little to no value.

“No professional association recommends [hormone testing] and it doesn’t help us – our hormones change all day long – and they certainly change a lot with our menstrual cycle and are suppressed if you’re on contraception. There is no value for the most part in doing those sequential tests and then adjusting treatment based on those numbers.”

Women who are experiencing menopausal symptoms – such as night sweats, hot flashes, and brain fog want to believe that these tests are scientifically sound, but they are not backed by science, Levy said.

According to the National Institute on Aging, more than 1 million women in the US experience menopause each year, but “little is known about the health effects of this natural biological occurrence.”

“NIA-funded researchers are working to better understand what causes menopause symptoms

and how women from diverse racial and ethnic backgrounds can benefit from that scientific knowledge to live healthier lives – before, during and after menopause,” the Institute says on its website.

“Very few doctors are even trained in menopause care,” Maloney agreed. “There’s been so little research and true education in this area that we’re really just starting to dig in and figure out what are the appropriate scientifically sound pathways that are going to set up women for success.”

With about 2 million women a year reaching menopause, according to the North American Menopause Society, the market opportunity is huge. According to Grand View Research, the global menopause market hit \$16.9bn in 2022 and is expected to grow at a CAGR of more than 5% from 2023 to 2030.

Evernow’s digital concierge health platform supports women through perimenopause and menopause with personalized care and treatments such as hormonal therapy. During a panel discussion at HLTH 2023 in Las Vegas, Evernow CEO and founder Alicia Jackson highlighted the importance of employers supporting menopausal women at the workplace.

Evernow released a new survey of 2,000 female workers aged between 45 and 60 and found that 85% of women have felt an impact on their work productivity or satisfaction due to menopause, which translates to a \$26.6bn loss by employers due to menopausal-related issues.

“Menopause is not just this five-year thing – it’s something that every woman goes through – it’s for the rest of her life,” Jackson told *Medtech Insight* in an on-site interview at HLTH.

## **Psychedelics For Depression, Pain**

Asked about her views on where she sees potential breakthroughs for treating menopausal symptoms, Jackson said she’s been following the psychedelic medicine space and believes that these drugs could potentially be as effective as using SSRIs for treating depression and other symptoms.

“Whether it’s ketamine, psilocybin or MDMA, I think what we’re going to see – and I’m hearing it in whisper conversations – women are very interested in these treatments at this stage of life, because it is a liminal moment,” she said. “There’s a lot of change. Women are benefitting from these treatments at this stage of life, and I think we’re going to see a lot more of it.”

She pointed out that [clinical research](#) using psychedelics is showing promising results. Ghiya called psychedelics an “interesting category” and believes it could be a substantial market to go after in women’s health. Some studies have shown a benefit, but she wants to see more randomized controlled studies to assess how well these drugs are working.



Levy remains skeptical. “I’m fine with [psychedelics] in controlled circumstances for a very specific population of people. People who have severe depression that’s unresponsive to other treatments, putting them in a controlled environment and working through that might be helpful,” Levy said. “But it takes two providers to one patient to do that in a safe way.”

When it comes to treating menopausal women, Levy stressed the importance of “viewing women and people as a whole ecosystem and trying to optimize outcomes that matter to the subject.”

Other notable companies in the menopause space are [Maven Biotechnologies LLC](#), which, like Evernow, provides app-based telehealth access to specialists and therapists and chat rooms for women to discuss their experiences, and menopausal care platforms Elektra Health and Gennev.

## Maternal Care

In maternal care, the pregnancy journey remains a “black box,” Maloney said. She described her own experience with two pregnancies as traumatic despite being a “super healthy person with no understanding why these things happened or could happen again.”

“You’re still better off having a baby in 40 other countries than you are here in the US,” she said. “One in two counties in the US lack adequate access to prenatal care. There are fundamental, systemic infrastructure challenges that we need to solve if we really feel like we can drive innovation in this space. You can’t innovate on top of a broken system.”

She would like to see a solution that is a mix of diagnostics and lab work and an assessment based on individual health history with tailored recommendations based on lifestyle and nutrition.

Family planning – egg freezing and IVF processes – is still too expensive, she said. (Also see [“Opportunities In Fertility: Recognizing Gaps In The Market”](#) - In Vivo, 2 Oct, 2023.)

Alife Health is leveraging artificial intelligence for use in IVF fertility clinics, which CEO Paxton Maeder-York believes will shape a future where people will have a better chance of starting families at a lower cost and higher rate of success. (Also see [“Alife Health Leverages AI Tools For IVF To Increase Access, Improve Chances For Successful Pregnancies”](#) - Medtech Insight, 22 Feb, 2023.)

Jain is also optimistic about this space, while noting current challenges in fundraising.

“If you’re a start-up founder, you’re in for the long haul, but investors can change their tune much more rapidly based on the economy,” he said.

“In the last 10 to 12 years it’s been easy money and suddenly over the course of 12 to 15 months,

it's a dramatically different world from their [investors'] perspective ... But I think in women's health, what's important is that it is a relatively less competitive space [compared to other fields like oncology], which makes it an interesting space to invest."