

SWORD Health Raises \$25 Million in Series B to Accelerate Growth of its Best-in-Class Virtual Musculoskeletal Care Solution

The company's funding doubled to \$50 million after a year of eight-fold growth.



NEW YORK – [SWORD Health](#), the world's fastest growing virtual musculoskeletal (MSK) care provider, has raised a \$25 million financing round, bringing SWORD's cumulative fundraising to \$50 million. The round was led by Todd Cozzens, Managing Partner at Transformation Capital and former healthcare investor at Sequoia Capital. Existing investors Khosla Ventures, Founders Fund, Green Innovations, Vesalius Biocapital and Faber also participated.

SWORD Health achieved significant commercial success in the last year with eight-fold revenue growth and a nearly five-fold increase in active users in 2020, making it one of the fastest growing providers of virtual musculoskeletal care delivery. The Company will use the funds to enhance product capabilities, expand industry partnerships and drive adoption across the benefits management ecosystem with employers, health plans and alliance partners.

"This was a breakout year for SWORD Health," said Virgilio Bento, founder and CEO of SWORD Health. "We grew our client footprint and revenue dramatically and were selected in 75 percent of evaluations we participated in by employers searching for a better way to provide

musculoskeletal care to their populations. SWORD Health is now the fastest growing provider of musculoskeletal care, and this new round of funding will accelerate our mission to provide high-quality, accessible and effective musculoskeletal care to over two billion people worldwide.”

According to the World Health Organization, MSK conditions are the world’s leading cause of disability, with low back pain being its single greatest contributor. These conditions significantly impact one’s ability to work and are commonly linked to depression and other chronic health issues. Demand for digital physical therapy solutions to MSK issues skyrocketed during the pandemic and, according to the Business Group on Health, will continue to grow exponentially through 2023.

“We invested in SWORD Health because the Company is solving one of the world’s leading health issues today, musculoskeletal pain, with the most clinically comprehensive MSK digital health solution,” said Todd Cozzens, Co-Founder and Managing Partner of Transformation Capital. “Our market research with employers, payers and industry partners confirmed that SWORD Health offers the leading MSK virtual therapy standard of care for the broadest set of conditions.”

At the core of SWORD Health’s leading virtual musculoskeletal solution is its FDA-listed Digital Therapist, which connects in-house Doctors of Physical Therapy to SWORD Health members via wearable motion sensors and a tablet loaded with an AI-powered therapeutic exercise program. It is the only solution clinically proven to outperform the current gold standard of care for MSK conditions – traditional physical therapy – and the only to offer rehabilitation programs for chronic, acute and post-surgical conditions of the lower back, shoulder, neck, knee, elbow, hip, ankle, wrist and lungs.

“We selected SWORD Health after a robust evaluation process because we believe they provide the safest, most engaging and most effective MSK treatment on the market,” said Jen Lamons, director of health and welfare at Concordia Plan Services. “They have been a dream to work with, and they have exceeded our expectations over the last year. I can’t wait to see what this additional funding will ultimately provide our members and the rest of the world.”

For more information, visit swordhealth.com.

About SWORD Health

[SWORD Health](https://swordhealth.com) is the world’s fastest growing virtual musculoskeletal (MSK) care provider, on a mission to free two billion people from chronic and post-surgical pain. It is the first virtual solution to pair its members with a licensed physical therapist and the SWORD Health Digital Therapist, an FDA-listed device with a tablet and motion sensors, to deliver a clinically proven, personalized treatment plan that is more effective, easier and less expensive than the traditional gold standard of care.

SWORD Health believes in the power of people to recover at home, without resorting to imaging, surgeries or opioids. Since launching in 2015, SWORD Health has worked with insurers, health systems and employers in the U.S., Europe and Australia to make quality physical therapy more accessible to everyone.

About SWORD Health's Digital Therapist

The SWORD Health Digital Therapist is an FDA-listed technology that guides every member through a therapeutic exercise program that was designed just for them by their licensed physical therapist. With over 5,000 feedback messages designed for over 100 exercises, the Digital Therapist gives members live, dynamic feedback on their performance as they go, so they can perform exercises correctly and without pain, at home. After every session, every member's physical therapist receives data gathered by the Digital Therapist, and they can analyze their members' performance, update their members' programs, and give members 1:1 coaching and education through the SWORD Health app.

About Transformation Capital

[Transformation Capital](#) is dedicated exclusively to supporting entrepreneurs building transformational digital health and technology-enabled service businesses. The firm invests at the commercial stage in companies that serve stakeholders across the healthcare system and was founded on the premise that healthcare requires a highly focused investment approach combining deep industry expertise and connectivity. Transformation is an investor in companies such as Health Catalyst, LetsGetChecked, PatientPing, PatientPop, Plushcare, Olive and Vera Whole Health.

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