

Protenus Raises \$11M from F-Prime Capital, Kaiser Permanente Ventures

Company aims to set a higher standard for protecting the health data of every patient

Baltimore, Md. —Healthcare compliance analytics company Protenus today announced an \$11M investment to make its comprehensive health data auditing and privacy monitoring platform available to hospitals across North America. Protenus, founded in 2014, helps health systems keep one of their most sacred promises to patients: that sensitive health data remains safe, and is used appropriately.

Currently used by top health systems and academic medical centers across the country, the Protenus platform uses artificial intelligence to analyze every single action inside a medical record system. Hospitals gain full insight into how their health data is used, in order to better protect it.

“Health systems today have big challenges when it comes to protecting patient data,” said Nick Culbertson, Protenus Co-Founder and Chief Executive Officer. “We ask our credit card companies to validate every transaction and alert us to anomalous charges. Why shouldn't we be asking health systems to audit everyone who accesses patient data? Similar principles apply, and the technology is available.”

With nearly 9 out of 10 hospitals in the U.S. having experienced health data breaches, and a new breach occurring nearly daily, Protenus growth in 2017 outpaced expectations. The \$11M Series B funding round, which will accelerate sales and customer support hiring, as well as R&D to expand platform capabilities, was co-led by F-Prime Capital Partners and Kaiser Permanente Ventures, with Arthur Ventures, Lionbird Venture Capital, and Cognosante Ventures participating.

“Kaiser Permanente Ventures is dedicated to investing in innovative technology solutions that help deliver the best care possible to patients,” said

Sam Brasch, Senior Managing Director at Kaiser Permanente Ventures.

“We’re excited about the opportunity to partner with the fantastic team at Protenus to advance their efforts to solve meaningful problems for the healthcare community.”

New era for patient privacy standards

Health systems have been responsible for protecting health data since the passing of the Health Insurance Portability and Accountability Act, or HIPAA, in the late 1990s. Since then, the near-complete transition to electronic health records, and resulting expansion in the amount of health data available digitally has resulted in an increase in the amount of health data breaches, and an alarming increase in the severity of those breaches.

Built for this new big data paradigm, Protenus is an artificial intelligence-enabled platform providing privacy teams with the ability to automatically and completely review every access to patient data.

“We are passionate when we meet teams with a unique insight on a market, and the Protenus team recognized early on that the tension between the need to share health data and the inherent risk of unmonitored access to patient information would ultimately require a secure, enterprise-scale solution,” notes Jon Lim, Partner at F-Prime Capital Partners. “The company’s rapid growth to date, coupled with its impressive client roster, showed us that the nation’s leading health systems are choosing Protenus as they grapple with this problem.”

Actionable insights at scale

The Protenus platform makes an analytical assessment of every digital “touch” of health data by any employee, contractor or affiliated physician, saving time and energy across privacy, security and IT teams. Using clinically-aware artificial intelligence, the platform understands when workforce members are acting outside the bounds of appropriate behavior, to an accuracy of up to 99.5%. The platform also assesses the risk these

inappropriate accesses represent to the institution, based on the activities performed by bad actors while in the medical record.

“At Protenus, we audit every access, but our customers use Protenus to go beyond auditing,” added Culbertson. “They prevent data breaches and reduce violations of patient privacy, fundamentally shifting the act of protecting patient data from a reactive to a proactive activity. Every patient should have these sorts of protections.”

Fundamentally, with this expansion, Protenus will make auditing accesses to health data at scale possible for healthcare leaders across the country, helping them make decisions about how to better protect their data, their patients, and their institutions.

“Patients deserve reassurance that their most sensitive health information is only accessed by people with a good reason to do so,” notes Protenus Co-Founder and President Robert Lord. “We are delighted that F-Prime and Kaiser Permanente Ventures have joined us on our mission to bring our technology to every health system in North America. With their deep expertise in healthcare, cybersecurity, enterprise technology, and artificial intelligence, we could not ask for better partners to continue to scale our vision.”

About Protenus

The Protenus healthcare compliance analytics platform uses artificial intelligence to audit every access to patient records for the nation’s leading health systems. Providing healthcare leaders full insight into how health data is being used, and alerting privacy, security and compliance teams to inappropriate activity, Protenus helps our partner hospitals make decisions about how to better protect their data, their patients, and their institutions. Learn more at Protenus.com and follow us on Twitter @Protenus.

About F-Prime

F-Prime Capital Partners is a global venture capital firm investing in life sciences, healthcare and technology. Since 1969, F-Prime has worked closely with entrepreneurs and academics to create innovative solutions to some of the world's most significant challenges in healthcare and technology. For more information, please visit www.fprimecapital.com.

About Kaiser Permanente Ventures

Kaiser Permanente Ventures is the strategic venture capital arm of Kaiser Permanente and is dedicated to forming partnerships with innovative companies and exceptional entrepreneurs. Kaiser Permanente Ventures investments are designed to improve quality, service, and affordability for Kaiser Permanente members; introduce innovative products and services to the health care organization; and generate attractive rates of return. Since its inception in 1997, Kaiser Permanente Ventures has invested in more than 60 health care information technology, health care services, and medical technologies companies. Visit www.kpventures.com to learn more.

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