



Sunny Health – Investment Framework

Links

Website: <https://sunnyhealth.ai/>

Pitch Deck: <https://docs.send.com/view/v2vx857qzm3iwdnj>

Demo: <https://sunnyhealth.ai/chat>

Team

Sunny Health is led by Bilal Farooqui (CEO), a repeat founder and product executive who worked in product management, building key infrastructure and AI tools at Rally Health, UnitedHealth Group, and RVO Health. Co-founder Dr. Bo Wang (CMO) is an internal medicine physician with leadership experience at Stanford, VA, and Google Health. Nikolas Yanek (CTO) brings machine learning and systems engineering experience from genomics and research computing.

Tech

Sunny Health is building an AI-based multimodal consumer interface for healthcare navigation. Their platform uses intelligent agents to automate prior auths, find in-network care, schedule appointments, and transfer medical records. The system combines browser automation, voice, and LLMs to operate across insurance portals, health systems, and EHRs. They plan to monetize through a consumer freemium model, employer-sponsored benefits, and enterprise contracts with payers.

Traction

The product is pre-launch, but early technical milestones include successful AI agent-led phone calls, record transfers, and navigation workflows. Their consumer alpha version is live and they are in conversations to start our first employer pilot with a 70 person employer in California.

Timing

Healthcare navigation is fragmented and frustrating, especially for consumers managing high-friction events like prior auth or denied claims. With rising consumer expectations and rapid AI platform development, Sunny Health is positioned to capitalize on LLM-enabled task automation. As health plans and employers seek better member experience, interest in AI navigation solutions is growing.

TAM

Sunny targets over 200M Americans who interact with the health system each year. The broader market for care navigation, RCM, and benefits engagement spans tens of billions in payer and employer spend. Their freemium and B2B models allow them to tap into multiple verticals across healthcare.

Terms

Sunny just closed on a \$3M round from Zetta at a \$16M post-money valuation providing ample runway to fuel the next phase of growth. SVA is investing at the terms of the seed round.

Accelerator Impact Assessment

SVA programming will focus on supporting product-market fit and product development. Sunny Health will benefit from SemperVirens' strong relationships with health plans, employers, and benefits tech advisors—key stakeholders who represent likely early adopters of the product. Through targeted SVA advisory, Sunny Health can focus on refining its product offering to accelerate adoption and shorten time to product market fit.



Key Risks

- Market Entry** – Consumer navigation tools face high trust and engagement hurdles, especially before scale.
- System Integration** – AI agents must integrate reliably with legacy systems across providers and payers.
- Competition from Incumbents** – Large tech companies with access to consumer health data may try to enter this market with less friction than a new entrant like Sunny Health.

Application Responses

Company Name	Sunny Health AI
Year Founded	2025
Describe your company (Word limit - 50)	Consumer healthcare concierge easily embeddable in employer, payer, and provider apps
What problem are you solving, and why does it matter	<p>Healthcare navigation is broken. Most people don't know how to find in-network care, what's covered, or where to go when they need help, resulting in delayed treatment, unnecessary ER visits, and billions in wasted claims. Despite employers and payers spending heavily on benefits, usage is low because the experience is fragmented, slow, and confusing.</p> <p>Sunny Health solves this with an AI-powered concierge that understands your health plan, finds the right providers, checks eligibility in real-time, and books appointments, all through a simple embeddable chat. No apps. No hold times. No guesswork.</p> <p>This matters because the current healthcare navigation isn't just frustrating, it's costly. It leads to worse outcomes for patients and higher spend for employers and insurers. Our solution increases benefits utilization, improves time-to-care by 60%, and reduces avoidable claims, unlocking ROI for all stakeholders.</p>
Name and title of co-founders (Please include LinkedIn profiles)	<p>Bilal Farooqui, CEO https://www.linkedin.com/in/bilal-farooqui/</p> <p>Bo Wang, Chief Medical Officer https://www.linkedin.com/in/bo-wang-md-pharmd-900b526/</p> <p>Nik Yanek-Chrones, CTO https://www.linkedin.com/in/nikolas-yanek-chrones-132373143/</p>
Who is building your technology and product, and is any of it built by someone who is not part of your team?	Nik and Bilal are building the product. None of it is being built by anyone outside of the founding team.
What is the total team size and split between functional departments (e.g. engineering, G&A, etc.)?	3 co-founders
How did you meet your co-founder, and what made you decide to work together?	<p>Bo was on my team at RVO Health and reported to me. He is a unicorn in terms of his ability to practice clinical medicine while also embedding deep in Github working with Nik and I to build the best consumer product.</p> <p>Nik is a full-stack AI native engineer whose core skill is shipping really high quality, secure, production grade code at lightning speed. I met Nik through my network and originally was planning to write some code together while I looked for a full time CTO. He ended up being incredible in the role and before long I realized I had a co-founder.</p>



Are you in-market with a product/service? If so, for how long?	Our concierge is available for direct to consumer access at sunnyhealth.ai. We have been live for 3 weeks.
Who is your target customer, and what is their biggest pain point?	Our target customers are self-funded employers and payers. Their biggest pain point is providing high quality, low cost access to care for their employees. There is currently no cost-effective healthcare concierge that is able to solve this problem in real time optimizing for quality, cost, and availability at the same time.
What is the size of your target market?	180m commercial lives + 34m MA lives x \$2-5 per member per month = ~\$5-13 billion ARR
Who are your competitors? What do they get wrong?	<p>Our competitors include Transcarent, Accolade, Included Health, and Rightway. They offer care navigation through call centers, apps, or human-led chat, all of which are slow, expensive, and hard to scale.</p> <p>What they get wrong is the assumption that more humans equals better care. In reality, most navigation questions (e.g., "Is this doctor in-network?" or "Can I book an urgent care visit near me today?") don't require clinical judgment, they require speed, clarity, and integration with benefits and provider data.</p> <p>We're building an AI-native agent that answers member questions instantly and acts on their behalf, verifying coverage, finding the right provider, and booking the appointment, all in one conversation. No apps to download, no hold music, no re-explaining your benefits.</p> <p>Where competitors struggle to scale efficiently and deliver consistent outcomes, we deliver 10x faster access at a fraction of the cost, and drive measurable ROI for employers and payers through better benefit utilization and fewer unnecessary ER visits.</p>
What is your business model? How do you generate (or plan to generate) revenue?	PE/PM and PM/PM paid by employers and payers
What is your current traction over the last 6 months?	Our consumer alpha version is live and we are in conversations to start our first employer pilot with a 70 person employer in California
How many customers do you have? Please describe your sales pipeline today.	We do not have a sales pipeline yet, just 1 potential pilot customer
How many of them are paying and what is the current pricing structure?	\$2 PE/PM
What is the typical sales cycle you have and who needs to be involved in the buying decision?	We do not have a scaleable sales motion yet



What market signals or customer research supports your go to market approach?

Our go-to-market strategy is validated by both market signals and direct customer research.

Payer and employer pain points: Rising administrative costs and low benefits utilization are driving demand for AI solutions that simplify care navigation. 24% of ER visits are avoidable, and up to 40% of members don't know how to use their health plan. Our interviews with benefits leaders at mid-size employers and TPAs confirm that they are actively seeking solutions that reduce waste, boost member experience, and work with existing plan infrastructure.

Enterprise buyer interest: We've had conversations with a large national payer, a top-tier PEO, and multiple regional TPAs. Early feedback highlights that our zero-integration AI agent, which understands member benefits and books in-network care, is a key differentiator compared to high-friction tools or call centers.

Market timing: The rise of embedded AI agents, new CMS transparency rules, and layoffs at traditional navigation vendors (e.g., Accolade, Included Health) signal a shift toward lower-cost, software-first solutions. Employers are asking for navigation that "just works" without training or app downloads.

\$50k - Austen Allred - CEO, Lambda School & GauntletAI

How have you funded the company to date? Who are your investors, if any?

\$50k - Zaid Farooqui - Director of Product, Cloudflare and Bilal's former co-founder

How much runway do you have?

6 months pre-fundraise, 18months+ post fundraise

Are you currently fundraising?

TRUE

What specific outcomes do you hope to achieve during the program?

A well-oiled sales and go to market motion with pilot customers and a repeatable sales process

Our greatest barriers to success are:

Payer and Employer Sales Cycles

Selling into payers, PEOs, and benefits platforms involves long, relationship-driven sales cycles with multiple stakeholders. We mitigate this through strategic pilots, warm intros, and by proving immediate ROI via utilization and cost-savings metrics.

Integration Complexity

Integrating with provider directories, benefit structures, and claims data can be technically complex and vary by customer. We've built modular, API-first infrastructure and leverage existing standards (like MRFs and FHIR) to accelerate deployments.

Trust and Compliance

Handling PHI and influencing care decisions requires deep trust. We're HIPAA-compliant, deploy AI with direct observability in real-time, and ensure human review. Trust is also built through enterprise design: zero training, no downloads, and seamless EDI or portal-based workflows.

Competitive Noise

The digital health space is crowded. But most tools focus narrowly (just scheduling, or just benefits), or fail to personalize at the plan and provider level. Sunny wins by offering an all-in-one AI concierge that knows your network, your plan, and your preferences, and delivers measurable

What are your company's greatest barriers to success?



outcomes.

While we bring deep expertise in healthcare product development, AI, and go-to-market strategy, we are currently seeking additional support in the following areas:

Network access to payer and employer decision-makers (particularly heads of benefits, medical directors, and digital health strategy teams) to accelerate enterprise pilots and commercial partnerships.

Support navigating healthcare procurement cycles and contracting structures, especially with large insurers and PEOs.

Strategic guidance on health economics and actuarial modeling to quantify ROI for payers and employers more effectively.

Expertise in scaling healthcare AI agents safely and compliantly, particularly as we deepen PHI use and move into autonomous workflows (e.g., claims navigation, eligibility verification).

We're looking for partners who can help us go further, faster, especially where credibility, relationships, and nuanced understanding of enterprise healthcare make the difference.

One major piece of feedback we received early on was that while patients loved our AI-powered healthcare navigation experience, employers and payers were skeptical of "yet another point solution." They didn't want to add another vendor, they wanted deeper integration with existing systems and measurable ROI on care access, not just a better interface.

Please describe a major piece of feedback or learning you've received and how you used it to pivot the company or your career.

This pushed us to pivot from a standalone AI concierge to an embeddable infrastructure layer that could plug directly into payer portals, PEOs, and employer benefits platforms.

This change dramatically improved traction with enterprise customers. It taught us that product excellence isn't enough, you have to meet stakeholders where they are, solve a business problem they own, and plug into their workflows to drive adoption.

How did you learn about this program?

During fundraising conversation with Robby Peters at SemperVirens



If you were referred by in network contact, what is their name?

Robby Peters

Introduction

Our healthcare system is complex and disjointed, with no single unifying consumer experience layer. Sunny Health AI is building a system of multimodal AI agents that will serve as the consumer interface to this broken system.

Our agent handles complex healthcare tasks like finding specialist in-network appointments, resolving insurance issues such as prior authorizations and claims denials, and managing medical records transfers - eliminating hours of frustration for consumers, unifying the system, and improving access to care.

In addition, our agent will have access to a patient's complete health history to facilitate real-time AI-assisted health information, diagnosis and treatment within the app. If diagnosis and treatment isn't possible within the app, the agent helps the patient navigate into the healthcare system while ensuring that all data generated from actions outside the app is collected to provide the patient with a comprehensive understanding of their health at any moment in time.

Team

- **Founder & CEO - Bilal Farooqui**

- YC Alum (S07) - Built music-sharing social network & scaled to millions of MAUs
- Deep technical background - started programming at 11 years old and built servers by hand that scaled YC-backed social network
- Early Product Manager & eventual VP Product at Rally Health, which was acquired by United Health Group for \$4 billion and integrated into Optum in 2021
- Created Rally Pay, a consumer payments network that processes billions of dollars in consumer payments through the UHC app
- Created a novel way to reconcile consumer payments in RCMs through the use of 837 forms; 837s were previously only used for provider payment reconciliation
- VP Product, United Health Group for 3.5 years post-integration of Rally Health
- Built AI Medicare Plan recommendation engine for consumers with Co-Founder Bo Wang at RVO Health, with United Healthcare as the first paying customer



- **Co-Founder & Chief Medical Officer - Bo Wang, M.D., Pharm.D.**

- Previously Chief Medical Officer at Health IQ (acquired by Red Ventures Optum Health) & current Chief Medical Officer, Medicare Products at RVO Health
- Bilal and Bo worked together closely at Red Ventures Optum Health building consumer AI products
- Internal Medicine Physician, U.S. Department of Veterans Affairs

- Former Clinical Lead at Google to create, launch, scale, and measure health impact of products across Google platforms
- Former Internal Medicine physician at Stanford Health Care
- M.D., Harvard Medical School, Magna Cum Laude



- **Co-Founder & CTO - Nikolas Yanek-Chrones**

- Previously founder of ICARAI, a startup providing engineering support to the Scripps Institution of Oceanography and the J. Craig Venter Institute.
- B.S. in Cognitive Science, specializing in Machine Learning and Neural Computation from the University of California, San Diego.
- Engineered and documented a novel data cleaning technique leveraging gated recurrent unit based autoencoders for salinity data from the Southern Ocean.
- Developed CTDFjorder, an open source library empowering researchers to rapidly apply consistent analysis to data from various CTD device manufacturers and across sampling events, as well as krakenuniq-rs which provides a PR2 compatible library for kmer counting strategies in eDNA research.
- Deployed and maintained a GUI based high performance compute cluster for genomics data to supplant reliance on a university supercomputer and the associated command line woes in addition to compliance with FAIR data principles.



! Problem

The US healthcare system is notoriously complex and fragmented. Consumers spend hours:

- Getting accurate, relevant answers to deeply personal clinical questions
- Getting virtual, asynchronous care quickly with a provider who actually knows you
- Calling multiple providers to find available appointments
- Coordinating between providers, pharmacies, and insurance companies
- Managing prior authorizations
- Requesting and transferring medical records
- Navigating various patient portals and systems

Solution

An AI agent that:

- Acts as a personal healthcare concierge
- Interfaces with providers, insurers, and pharmacies
- Aggregates health records from multiple sources
- Handles complex, multi-step healthcare tasks
- Provides immediate value through task automation
- Can make phone calls and send faxes and emails on a consumer's behalf
- Can login to consumer portals like myChart and myUHC to aggregate data, learn about the consumer, and conduct transactions
- Can provide asynchronous care quickly with physician support

Early Technology Validation: Successfully completed first phone appointments with no human intervention

Market Opportunity

Total addressable market: 200 million Americans who regularly interact with the healthcare system

Ideal customer profile: 30-60 year old moms with children + parents that they manage healthcare on behalf of

Why now?

As LLM cost per token is driven down to zero, much of the value that'll be captured by the rapid advancements in AI will occur at the application layer. There's an opportunity to solve complex, multi-step problems using a combination of text, voice, and browser-based agents that would've been cost-prohibitive and technically impossible previously but is no longer so.

Why us?

Our team has a combination of a consumer social networking background combined with a deep passion for and expertise in healthcare and a knack for solving difficult engineering challenges. Bilal spent many years building apps and experiences at Rally Health & United Health Group that encouraged millions of Americans to be healthier and made the system work on their behalf just a little bit better. Bilal & Bo spent many years together at RVO Health reimagining consumer healthcare interfaces using AI, LLMs, and custom disease prediction models. Nik has deep experience in solving hard engineering problems rapidly and is motivated deeply by the frustrations he's experienced personally when interacting with the healthcare system.

Long-term Vision

1. Serve as the front-door to American healthcare using our deep integrations into the healthcare system as a moat

2. Solve for clinical use cases with human-in-the-loop as AI agents become accepted as clinical practitioners
3. Build deep clinical integrations that allow for real-time diagnosis, prescription writing and home delivery
4. Create fluidity in the experience that seamlessly transitions between clinical + non-clinical in order to get someone better

Go-to-Market Strategy

- Direct-to-Consumer 
 - Product-led growth
 - Targeted acquisition at point of need
 - Focus on minimal time-to-value from ad to completed task
 - Viral loop through referral credits
- B2B2C Partnerships 
 - A magical consumer experience will serve as the showcase for enterprises; the goal is to create an “I want that!” effect for enterprise buyers who use our consumer experience
 - Target major payers (UnitedHealth, Cigna, Aetna, Blue Cross) & ASO employers
 - We are in early conversations with the former Chief Growth Officer at United Healthcare to be involved in our B2B GTM activities
 - Leverage existing relationships from Rally & United Health Group network
 - Position as consumer advocacy solution

Business Model

Multiple revenue streams

1. Consumer freemium
 - Dynamic gating to access when deep interaction detected
 - \$20/month or \$199/year - exact pricing will be a rapid experiment
 - Refer 1 friend, receive 1 month free
2. B2B2C Partnerships
 - Enterprise contracts with payers & ASO employers
 - Employer benefit programs

Funding round

- Raising a preseed to
 - Launch minimum lovable experience and find early product market fit
 - Cover engineering + infra costs