# INVESTMENT-MEMO

# Company: GALEN AI

## 1. Executive Summary:

Galen AI is a health-tech startup which is utilizing generative AI to transform clinical documentation to draw beneficial insights and recommendations for the patient. Its flagship product automatically creates precise clinical notes from doctor-patient conversations, functioning as a real-time medical scribe. This reduces the administrative burden on physicians, improves workflow efficiency, and enhances patient engagement. Galen AI is perfectly suited for the present rapidly growing space, with the rise of AI in healthcare and global medical scribe market projected to surpass $ 10 billion by 2030.
In contrast to generic transcription tools, Galen AI's domain specific model fine-tuning enables higher accuracy and real time performance, setting it apart. The company targets clinics, hospitals and telemedicine platforms- like Practo, MDLive, 1mg etc. with its scalable SaaS based business model. Its execution potential is strongly backed by early clinical pilots and a solid founding team with experience in both AI and medicine.
Considering its product innovation, strategic market positioning and strong team, Galen AI stands for a promising investment opportunity in the evolving digital health ecosystem. We therefore recommend it for a strong investment consideration.

## 2. Problem Statement:

Healthcare providers today face a significant challenge with clinical documentation. Managing electronic health records (EHRs) and entering notes takes up nearly 50% of a physician's workday, leading to reduced time for direct patient care and increased burnout. Conventional documentation procedures are laborious, error prone and often rely on manual entry or generic transcription services that are unable to accurately capture medical terminology. In addition to impairing physician productivity, this inefficiency compromises the accuracy, quality and completeness of patient records, which has an impact on overall healthcare outcomes. Additionally, taking clinical notes in real time is a challenge for the rapidly growing telemedicine platforms. This limits both scalability and patient satisfaction. Thus, there is a need for a system that automates and simplifies clinical documentation while maintaining high accuracy and compliance with healthcare regulations.

## 3. Solution Overview:

Galen AI provides a next-generation clinical scribe powered by AI, that automates the creation of medical notes based on real time conversations between doctors and patients. The scribe is built of custom-trained large language models (LLMs) specially trained and tailored for the healthcare industry. Galen AI is capable of comprehending the complexities, structure and terminologies of medical discourse, such as 'HbA1c', or 'metformin'.

The system captures audio during in person or virtual consultations through a speech recognition engine. This is followed by and AI- powered natural language understanding module that transforms unstructured dialogue into structures notes, using formats like SOAP (Subjective, Objective, Assessment, Plan) or templates designed for a particular specialty. Secure APIs can then be used to automatically incorporate these notes into already existing Electronic Health Record (EHR) systems.
This solution addresses three major critical pain points: reducing the documentation burden on physicians, minimising mistakes in patient records and improving clinical workflow efficiency. With the help of its scalable SaaS model, hospitals, clinics, and telemedicine platforms can easily implement the product with little infrastructure modification. What distinguishes Galen AI is its domain expertise, real-time performance, and adaptability to different medical specialties and workflows. Its HIPAA-compliant architecture guarantees data privacy and regulatory compliance, and continuous learning loops improve accuracy with use. Galen AI eliminates the need for manual scribing or traditional transcription services, allowing physicians to focus on giving patients the best care possible.

## 4. Product Maturity and Traction:

- Galen AI already has a live, functioning platform that includes AI-powered electronic medical records (EMR) and automated clinical documentation, indicating it is beyond the MVP stage.
- The product offers integrated features such as video consultations, appointment scheduling, invoicing, and reminders, demonstrating a well-rounded solution addressing real operational pain points for clinics.
- Retention rates are good because the product appears to have physician adoption with a user interface, serving a good experience.
- This solution is highly personalised, and gives a solution unique to that patient, by studying their medical history, analysing the reports, and running them through its AI algorithms. So, it attracts a lot of interest from early adopters as well as long-term retaining customers.

## 5. Market Opportunity:

**TAM:** $50–60 billion+ (globally)
**SAM:** $8–10 billion (globally)
**SOM:** $100–250 million (in India, in next 3–5 years)

- Expanding Need for AI in Clinical Decision Support, as the new algorithms become more trustworthy, and faster as well as intelligent with each passing minute.
- Well-positioned to capture value from the rising adoption of wearables and remote patient monitoring devices
- A large segment of clinics, especially in emerging markets, remains underserved by legacy EMR providers.

## 6. Business Model:

- **Subscription-Based SaaS Revenue Model:**
  Galen AI operates on a recurring subscription model, charging clinics and practices monthly or annually, providing predictable revenue streams.

- **Pricing Based on Feature Access:**
  The platform can scale pricing based on practice size or feature set, allowing for flexibility across customer segments.

- **Freemium or Entry-Level Plan to Drive Adoption:**
  A freemium version can serve as a starting-catalyst to onboard small practices, especially in price-sensitive markets, before upselling them to premium plans.

- **Add-On Revenue from Wearable Integrations and Data Analytics:**
  With growing wearable adoption, Galen AI can generate additional revenue by offering advanced analytics or integrations with health trackers as a premium add-on for clinicians.

## 7. Competitive Landscape:

Here′s how it stacks up against some of the major players in this space:

| Company | What They Offer | Who They Serve | How Galen AI is Different |
|---|---|---|---|
| **DeepScribe** | AI medical scribe for specific fields like oncology and primary care | Small-to-midsize clinics, mostly in the U.S. | Galen is real-time, faster across specialties, and works better in non-U.S. settings |
| **Nabla** | Multilingual AI assistant with live note-taking and ICD-10 support | Telehealth companies in Europe and beyond | Galen adds wearable data and proactive care insights — not just documentation |
| **Suki AI** | Voice-based note-taking with billing help | Community health centers and larger hospitals in the U.S. | Galen handles more complex cases and offers a broader platform beyond just voice notes |
| **Augmedix** | Combines humans and AI to generate medical notes live | Enterprise hospital systems | Galen is fully automated, lower cost, and scalable without needing human scribes |

**What Makes Galen AI Stand Out:**

- **Built for Both Patients and Doctors** — not just a scribe tool.
- **Integrates Wearable Devices** — like Apple Watch, glucose monitors, and sleep trackers.

- **Proactive Health Tracking** — monitors symptoms over time, not just one visit.

**Pricing Snapshot (for context)**

- Competitors charge $119–$399 per month per provider.
- Galen′s pricing is not public yet but is likely premium — thanks to its added features.

## 8. Strategic Analysis

**SWOT: What Galen AI Has Going For and Against It**

**Strengths:**

- Combines wearable and clinical data for a full picture of patient health.
- First to focus on patient-facing AI that also helps clinicians.
- Connects to 800+ healthcare providers already.

**Weaknesses:**

- Depends heavily on Apple HealthKit for some data sources.
- Still new — not yet proven in large-scale clinical trials.
- B2C model could mean higher marketing and customer support costs.

**Opportunities:**

- Chronic care (like diabetes and heart disease) is a $500B+ market.
- Big potential in growing markets (India, Southeast Asia) where demand is high.

**Threats:**

- Regulation — FDA Class II approval may be required.
- Other players like DeepScribe and Nabla may start using wearables too.
- Big tech (like OpenAI's ChatGPT-5) could enter this space with scale.
- Doctors may still prefer traditional systems if trust isn't built.

## 9. Risks & How Galen AI Can Handle Them

| Risk | What Could Go Wrong | How Galen AI Plans to Handle It |
|---|---|---|
| **Privacy Rules** | Breaking HIPAA or local data laws | Uses AWS-compliant architecture; frequent legal checks; working toward FDA Class II certification |

| | | |
|---|---|---|
| **AI Mistakes** | Could misinterpret conversations or symptoms | Builds in feedback from doctors; partnering with Cleveland Clinic to validate model accuracy |
| **Slow Adoption** | Doctors may not trust the AI or prefer their current system | Offers free pilot programs; shows time savings and better diagnosis support (up to 40% error reduction) |
| **Big Competitors** | Larger companies might copy or outspend Galen | Focusing on emerging markets and niche areas like chronic care with wearable support |
| **Tech Dependency** | Relies on Apple HealthKit and other platforms | Expanding integration to Garmin, Oura, and others; building redundancy |
| **Regulation Shifts** | AI healthcare laws and requirements could change | Staying ahead of the curve with compliance planning and partnerships (e.g., Galen Data) |

## 10. Group:

Galen AI was founded by Dr. Ankur Sharma and Ayush Sharma, regarding their previous startup and entrepreneurial experience. Aartas CliniShare, a doctor-focused coworking space and tech incubator, has raised $5 million by 2023, maintaining a 20% monthly growth rate and being praised as a "one-stop shop for doctors." Ankur and Ayush are both active doctors, so they are well aware of how time-consuming patient charting can be. The roles of Ankur and Ayush in product design include managing engineering hiring, business operations, and product design. .

## 11. Thesis and Suggestion for Investment:

**Pull of the Market** AI-Assisted Doctors Acceptance

•Clinician burnout, EHR vendor integration
• Markets for AI-scribe and EMR worth over $40 billion.
Additionally, platforms like Suki and Freed growing to tens of thousands of users.

**Suggestion**

Galen AI's (Early-Stage Investment Opportunity)
• Should aim for pilot projects in the US and India involving 60-70 small-practice clinics also 3k-3.5k engaged physicians and about 50-60% paid conversion rate.
• Usage of clinician feedback loops to improve the AI model and product (30% of budget).
• Introduction of new features like voice-activated dictation and a mobile analytics dashboard.

**Hazards and Countermeasures**

Risks and Solutions of AI
• Accuracy: Make an investment in model retraining and feedback.

- Regulatory: Extend the scope of security first.
- Competitive: Pay attention to underserved clinics and specialised fields.