

Centene makes health tech splash with Quartet investment

Centene, the country's largest Medicaid managed-care organization, is wasting no time pouring money into one of New York's fast-growing health tech startups after entering the local market last year by acquiring Fidelis Care of Queens.

The company said Friday that it contributed to a \$60 million Series D investment in Quartet Health, a mental-health technology company in Manhattan.

Centene was joined in the investment by previous funders F-Prime Capital Partners, GV (formerly Google Ventures), Oak HC/FT and Polaris Partners. The financing round brings the total investment in Quartet to \$153 million.

Quartet offers a software platform that helps health insurers and providers identify patients with untreated behavioral-health conditions. It also allows primary-care and mental-health providers to share treatment plans, notes, test results and other information. Primary-care doctors can use it to find mental-health resources for their patients.

The company charges health systems and insurers, including Centene, to provide the software to doctors in their networks. It previously reached deals with other insurers, including Blue Cross and Blue Shield of North Carolina and Humana.

Quartet noted in its announcement that Medicaid beneficiaries with mental-health conditions spend four times more annually than their peers. As Centene looks to reduce expensive inpatient care, providing support to manage the health of people with mental illnesses can lower their medical costs.

Quartet operates in seven states, including New Jersey. But despite its local corporate presence, it isn't being used in New York. A company spokeswoman said she couldn't share details about potential new markets following the investment.

"Centene's partnership enables us to continue to support the experience of individuals in need of mental health care services, including Medicaid beneficiaries and their team of care providers," Dr. David Wennberg, who took over as Quartet's CEO last year, said in a statement.