2025 Business Plan

One Platform for Smarter
Behavioral Health Outcomes

Executive Summary

pathroot™ health

Vision
To become the category-defining platform for post-treatment recovery and chronic disease support, enabling value-based care through engagement, monitoring, and actionable insights.

Mission
To empower treatment providers to extend support beyond discharge by integrating families into recovery, using intelligent technology to reduce relapse, improve outcomes, and validate care.

Pathroot Health is a tech-enabled platform that helps behavioral health and addiction treatment providers deliver effective post-treatment support.
It engages individuals in recovery, supports their families, and gives providers real-time insight into patient progress—reducing relapse, improving outcomes, and validating care.

Pathroot bridges the post-treatment gap with AI, wearables, education, and family engagement—enabling scalable, value-based care without burdening staff.

Platform Overview

10+ Years of SaaS & Monitoring Expertise
Built on a foundation of enterprise SaaS and remote patient monitoring with a proven revenue model.
Trusted, Enterprise-Grade Technology
Platform was previously white-labeled by Verizon and security-audited by Deloitte.
Turnkey Recovery Support
High-margin subscription service that engages individuals and families post-treatment—without burdening staff.
AI-Powered Personalization
Machine learning and intelligent assistants provide tailored guidance and behavior-driven insights.
Connected Care Ecosystem
Seamless integration with peer coaching, clinical referrals, and third-party health services.

Phase One: Engagement & Outcomes Tracking (In Use Today)

Support Groups & Forums
Live, moderated sessions for patients and families
AI Recovery Assistants
Personalized, behavior-based guidance
Learning Paths
Self-guided education topics like relapse, trauma, boundaries
Surveys & Messaging
Monitor progress and collect feedback
Provider Dashboard
Track engagement and generate outcome studies.
Flexible Deployment
Turnkey or white-labeled alumni solutions
App-Free Access
Fully responsive across any device
White-Labeled Portals
Auto-updated with customizable content

Phase Two: Monitoring & Predictive Analytics (In Development-Delivery Q3)

Wearable Integration: Real-time data from off the shelf wearables
Breathalyzer & Geofencing: Enhance accountability and risk alerts
Predictive AI Models: Detect relapse risk using behavior patterns

The Problem

The behavioral health system breaks down after discharge as patients relapse, families are unsupported, and programs lack scalable tools to track outcomes or deliver ongoing value, creating a critical gap in a $42B market.

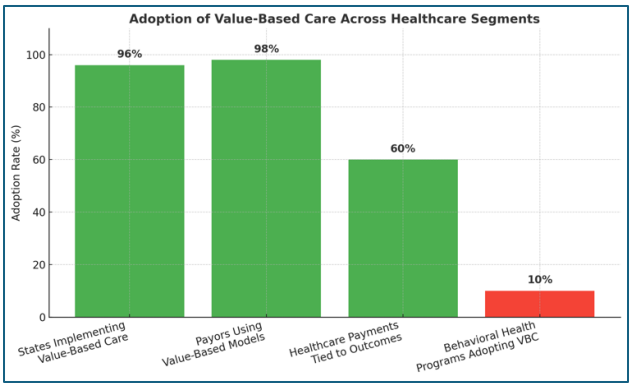
Addiction Treatment Is Failing After Discharge
Despite billions spent on substance use treatment annually, most programs lack structured follow-up, family inclusion, or outcome tracking once a patient leaves care. The results are devastating:

- **85% relapse** within the first-year post-treatment.
- **67% of adults** report past or present addiction in their family **(46 million families).**
- **$1 trillion** annual cost to the U.S. economy due to addiction-related issues.

For providers, this translates into poor long-term outcomes, limited visibility into patient progress, and missed opportunities to validate treatment effectiveness—just as payers and policymakers demand proof of value.

"We from rehal
Carolyn Bradfield, Founder of Pathroot Health

Families Are Left Without Tools
Studies validate that families are central to sustained recovery, yet most are excluded from the process. Discharged patients often return home without a clear plan, while their families are unprepared and unsupported. This lack of guidance increases relapse risk, weakens outcomes, and undermines the long-term success of treatment.



Programs Fail to Meet Value-Based Demands
As the U.S. healthcare system shifts to value-based care:

- **48 states** are adopting value-based reimbursement.
- **60% of healthcare payments** are now tied to outcomes.
- **Only10% of behavioral health programs** are ready, lacking the tools to measure and improve outcomes.

Without structured post-treatment support, real-time data, or engagement tools, addiction programs are at risk of falling behind both clinically and financially.

A Systemic Gap After Treatment
Most treatment programs end support at discharge, leaving a dangerous and costly gap. There's:

- **No follow-up plan**
- **No accountability**
- **No tools for families**
- **No way to measure success**

This is the problem Pathroot Health was built to solve.

Our Solution

Pathroot Health bridges the post-treatment gap with a scalable platform that combines real-time monitoring, family engagement, and outcome tracking to support recovery and enable value-based care.

A Turnkey Platform to Extend Recovery Support Beyond Treatment

Pathroot Health delivers a post-treatment support platform that bridges the gap between discharge and long-term recovery. Built with proven, enterprise-grade technology, Pathroot helps addiction treatment providers, payers, and employers reduce relapse, improve patient outcomes, and support families without adding to clinical workloads.

Pathroot creates a circle of care including the individual, the family, and the provider.

Key Platform Capabilities

AI Personalization
Smart recovery assistant delivers tailored guidance and behavioral nudges.

Family & Community Engagement
Live groups, forums, and coaching to connect patients and families.

Guided Education
Self-paced learning on relapse prevention, boundaries, trauma, and more.

Outcome Reporting
Dashboards track engagement, surveys, and compliance for value-based care.

Real-Time Monitoring
Wearables, geofencing, breathalyzers, and surveys flag early relapse risk.

What Makes Pathroot Unique

- ☑ **Built on Proprietary, Proven Technology**
  Adapted from an enterprise platform previously white-labeled by Verizon for resale and vetted by Deloitte.
- ☑ **No Burden on Clinical Staff**
  Fully managed support that enhances—not replaces—provider care.
- ☑ **White Label Ready**
  Programs can deploy branded portals and customize education, messaging, and monitoring tools from Pathroot's digital library.
- ☑ **Affordable and Scalable**
  ee to programs, affordable to families, and scalable across devices without requiring an app download.
- ☑ **Future-Proof for Value-Based Care**
  elivers the data, engagement, and outcomes insights required to thrive in emerging reimbursement models.

Our Solution

Pathroot Health bridges the post-treatment gap with a scalable platform that combines real-time monitoring, family engagement, and outcome tracking to support recovery and enable value-based care.

Pathroot's innovative technology integrates real-time monitoring, AI-driven insights, and wearable data with educational resources and engagement tools to empower individuals and their care networks to take control of their recovery journey. By providing proactive risk alerts, actionable guidance, and personalized learning experiences, Pathroot bridges the gap between treatment and long-term management, improving outcomes and supporting sustained well-being.

Support Groups
Professionally moderated on family support, mental health, addiction, & recover

Learning Paths
Personalized guided resources on topics like boundaries, codependency & treatment.

Discussion Forums
Share ideas, ask questions, discuss challenges and get updates on conversations.

Personalized Support
AI recovery guides to answer questions with AI-driven recommendations for individuals.

Rewards
Earn points for participation in groups, learning centers, surveys, or other activities.

Outcomes Tracking
Dashboards to view activity, send messages & surveys and produce outcome reports.

76%
Reduced Hospital Admissions

20%
Improved Medication Adherence

25%
Reduction in ER Visits

The Market

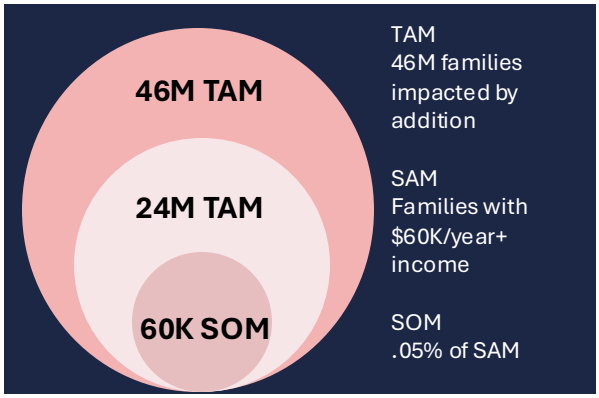
Pathroot addresses a $42B addiction treatment market and targets the 6,800+ private programs best positioned to adopt scalable, tech-enabled solutions that support outcomes, engagement, and value-based care.

Total Market Opportunity
The U.S. addiction treatment and broader behavioral health markets are large, growing, and under pressure to transition toward value-based, technology-enabled care. Pathroot Health sits at the intersection of post-treatment recovery, digital health, and family engagement—serving multiple, expanding segments.

$42B+ U.S. substance use treatment market
(Source: SAMHSA 2022)
46 million Americans
Report being impacted by a loved one's addiction
4.5 million people
Treated annually for substance use disorders (SUD)
$650B+ global chronic disease management market

Pathroot's platform extends beyond addiction into mental health, chronic disease, corporate wellness, and public health—unlocking multi-billion-dollar opportunities. As demand grows for outcome-driven, family-inclusive care, Pathroot is positioned to lead this next wave of behavioral health innovation.

Potential Family Subscribers



Serviceable Addressable Market (SAM)
Addiction treatment programs that do not rely on Medicaid funding and are more likely to adopt value-based care tools:

- **6,800 private addiction treatment programs** (out of 17,000+ total programs)

Serviceable Obtainable Market (SOM): Years 1–3

- Pathroot's initial rollout strategy targets 0.5%–1% of private treatment programs in the first three years, with both direct sales and channel partner engagement:

Year	% Market Share	Programs	Referred Patients	Direct Sales Revenue	Channel Revenue	Total Revenue
1	0.5%	28	5,544	$1.28M	$1.17M	$2.44M
2	1.0%	42	8,316	$1.91M	$1.75M	$3.66M
3	1.0%	56	11,088	$2.55M	$2.33M	$4.88M

Assumes 198 patients per program, conservative subscription conversion rates, and average per-user revenue.

Go-To-Market

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Pathroot's go-to-market strategy combines direct sales to treatment programs with channel partnerships and referral incentives, enabling rapid adoption through trusted industry networks while simultaneously reaching families through targeted digital outreach.

Target Customers

Pathroot Health is executing a B2B-first strategy, targeting addiction treatment programs and behavioral health providers as our primary entry point. While provider partnerships drive initial growth, the platform is built for future expansion into employer-sponsored wellness, government-funded prevention programs, payers, and direct-to-consumer offerings.

1. **Private Addiction Treatment Programs**
   6,800+ non-Medicaid facilities offer post-treatment support to patients and families.
2. **Mental Health Practitioners**
   380,000+ licensed therapists in the U.S to extend care between sessions, track progress, and support families
3. **Corporate Wellness & EAPs**
   Employers experiencing workforce productivity loss tied to addiction and mental health
4. **Government-Funded Programs**
   State and county agencies managing opioid abatement funds and behavioral health grants
   Need turnkey education, compliance monitoring, and prevention support
5. **Payers**
   Commercial and managed care organizations shifting to value-based models need outcome data, engagement tools, and family-inclusive support to justify reimbursement
6. **Families and Individuals in Recovery**
   Millions impacted by addiction in their family are motivated to find affordable, ongoing recovery tools and support.

B2B Marketing and Sales Strategy

Direct Sales: Led by in-house sales team targeting executives, clinical directors, and alumni managers
Channel Partnerships: Distribution via industry consultants and referral partners with existing provider relationships
White Label Licensing: Custom-branded portals that allow organizations to expand alumni and family engagement

Customer Acquisition Tactics

Email Campaigns: Segmented outreach to treatment center leadership
Webinars and Conferences: Expert-led discussions on overcoming staffing shortages, relapse risk, and value-based care gaps
LinkedIn Organic Campaigns: Executive visibility, feature spotlights, and provider success stories
Referral Programs: Free professional memberships and incentive programs for clinical thought leaders

Retain Subscribers

Families and individuals referred by programs or acquired through direct outreach stay engaged as subscribers because of:

- Community support
- Opportunities for live interaction
- Connections to additional services
- Continuous outreach and stimulation

Competitive Landscape

While the behavioral health market is crowded with solutions, few offer a comprehensive, post-treatment platform that integrates family engagement, real-time monitoring, and outcome tracking making Pathroot uniquely positioned to lead.

Differentiators

All-in-One Platform: Combines AI, wearables, education, and peer support in a single portal—no app download required.
Family Integration: Most platforms overlook the family's role; Pathroot empowers and supports them with tools, learning, and community.
Outcome Tracking for Value-Based Care: Dashboards and engagement data tailored for providers seeking to validate and improve results.
White Label Flexibility: Enables programs to own the experience while leveraging Pathroot's continuously updated content and tools.
Low Clinical Burden: Designed to run independently of clinical staff—augmenting programs, not consuming limited resources.
Proven, Secure Technology: Built on a platform vetted by Deloitte and white-labeled by Verizon.
Strategic Positioning
Pathroot is not a telehealth provider, EHR system, or peer app—it is a **value-based recovery enablement platform**, purpose-built to fill the post-treatment gap. Its positioning aligns with what the market now demands: scalable engagement, measurable outcomes, and family support.

Key Competitors

Company	Focus Area	Strengths	Weaknesses vs. Pathroot
Pelago (formerly Quit Genius)	Telehealth addiction care	Clinician-led, payer-integrated model	Limited family engagement; no white label
Bamboo Health	Data sharing & SUD coordination	Strong payer relationships, provider alerts	Not patient- or family-facing
WeConnect Health	Alumni engagement & recovery support	Community focus, relapse detection tools	Narrow scope; weak on provider outcomes
CareLogic/Qualifacts	Behavioral EHR systems	Deep clinical data tools	Not a recovery platform; no consumer UX
Woebot Health	AI mental health chatbot	Proven engagement AI	Lacks full recovery framework or monitoring
Pathlight	Mental health telehealth platform	Clinical rigor, digital-first care	Expensive; lacks recovery-specific tools

The Team

Pathroot Health is led by seasoned entrepreneurs and behavioral health experts, united by personal loss and deep SaaS experience to fix a recovery system that fails patients, families, and providers.

Carolyn Bradfield
Chief Executive Officer
Cofounder

Carolyn is a seasoned entrepreneur with three tech exits and the founder of a licensed adolescent treatment program acquired by Acadia Healthcare. After losing her daughter to addiction, she focused on closing the post-treatment gap with tech-enabled, family-centered recovery tools leveraging her experience in SaaS platforms used by 30,000+ partners and deployed by clients like Verizon.

Lance Folske
Chief Operating Officer
Chief Strategy Officer

Lance Folske is a behavioral health executive with deep operational and industry expertise serving as the CEO of three psychiatric hospitals, SVP of Operations for a treatment provider, and advisor to behavioral health tech companies. Lance leads strategy, product alignment, and scalable growth across clinical and enterprise markets.

Brent Palmer
Chief Marketing Officer
Co-Founder

A marketing strategist with 17+ years of experience scaling SaaS platforms in healthcare and enterprise tech. Brent leads Pathroot's demand generation, go-to-market messaging, and brand positioning across both B2B and B2C audiences.

Bruce Ahern
Board Chairman
Cofounder

Bruce is a seasoned entrepreneur with exits in publishing, remote patient monitoring and clinical trials helping launch one of the first FDA-cleared mobile health platforms and cofounding Phoenix Outdoor (sold to CRC/Acadia) He provides strategic guidance on market entry, partnerships, and health tech expansion.

Mike Guardalabene
Chief Technology Officer
Co-Founder

Mike has over 13 years in SaaS product leadership and a Master's in Analytics from Georgia Tech and leads platform development and AI innovation. He directs a globally distributed engineering team to deliver scalable, secure technology that powers the Pathroot platform.

Advisors

Richard Strobridge – CEO, RxHealth; Founder, Entra Health
Sandy Newes, PhD – Licensed Psychologist; Co-Founder, Living Medicine Institute
Gerry Szatvanyi – CEO, OSF Digital; Chief AI Officer
Curt Allen – Managing Partner, X4 Advisors; Former CRO, Vonage
Mary Flora, PhD, MBA – Clinical Director, Stonewater Adolescent Academy
Awstin Gregg – CEO, Connections Wellness
Michael E. Webb – Partner, St. George Detox; President, Shadow Mountain Recovery
Rick Delgiorno – Co-Founder, Behavioral Health Global Enterprises

Revenue Projections

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Pathroot Health is built on a scalable, high-margin subscription model with multiple revenue streams and a clear path to profitability driven by provider adoption, channel partnerships, and long-term recurring revenue.

Revenue Model

Pathroot Health generates revenue through a high-margin, recurring subscription model with multiple streams:

Monthly Subscriptions – Paid by individuals and families referred by treatment programs or acquired directly.

Licensing Revenue – White-labeled platforms for providers and enterprises with automatic content updates.

Referral Revenue – Revenue-sharing with integrated services such as telehealth, diagnostics, and coaching.

Channel Partnerships – Accelerated B2B growth through consultants and distributors with low acquisition costs.

Pricing Assumptions

- $25–$35 per month per active family/user
- Licensing fees for white-labeled portals
- Optional premium features and partner integrations increase average revenue per user (ARPU)

Cost Structure

- 85% gross margin
- Low cost to serve new users
- Scalable cloud-based platform with built-in compliance.
- The majority of expenses allocated to product development, channel activation, and customer success

3-Year Revenue Outlook (Treatment Market Only)

Assumes 0.5–1% market penetration of 6,800 private addiction treatment programs and average per-user monthly revenue.

Year	Programs Onboarded	Referred Patients	Direct Revenue	Channel Revenue	Total Revenue
1	28	5,544	$1.28M	$1.17M	$2.44M
2	42	8,316	$1.91M	$1.75M	$3.66M
3	56	11,088	$2.55M	$2.33M	$4.88M

Use of Funds

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Pathroot Health is raising $2 million through either a convertible and SAFE note instruments with favorable terms, offering early investors discounted equity in a scalable, high-margin platform positioned for rapid growth in the behavioral health market.

Post-Seed Funding Round
Pathroot Health is raising $2 million to scale its platform, expand provider adoption, and enhance predictive technology. This capital will position the company for rapid growth in the behavioral health market, with strong recurring revenue, proven demand, and a scalable B2B model aligned with value-based care trends.

The Investor Opportunity
Investors can support a mission-driven company with validated technology, a seasoned team, and a first-mover advantage in post-treatment recovery support while choosing between a convertible note or SAFE agreement. Both options offer early investors a discount on future equity and a valuation cap, providing a strategic entry point ahead of institutional funding rounds.

Use of Funds
Pathroot Health will use funding to accelerate platform growth, expand provider adoption, and enhance program delivery. Investments support product development, sales and marketing, enhancing the program, ensuring customer success and the legal and operational infrastructure to support the program.

Category	% Allocation	Purpose
Product & Platform Development	35%	Expand use of AI, deliver monitoring technology, enhance outcomes tracking and deliver a mobile app for notifications, surveys & monitoring.
Sales & Marketing	30%	Build direct and partner-led sales channels to drive provider adoption
Program Development	15%	Develop content, manage engagement strategies, drive member outreach, and build program partnerships
Customer Success & Ops	15%	Support onboarding, licensing rollouts, and performance tracking
Compliance, Legal, Insurance	5%	Ensure HIPAA compliance, complete security audits, and protect IP, business liability insurance.