

## SUMMARY OF THE PROJECT IN DESIGN \* (\*)

### Sofia Seguros: Providing Smart Health Coverage for All in Mexico

<b>PITCH ELIGIBILITY DATE</b>		<b>COUNTRY(IES)</b>
01/11/2024		México
<b>ALIGNED WITH COUNTRY STRATEGY?</b>		
Yes		
<b>PARTNER(S)</b>		
Sofia		
<b>PRELIMINARY CLASSIFICATION ENVIRONMENTAL AND SOCIAL IMPACT</b>		
FI-3(**)		
<b>TOTAL BUDGET</b>	<b>IDB Lab</b>	<b>LOCAL COUNTERPART AND COFINANCING</b>
	US 2,000,000	

#### DESCRIPTION

**The problem:** The Mexican health system grapples with significant challenges, such as disparities in life expectancy, avoidable mortality, and chronic disease prevalence. Limited insurance coverage, particularly for women, hinders access to quality healthcare, leaving a substantial portion of the population dependent on out-of-pocket expenses, while those who can get access to health insurance often deal with complex and outdated process from legacy providers.

**The solution:** Sofia Seguros, a Mexican health insurance platform, addresses these challenges by leveraging technology and offering a comprehensive health coverage model. Vertical integration allows Sofia to control primary and secondary care, distinguishing it from competitors. The platform's technological edge ensures affordability, efficiency, and a user-friendly experience, contributing to operational excellence in the market.

**The beneficiaries:** Sofia's solution primarily benefits young professionals with employer-provided health benefits. The platform emphasizes a great focus of its services to women, expecting to reach around 34,000 female users by 2025. Comprehensive coverage includes maternity care, mental well-being support postpartum, and initiatives to combat gender bias in healthcare, aligning with the goal of enhancing overall health and well-being.

**The partner:** Sofia, established in 2018, boasts a dedicated team led by founders with diverse expertise and seasoned credentials from Harvard, Stanford and prior experience in applied math and statistics in McKinsey, Google and Index Ventures. The company's ownership structure reflects contributions from prominent venture capital firms.

**The IDB Lab's contribution:** IDB Lab's proposed contribution involves participating in a Series A extension, with equity investment, co-led by existing investors Kaszek and Index Ventures. Beyond financial support, IDB Lab's non-financial additionality focuses on influencing product development and geographic expansion to reach vulnerable populations. The investment signals a commitment to reducing regional challenges, promoting synergies with other healthcare projects, and addressing the persistent issue of increasing out-of-pocket costs.

\*The information mentioned in this document is indicative and may be altered throughout the project cycle prior to approval. This document does not guarantee approval of the project.

\*\*The IDB categorizes all projects into one of six E/S impact categories. Category A projects are those with the most significant and mostly permanent E/S impacts, category B those that cause mostly local and short-term impacts, and category C those with minimal or no negative impacts. A fourth category, FI-1 (high risk) Financial Intermediary (FI)'s portfolio includes exposure to business activities with potential significant adverse environmental or social risks or impacts that are diverse, mostly irreversible or unprecedented, FI-2 (medium risk) FI's portfolio consists of business activities that have potential limited adverse environmental or social risks or impacts, FI-3 (low risk) FI's portfolio consists of financial exposure to business activities that predominantly have minimal or no adverse environmental and social impacts.