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Enthea - Working with Employers to Provide Benefit Plans that Offer Psychedelic Healthcare and Access to Ketamine Therapy

Sherry Rais
CEO and Cofounder

Enthea

Interview conducted by:
Bud Wayne, Editorial Executive
CEOCFO Magazine

CEOCFO: *What is Enthea and how are you different from other health benefits providers?*

Ms. Rais: Enthea is a health benefit plan provider. We work with employers to provide benefit plans that they can in turn offer to their employees. What is different about us is we are the only organization offering health plans for psychedelic healthcare. When I say that, I am referring right now only to ketamine-assisted therapy because that is the only FDA-approved psychedelic. It is a very unique offering and one that is very much needed given our mental health crisis.

CEOCFO: *What gave you the idea to found the company?*

Ms. Rais: I cofounded the company along with others. I worked for ten years in international development and by that, I mean I worked on poverty reduction strategies in the field in developing countries. I was in countries like Afghanistan, Yemen, Mozambique, and South Africa. I saw first-hand the effects of intergenerational poverty and trauma on communities. I saw that some people cannot get out of poverty without addressing mental health.

I started searching for how to solve trauma and help people heal. That led me to a wide amount of evidence and data showing me the benefits of psychedelic therapy. Then that led me down the path of wondering why people were not using this. It was expensive and inaccessible. That was my journey into helping create Enthea.

CEOCFO: *Did your cofounders come to you or did you go to them? How did you end up together?*

Ms. Rais: It was very organic. One of the things I do outside of Enthea is I am the Executive Director of a group called The Boston Psychedelic Research Group, and we have about 1700 members all over the country. It is a community of people interested in psychedelic research and we have meetings every month where a prominent researcher will share their work, but we will also have time for community, even if it is virtual over Zoom. This is how I met some of my cofounders and/or people who introduced me to my now co-founders. Everyone brought a unique skillset but a shared vision: to pave the way for access to safe and affordable psychedelic therapy.

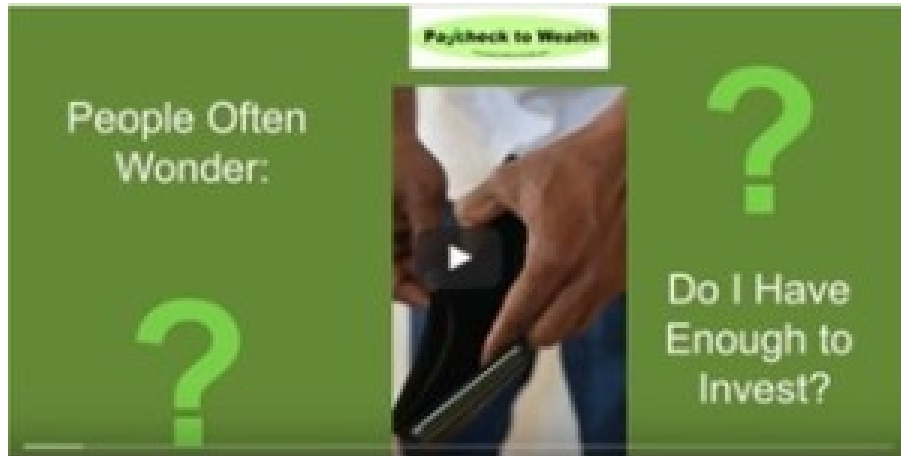
CEOCFO: *Enthea is a turnkey third-party administrator. How does that work?*

Ms. Rais: It works similarly to how the employers in the US have many add-on benefits. Maybe they have their primary health plan that covers medical for their employees and then they have these add-ons like dental and vision. You can think of us as another layer of those add-ons.

By turn-key, we have spent years helping everything that is needed to make this a seamless process for employers and beneficial to employees. We have developed the medical policies, credentialing process, standards of care, and most importantly we have built our provider network so that we have nationwide capabilities so that employees anywhere in the country can easily find a provider.

Enthea interview continued on page 3.

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CEOCFO: *How are other health benefits companies reacting to your presence in the space?*

Ms. Rais: I think so far, they are not reacting yet because we are probably under their radar. I suspect that will change, there is some noise here and there. I think that once they start recognizing the value of this and the demand from employers increases, some of them will be faced with a build or buy decision. They can build their network and policies or they can work with us and partner with us given that we have already spent years building this network.

CEOCFO: *Who will you sell to and how do you reach them?*

Ms. Rais: We sell to any US-based employer, of really any size. However, our offering is particularly interesting to self-funded employers. We reach them through word of mouth, referrals, various marketing campaigns and our own networks.

CEOCFO: *You recently announced the availability of Ketamine-Assisted Therapy as an Employee Benefit. Why is that so important, first to the patient, but also to the employers involved in treatment and coverage?*

Ms. Rais: To the patient, this offers hope and a chance to get to the root cause of various mental health conditions like trauma, depression, and anxiety, and solve these issues without needing to take SSRIs or antidepressants daily and without having talk therapy for years. Most people complete ketamine therapy and the majority of them show a significant improvement in systems so that they no longer have to take SSRIs. They feel better, so for the patient, there are a host of benefits.

“If we have 100,000 covered lives, perhaps that means that a million people who had not heard of ketamine therapy before will have heard of it. That is what we are seeing now at Enthea, even with our initial amount of growth and covered lives. Every week I get an email from someone saying they heard from a person who told them they have ketamine therapy as an option through Enthea and now they are interested in it for their sister or something like that. I look forward to these kinds of things every day.” Sherry Rais

Why does this matter beyond the patient? Other than the fact that employers not only have a legal obligation to take care of their employees, they have a moral obligation to take care of their employees. They also have a business incentive to do so because a mentally healthy workforce leads to increased productivity less absenteeism, and retention and they can attract new talent. Employees are more engaged and ultimately the medical costs for the employer will come down significantly. They will probably see 3.5 times the ROI.

CEOCFO: *What were some of the challenges in founding the company and how did you overcome them?*

Ms. Rais: Funding was a challenge because this is something that has not been done before. The other challenge was around licensing and regulatory matters, which are also issues for psychedelic companies. For us, we have to get licensed as a Third Party Administrator (TPA) on a state-by-state basis. Fortunately, we are the first and only company that has been able to do that, to get licensed as a TPA.

The challenge that almost any CEO feels is being spread too thin and not having enough time and then having a group of very passionate mission-aligned people which we are lucky to have at Enthea. Often with startups, the problem is everybody is wearing ten hats because there are so many things to do so it is easy to get out of sync or alignment if we do not have enough processes in place to keep us on the same vision.

CEOCFO: *Where did the name Enthea come from?*

Ms. Rais: It's nice because it sounds like an insurance company name, but it comes from the word "entheogen" which is what psychoactive substances are called.

Enthea interview continued on page 5.

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CEOCFO: *Are you strictly psychedelics-focused?*

Ms. Rais: No. We are happy to help employers offer innovative, safe, and effective mental health treatment to their employees, specifically ones that are not considered covered by traditional insurance carriers. For example, something like TMS (Transcranial Magnetic Stimulation) which is a great service that is not covered by traditional insurance carriers.

While we are open, our mission is to help companies offer anything that can help alleviate mental health symptoms to their employees. We are now focusing on ketamine therapy. Regarding the startup challenges you mentioned, if we focus on too many things, we will do nothing right.

CEOCFO: *What is your geographic reach today and where will future growth come from?*

Ms. Rais: Our provider network is [nationwide](#). We have built our provider network with nationwide capabilities so if we have employees anywhere in the country, we can serve them. Our initial customers are primarily in California, Texas, New York, Colorado, and Oregon.

CEOCFO: *Are you looking for partners, and investors at this time?*

Ms. Rais: We are always looking for partners that can help get this out there to more people.

CEOCFO: *Are you going to reach out to investors again?*

Ms. Rais: Yes, we plan on doing a series A in 2024.

CEOCFO: *What will the health benefit space look like a year from now because of the presence of Enthea?*

Ms. Rais: I think a year from now we will have a 100 different companies offering this benefit to their employees, and then with those hundred companies perhaps 200,000 - 300,000 covered lives. Let's then think about the ripple effects. Even if we are conservative and we have 100,000 covered lives, the ripple effects are that every single one of those people who now have access to ketamine therapy via their employer via Enthea will most likely talk to their friends and family about how their company is offering this. Then those people will talk to their friends about what their company is offering. That is something that excites me. The effect is tenfold.

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