STANFORD
MUSSALLEM CENTER FOR
BIODESIGN

CASE: HE-2
DATE: JANUARY 2026

BEING INTENTIONAL ABOUT STRATEGIC FOCUS

"Purpose-driven work sometimes comes with accepting longer timelines to achieve success. However, other ways to measure value and impact make it worth the wait. I recommend surrounding yourself with investors and partners who appreciate those choices and help you win the longer game."
– Pedram Afshar, Co-Founder and CEO,Escher Health

Background

Pedram Afshar entered the Stanford Biodesign Innovation Fellowship with entrepreneurial aspirations. With degrees in bioengineering, robotics, and medicine, he was well-positioned to lead his own company. However, before setting out on his own, he spent nearly eight years amassing additional experience after the fellowship, first at a major multinational medtech corporation (Medtronic) and then at a health tech start-up (Element Science).

When the time was right for Afshar to pursue his own start-up, he initiated the process by defining a clear strategic focus. As the child of immigrant parents, he had developed a deep sensitivity to the needs of medically underserved populations. He recalled his parents "not knowing where to go or what to do" when they needed healthcare. His medical training only intensified the desire to help improve health access as he took care of other groups with similar challenges: non-native English speakers, individuals with low health literacy, the unhoused, and the under-insured receiving subpar care. Afshar committed himself to finding a project that would have a substantial, positive, and sustainable impact on the medically underserved. He further dedicated himself to ensuring that this focus would guide his activities at each step of the innovation process.

Needs Finding

With this broad strategic focus defined, Afshar threw himself into needs finding. Seeking an environment where he would be exposed to the unmet needs of the medically underserved, he spent every day for two months in the emergency department (ED), which is often the first point of care for those not established in the healthcare system. "I was there between 11:00 pm and 4:00 am because that's when I was allowed to observe in the hospital. Fortunately, 2:00 am is a great time to see unique problems affecting vulnerable populations," he remembered. "It was so valuable to take off my clinical hat and to be able to see the patient's experience from a more holistic point of view."

Needs Filtering

After that initial two-month period, said Afshar, "I had about six needs that I thought were equally good but had different areas of risk to mitigate. So, I spent an additional two months filtering those down by collecting more research and evidence and talking to mentors. Eventually, I landed on the area to help patients enroll in insurance programs." Thinking back on his filtering exercise, Afshar recalled how difficult it was to eliminate worthwhile needs. "It takes discipline to eliminate needs that either match the purpose but are not viable businesses or that are great businesses but don't match the purpose."

Need Validation

Once Afshar had a top project, he set out to further validate its importance, and to gain empathy for the population he was seeking to help. His philosophy was to move beyond observations, which can create a distance between innovators and their communities of interest. To accomplish this, he went to his local Medicaid office to attempt to submit an application firsthand and interact with the staff who serve this

This case study was prepared by Cyan Brown and Lyn Denend. Thank you to Pedram Afshar for his contribution to this project. All quotations are from interviews conducted by the authors unless otherwise cited.

population every day. He also spent time in hospital revenue cycle departments to learn about their priorities and use of technology. And he went back to the ED for more late-night shifts, this time to help patients enroll in insurance programs. In these environments, he was able to witness patients struggles in completing forms, navigating queues, and understanding complicated policies, as well as broader problems inherent in the ecosystem for gaining health coverage.

"Going through the process with others and asking non-leading questions was crucial," Afshar said. "It takes careful observation and intentional listening." He also noted the importance of being non-judgmental and compassionate when interacting with different people, especially when they are from vulnerable populations or wary of the healthcare system based on past mistreatment.

When he wasn't learning through these immersive engagement activities, Afshar began coding and testing the Escher Health solution. To test the initial prototype, he set up a challenge with the CFO of a hospital where he had connections. He proposed that he would, using the Escher Health product, go head-to-head with the hospital's incumbent vendor to see who could do a better job. The vendor was part of a large, multinational corporation with over $100 million in revenue and several employees at the hospital. When the CFO accepted, Afshar's months of preparation paid off. Escher Health's first product outperformed the incumbent by 2-to-1. He enrolled 60 patients in insurance programs in the same amount of time it took the incumbent to enroll 30. This resulted in greater hospital revenue, more satisfied patients, and a more efficient process.

Funding

Afshar's performance on this challenge gave him conviction that he not only had identified an important need but had a strong solution concept and a way to create a company and business around it. Accordingly, he used his experiences and results to date to help him raise money. He set out to find an investor that would value his strategic focus, as well as the grit he had demonstrated and the real-world data he had gathered. Ultimately, as Afshar explained, "The capital for Escher Health came from an angel investor who is an experienced healthcare operator and understood the space deeply. He was aligned with both the business and the strategic focus of the company. And it helped that I had experience building software teams at Medtronic and Element – this allowed me to justify the investment I needed and execute well."

Building a Team

With his investment, Afshar was ready to build a team and initiate product development. Thinking back to his strategic focus, he sought to hire people from many walks of life who could relate with their clients, and that reflected the communities Escher Health would serve. For example, the Escher Health team speaks almost as many languages as the company has employees. Afshar has made a point of employing capable individuals who may not have a typical resume but are willing to learn and eager to contribute to the company's mission. This approach of leveraging team diversity has helped Escher Health better understand its customers' needs, in addition to helping employees continue to grow professionally.

Business Model

In parallel with technology development, Afshar prioritized the development of a business model that would align with his strategic focus while also ensuring the company's sustainability. "When you're trying to create a for-profit business for the underserved, it's important to design a business model that makes sense from very early on," he said. "Too often, purpose-driven companies don't spend enough time thinking how they'll be financially viable. At Escher Health, we were intentional about that from the outset."

He continued, “While hospitals must care for patients regardless of insurance, they lose a lot of money by caring for the uninsured. Safety net hospitals are susceptible to this, operating with zero or negative margins. And, since they focus on patient care, they are often not optimized for insurance enrollment. We designed our financial success to be tied to the hospital’s success.”

The Solution

The Escher Health team released a software product that enables healthcare systems, providers, and payers to efficiently enroll patients into health insurance plans. According to studies conducted by the company, those using the Escher Health solution reduce the time required for patients to get benefits by 50% and decrease the number of unenrolled patients by 60%. To date, Escher Health has helped approximately 11,000 patients enroll in Medicaid, 14,000 gain coverage through other charity care programs, and another 1,000 enter programs through foundations like the Ryan White Foundation for HIV/AIDS patients.

Afshar is proud of Escher Health's accomplishments to date and is eager to continue pursuing his strategic focus. "Sticking to a strong purpose makes it easier to focus on what’s really important,” he stated. “Being able to impact thousands of people – especially those who are often neglected – gives me an incredible sense of gratitude.”

Key Take-Aways

- Afshar invested in creating a diverse team that could relate to the people they are serving. He further sought to engrain his strategic focus in what they do at Escher Health, as well as in how they do it.
- Escher Health uses strategic focus as a "north star" to guide priorities and decision-making at every stage of the innovation process.
- To ensure he would truly meet the needs of his community of interest, Afshar took an immersive approach to needs finding and validation, moving beyond observation to engagement in an effort to develop genuine empathy.
- Escher Health prioritized business model innovation to ensure they found a creative way to generate revenue and build a sustainable business that could serve their community of interest long-term.