

The rise of the clinical investor: Future-proofing the healthcare ecosystem

Depending on your perspective, 2020 was either a year to forget or a year that will never be forgotten. All industries have felt the wrath COVID-19 - and none more so than the healthcare sector. The pandemic has brought about unimaginable challenges, and with it, a critical need to stem the growing flow of patients suffering with the virus. As a consequence, frontline healthcare professionals have had to forward plan and anticipate the needs of a world in which Covid will undoubtedly be sticking around.

As the need to find innovative and effective solutions becomes ever more paramount, the role technology can play within the overall healthcare ecosystem is growing faster than it ever has before. And whereas the usual route to market for many healthtech solutions has been a protracted one - slowed by lack of infrastructure, clinical guidelines and funding - a new sense of urgency is now overriding this in a bid to ensure more people can access the help and support that they need.

It is clear that the health and social care systems of the future will be augmented and enhanced by innovative technology and products. As a result, a new wave of informed investors are turning to healthtech startups as an untapped source of potential investment. Soaring interest from prospective backers is matched by the diverse healthtech ecosystem in the U.K. – which is an incredibly vibrant and busy space right now.

Indeed, unlike a lot of sectors and industries that have been adversely impacted by the pandemic, investment in startups has thankfully not ground to a halt during the various lockdowns. In fact, a recent survey of UK angel investors by TechCrunch has shown that over 65% state they are continuing to invest in startups. Furthermore, in the first three quarters of 2020, British healthtech startups are estimated to have secured €1.4B in funding.

It seems obvious that clinical experts would be pivotal in shaping solutions that are likely to influence the way that they work and care for patients in years to come. To an extent, this is a role that clinicians have always played in the development of any health-based innovation. But in the last 12 months, there has been a shift – healthcare professionals are putting their money where their mouths are and actively investing in up-and-coming technologies that have the potential to transform healthcare systems and treatment paradigms.

One timely example of a health tech business that has grown rapidly following funding from clinically-backed medical investors, is London-based medical resource provider Doctorpedia. Following the exponential growth in demand for online health resources, Doctorpedia launched as an innovative healthcare platform that aims to provide every day people with insightful and detailed medical information so they can improve their own health literacy and learn more about their individual medical needs.

From working with doctors and other healthcare professionals on a daily basis myself, I understand their deep frustration at the reams and reams of inaccurate and outdated medical information their patients discover online – meaning the demand for a service like Doctorpedia is high. This need is reflected in the recent financial success of the business, which raised £2.5m from their community of doctors and angel investors – many of whom I have no doubt were spurred by their own firsthand experiences in dealing with patients who've Googled bad medical advice online.

Similarly, we're also starting to see more medical professionals step away from their traditional healthcare roles and segue fully into the investment realm. For instance, Dr Hugh Harvey, an experienced consultant radiologist by training, now heads up healthtech consultancy firm Hardian Health, which works with a wide array of innovative health tech startups seeking funding. Much of Harvey's 10-strong team also come from medical backgrounds, and having worked on the frontline for many years, will be in a unique position to help

budding health tech businesses securing the backing they need in order to thrive.

It's also a trend that we, at NuroKor, have greatly benefited from. Last year, we saw a huge increase in clinical investment with 12 new medically-backed investors joining over a 6 month period. Our devices, which are powered by a combination of evidence-based bioelectronics and developing machine learning technology, have full regulatory approval in the EU and US, providing an alternative or adjunct to medicine-based acute and chronic pain relief as well as recovery and exercise performance enhancement.

This research-driven approach, in combination with our commitment to continuing trials in clinical settings, has been an unquestionable driving factor behind the growing interest from these healthcare professionals. As well as our overall brand mission of using the science of bioelectronics and electroceuticals to transform quality of life for people worldwide.

Indeed, GP, nutritionist and NuroKor investor, Dr. Leah Austin explains how she was inspired to invest in NuroKor because of the work we are doing in helping many patients cut down their reliance on opioid-based painkillers - which is still the most common form of chronic pain management globally.

“People living with chronic pain can often find themselves stuck on the ‘analgesic ladder.’ Once on the ladder, the need for stronger medication grows exponentially which usually results in lifelong use of stronger and stronger analgesics. Seeing the impact this had on lives, I felt compelled to explore other options that I could safely and confidently recommend, which ultimately led me to NuroKor. For me and the people I treat, I want to provide a reliable alternative that doesn’t nudge patients further up the ladder and beyond the point of no return.”

Others have witnessed the efficacy of the technology in their own practice. Pharmacist and clinical investor Mark Hopkins has seen the potential impact first hand after recommending it to a number of patients. He explains: “Amongst the patients I’ve recommended the device to, the results have been really positive...I’ve even had one patient who’s significantly dropped the amount of OxyContin, a very strong opioid that they were taking, in a very short space of time.”

Direct investment from individuals across the healthcare spectrum appears to be a trend which is here to stay – and they are leveraging their unique experiences and perspective to discover startups and opportunities which they feel are presently untapped opportunities.

Although engaging with a new set of stakeholders may at first appear an unwanted additional challenge for an emerging business, through the creation of specialist-tailored marketing and openly displaying validation data, startups can forge these new relationships with ease. The benefits of this new form of investment is easy to see, from championing products and services in their own practice, to supporting strategy and evidence generation.

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