



Paradigm Shift of The Medtech Sector: Venture Capitalists' View on Post Covid-19 Investments

Although the COVID outbreak resulted in significant human misery and economic backlogs, it forced us to reconsider many day-to-day processes.

The epidemic has compelled us to embrace and adopt a slew of innovative approaches that we would never have imagined pre-COVID. The complete virtualization of non-surgical medical practice is on the top of the list.

The idea of telemedicine and [Medtech](#) is not new. However, a significant portion of the consumers found it hard to adapt before it dramatically became the only viable option.

The Pilot: Pre-Covid Era

Prior to the advent of covid, healthcare was solely hospital-based. Patients with minor to severe ailments are compelled to frequent hospitals. Therefore, there was always the possibility of contracting a severe disease when attending a regular checkup at the hospital.

Indeed, nearly one in every thirty-one American hospitalized patients acquires at least one illness during their hospitalization. A hospital had to excel at so many different tasks that it could

barely afford to devote more attention to acute and essential treatments. Thus, many activities entailed additional maintenance expenditures, which were offset by the price of critical medical procedures.

Almost all primary and critical care in pre-covid times required patients to schedule weekly or monthly office visits. The patient was subjected to the stress of lengthy travel, frantic waiting in the waiting room, and finally, around ten minutes of face-to-face time with the physician, which was hurried to the point that the patient could barely complete all the complications and inquiries they wanted to convey.

These hassles kept discouraging people from seeking care until they could not tolerate the complications anymore. Even if they did, it dragged them into an infinite cycle of a series of necessary and unnecessary lab tests, visiting with test reports, more lab tests, more visits, and so on.

The U-Turn: Covid Breakout

The usage curve of telehealth took a steep turn early in the COVID-19 epidemic, as consumers and providers explored preventive methods to access and provide healthcare. Usage of MedTech solutions for virtual office visits and outpatient treatment was 78 times higher in April 2020 than in February 2020.

The hospital was forced to be selective in terms of non-Covid medical operations in order to save resources for Covid patients. As a result, most hospitals were forced to eliminate elective treatments and office visits to balance time and personnel. This is when Medtech enters the picture.

Telehealth momentarily replaced a significant percentage of routine hospital activities. Indeed, [according to the CDC in the United States of America](#), 30.2 percent of weekly health center visits will be conducted through telehealth in the second half of 2020. These measures saved caregivers and patients hundreds of valuable hours, significantly lowered infection rates, and aided in the management of emergency COVID situations.

The Aftermath: Post-Covid Times

Both consumers and caregivers seem to comprehend the positive aspects of medical technology once they are obliged to use it. According to a commercial pharmaceutical dataset, as of July 2021, the telehealth user population has expanded 38 times since pre-covid times.

According to research issued by renowned global management consulting firm [McKinsey & Company](#), 4 out of 10 customers showed an interest in continuing to use Medtech products, while 11% currently do. In addition, almost half of the respondents are interested in subscribing to expanded telehealth options if they are affordable.

On the other hand, 58% of doctors who had no prior experience with telemedicine have retained their post-covid service. Moreover, by April 2021, 84% of physicians had shown an interest in continuing to provide virtual visits.

Is Post-Covid MedTech Investment Still Worth A Fortune?

COVID-19 has led to a surge in the adoption of telehealth. As a result, the consumer base has dramatically risen, from 11% of Americans using telehealth in 2019 to 46% presently using telemedicine to compensate for missed healthcare visits.

Providers have significantly expanded their services and are now seeing 50–175 times as many patients through telehealth as they were before. Prior to COVID-19, the US MedTech industry generated an estimated \$3 billion in yearly revenue merely by providing on-demand instant healthcare sessions with random physicians.

With increased consumer and provider acceptance of telehealth and its expansion beyond virtual emergency treatment, up to a quarter trillion dollars of American healthcare expenditure might be virtualized.

Venture capitalist David Kezerashvili has a particular emphasis on early-stage technology businesses. According to him, "The epidemic showed how important it is to keep up with medical technology. MedTech industrial breakthroughs are, of course, something I support because I've always chosen to invest in companies that can change the world by delivering innovative products and services."

Conclusions

When people are in desperate need of anything new, each new thought gets the credit it deserves. As a result, MedTech has exploded in popularity at the optimal moment and in an optimal manner.

However, there is still much work to be done. Entrepreneurs will need to devise more convenient methods of flawless and effective communication as well as virtual lab diagnostics and other procedures.