

Diabetes telemedicine gets booster shot from joint investment

AlphaCode, the fintech investment arm of Rand Merchant Investment Holdings (RMI), and the local investment fund of Endeavor, a global entrepreneur network, have recently concluded a joint investment in Guidepost, a South African healthcare technology business specialising in telemedicine for diabetics.



Guidepost Co-Founder and CMO, Prof. David Segal

As Covid-19 has emerged as a serious risk for the estimated 4.6 million people with diabetes in South Africa, digital healthcare solutions are emerging as effective tools for safe, remote condition management.

The Guidepost technology platform links people with diabetes to expert clinicians who provide remote one-on-one individualised diabetes education and coaching that reduces blood sugar levels and improves health outcomes. The company has grown rapidly into a national network serving health insurers, life insurers and pharmaceutical companies.

"Covid-19 is far more serious for people with chronic conditions like diabetes and hypertension," says Professor David Segal, Chief Medical Officer and co-founder of Guidepost. "A recent study by the provincial Health Department in the Western Cape found that diabetes was a factor in more than half of the province's 2,000 Covid-19 deaths of people older than 20. As the risks related to chronic conditions are now more 'real', people are more aware of the risks and are taking the management of their chronic conditions seriously. They are looking to digital healthcare services such as telemedicine as safe, effective and efficient ways of managing their conditions."

Joint investment to scale up impact

"We believe in the work being done by Guidepost and continually invest in the technical tools that are enabling a technologically advanced future for our country. Guidepost has demonstrated its ability to reduce claims costs for clients and improve the lives of thousands of diabetics and we're excited to support the growth and development of their services locally and internationally through this second-round investment. We also believe that the skilled leadership team could roll out this methodology for other diseases and chronic conditions," says Dominique Collett, senior investment executive at RMI and head of AlphaCode.

Managing director at Endeavor South Africa, Alison Collier added: "Endeavor supports high-impact entrepreneurs that are scaling their business rapidly, and looking to grow to be the market leader in South Africa and expanding internationally. Guidepost's service is particularly relevant given the Covid-19 crisis – offering diabetic patients improved healthcare while simultaneously reducing the total care cost for these patients as patients using Guidepost are healthier."

The future of healthcare is digital

In April 2020, the Health Professions Council of South Africa updated their guidelines on telemedicine, ensuring telemedicine is easier to access. “The Covid-19 pandemic and lockdown conditions have made digital healthcare services such as telemedicine the only option for many people, driving rapid adoption and use of the services. Many people who were initially sceptical of digital healthcare have found, through this 'enforced use', that the services are easy to use, convenient, lower cost and often just as effective as in-person healthcare services. We believe these factors will drive a permanent shift to increased use of - and often preference for digital engagement with healthcare providers even after lockdown lifts,” explains Segal. “The recent investment will enable Guidepost to continue growing, serve its patients and support safe jobs for nurses and dietitians as diabetes coaches during these challenging times.”

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