

## 2018 Global Health Care Outlook

The evolution of smart health care

### What is smart health care?

**Appropriate** health care delivered at the **right time and place**

Technology used to **accurately diagnose**, treat, and deliver care

Stakeholders communicate and **use info effectively and efficiently** across the ecosystem

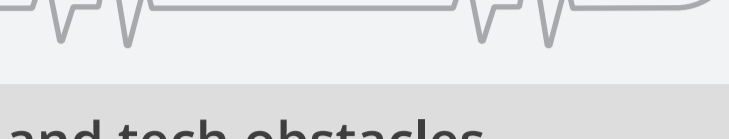
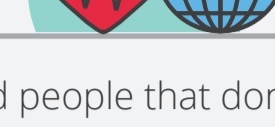
Patient data **centrally located** but protected and easy to access

The **correct individuals** do the correct work

Patients **informed and active** in their care

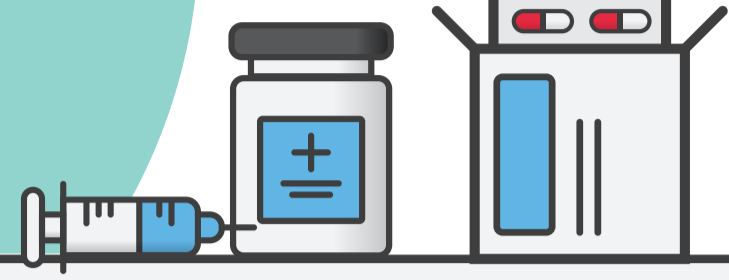
New, **cost-effective delivery models** bring health care to places and people that don't have it.

**Efficiency improves**; waste declines



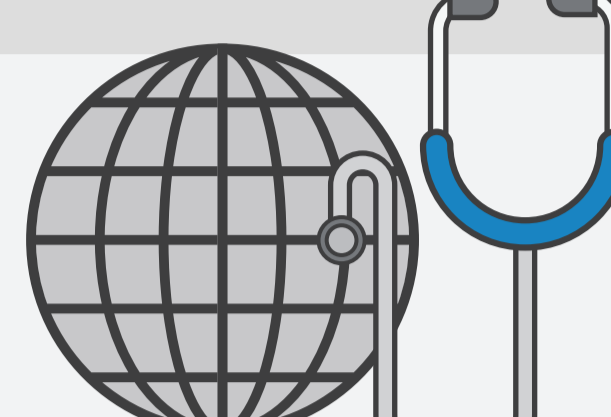
### ...but comes with logistical barriers and tech obstacles

- ⊖ Non-traditional care settings
- ⊖ Evolving workplace and workforce
- ⊖ Data fragmentation and disparate systems



### Global health care spending

is projected to reach **\$8.7 trillion by 2020**

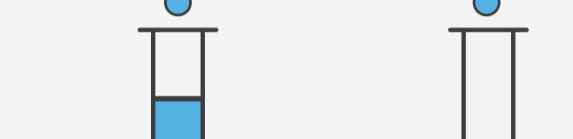


#### Why?

- ⊖ Aging and increasing populations
- ⊖ Emerging market expansion
- ⊖ Advances in medical treatments
- ⊖ Rising labor costs

Spending is expected to continue to be uneven

HC spending by 2021



#### Why?

Number of people aged over **65** has increased to more than **656 million**, or **11.5%** of the total population

- ⊖ Better medical care, people living longer
- ⊖ Falling infant mortality rate
- ⊖ Lowering rates of communicable diseases

**Diabetes expected to rise to 642 million people by 2040 due to:**

- ⊖ Rapid urbanization
- ⊖ sedentary lifestyles
- ⊖ changing diets
- ⊖ rising obesity levels

### Top issues

#### Creating a positive margin in an uncertain and changing health economy

Improving financial performance and operating margin remains a top issue

#### Cost issues

- ⊖ Increased demand
- ⊖ Infrastructure upgrades
- ⊖ Therapeutic advances
- ⊖ Technology
- ⊖ Labor

#### Reimbursement issues

- ⊖ Decreased funding
- ⊖ Shift from volume to value

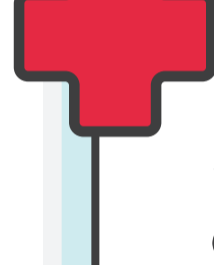
Health care stakeholders trying to reach a cost balance



#### What are health care providers doing about it?

- ⊖ Consolidation/M&A
- ⊖ Alliances/partnerships
- ⊖ Networks (care & operational)
- ⊖ Joint ventures
- ⊖ Vertical integration
- ⊖ Alternative care settings
- ⊖ Staffing models
- ⊖ Cost reduction & efficiency improvement
- ⊖ New revenue sources & businesses (IP, medical tourism)

### Strategically moving from volume to value



How is health care moving from volume to value?

- ⊖ Incentives
- ⊖ Coordinated care
- ⊖ Operational efficiency
- ⊖ Population health/social determinants
- ⊖ wellness



Shift & focus to:

- ⊖ Population health management, wellness and addressing social determinants of health
- ⊖ Prevention and the overall holistic health of populations

#### Stakeholders need to:

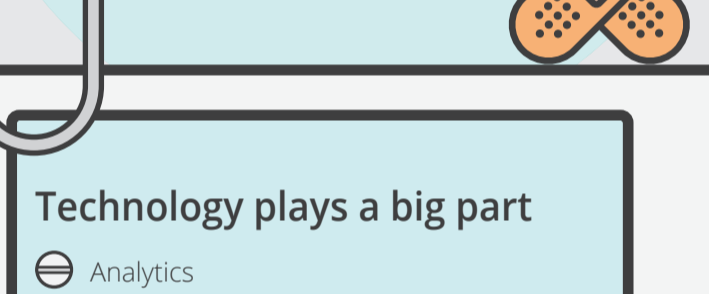
- ⊖ Deploy innovative delivery models;
- ⊖ Analyze data and trends in a population's health, quality, and costs;
- ⊖ Bear financial risk (value-based care)

#### Move care beyond....

- ....The hospital to the community
- ....Quality to value
- ....Health care to health

#### How?

- ⊖ Improve efficiency w/o compromising care quality
- ⊖ Automation
- ⊖ Streamline workflows
- ⊖ Evolution of job roles
- ⊖ Holistic patient support
- ⊖ Empowerment



#### Technology plays a big part

- ⊖ Analytics
- ⊖ Artificial intelligence
- ⊖ Wearables
- ⊖ Social platforms
- ⊖ mHealth

### Responding to health policy and complex regulations



#### Why so much regulation in the sector?

- ⊖ Ensuring quality care
- ⊖ Patient safety
- ⊖ Mitigating fraud
- ⊖ Cyber & threats
- ⊖ Corruption

Organizations are collecting more and more data and information across the health care ecosystem.

How do you make that info, safe, accurate, and reliable?

Through data management and security such as:

- ⊖ Cognitive computing
- ⊖ Cloud-based, interoperable electronic health records
- ⊖ Internet of Things (IoT).

#### Stakeholders dealing with additional issues:

- ⊖ Reliability of data from personal and/or other systems
- ⊖ Data ownership and responsibility
- ⊖ Confidentiality amidst today's cybersecurity challenges
- ⊖ Data monetization



### Investing in exponential technologies to reduce costs, increase access, and improve care

#### Technology's impact on health care: Less expensive, more efficient, more accessible

#### Types

- ⊖ Robots
- ⊖ Artificial Intelligence
- ⊖ Data and analytics
- ⊖ 3D printing and nanotechnology
- ⊖ Companion diagnostics
- ⊖ Biosensors and trackers
- Examples
- ⊖ Redefined care delivery
- ⊖ Digital patient experience
- ⊖ Enhanced talent development
- ⊖ Operational efficiencies through technology
- ⊖ Healing and well-being design

Exponential technologies have the potential to dramatically disrupt the systems

- ⊖ spending on new hospital infrastructure in India is expected to reach **\$200 billion by 2024**, and China plans to add **89,000** new hospital beds by **2020**.

#### What can be done to keep the pace?

- ⊖ Operational (clinical coding, nursing support),
- ⊖ Clinical (decision support tools to de-risk processes),
- ⊖ Back office (HR, payroll, supply chain, patient/customer interface).

### Engaging with consumers and improving the patient experience

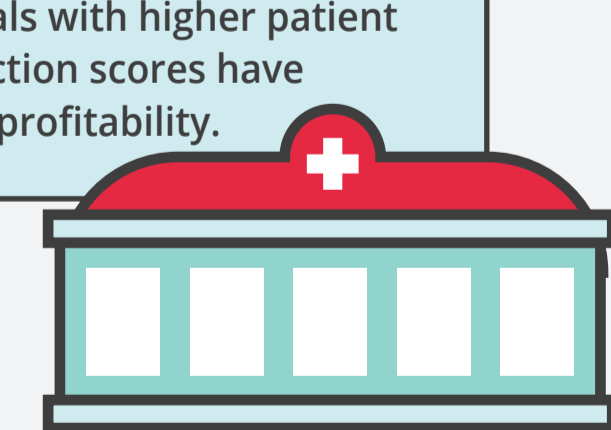
#### #1

Consumers report the biggest priority in health care is personalization of care

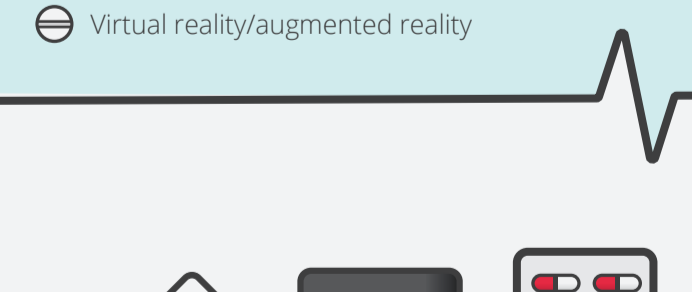
#### Ways to increase patient experience:

- ⊖ Leverage social media to improve the patient experience
- ⊖ Telehealth
- ⊖ Virtual reality/augmented reality

Hospitals with higher patient satisfaction scores have higher profitability.



Health care needs to learn from other industries on how to personalize the health care experience - retail, banking, consumer services. Treat more like consumers and less like patients



### Shaping the workforce of the future

#### Future of work - merging talent with technology



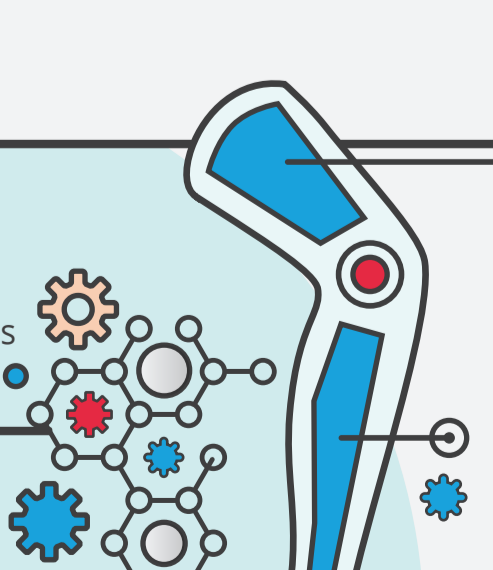
World wide problem -severe and increasing level of shortages across a number of clinical and leadership areas

#### What's holding them back?

Many organizations are slow to adopt and adapt to enable new ways of working

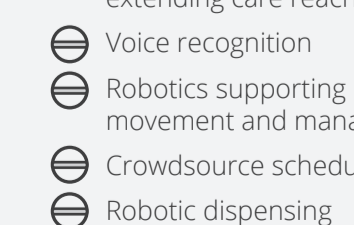
#### What could help?

- ⊖ Digital technology
- ⊖ Robotics
- ⊖ Automated tools



#### Examples

- ⊖ Telehealth, virtual care and IoT extending care reach
- ⊖ Voice recognition
- ⊖ Robotics supporting patient movement and management
- ⊖ Crowdsourcing scheduling
- ⊖ Robotic dispensing
- ⊖ Cognitive image review tools



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