

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



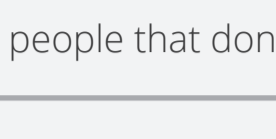
Stakeholders communicate and **use info effectively and efficiently** across the ecosystem

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

The **correct individuals** do the correct work

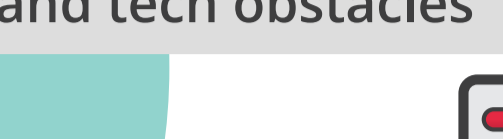


Patients **informed and active** in their care



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

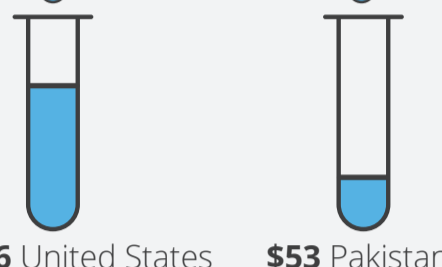


Why?

- ⊖ 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

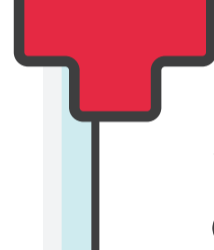
Health care stakeholders trying to reach a cost balance



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

