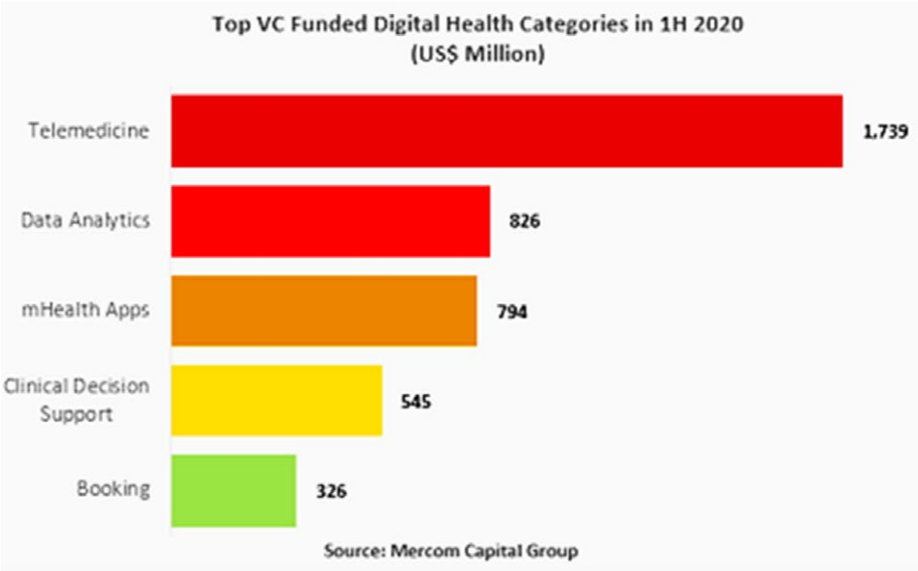
VIEW POINT

DIGITAL, THE DEFAULT WAY TO NEW-AGE HEALTHCARE

Infosys®
Navigate your next

2020 experienced exponential growth in digital health. The pandemic-initiated changes in policies and regulations pushed the industry further towards the long due digital reform. The pandemic has drawn a sharp focus on the limitations and weaknesses of analog systems. This revelation along with patients gaining greater control over decision-making has made investors bank on-demand digital services such as telemedicine, data analytics, mobile health applications, etc.



Source: Mercom Capital Group[1]

Digital Health Investments in 2020
(Growth Graph)

2020 Projected growth: **$12 billion**

Growth till Q3: **$9.4 billion**

2019: **$7.4 billion**

2018: **$8.2 billion**

Source: Rock Health Digital Health Funding Report[2]

2020: Year of Digital Health Funding

Mega deals: Number of **$100+ millions** in in 2020: 24

Average deal size

2019: **$19.7 million**

2020: **$30.2 million**

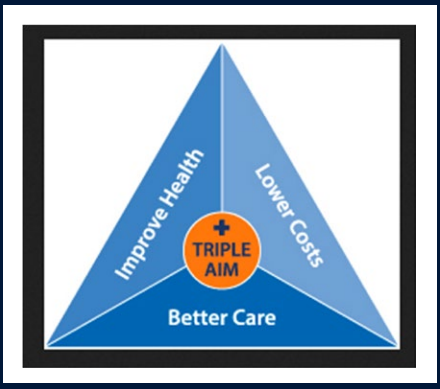
Source: Rock Health Digital Health Funding Report[3]

Whether telehealth, telemedicine, AI, data analytics, or other emerging digital initiatives that are attracting billion-dollar investments, primarily aim to solve the broad aims—improving population health, enhancing experience, and reducing per capita cost. Driven by significant developments in other industries in terms of experience and cost, today's healthcare consumers demand the same from their payers and providers. To deliver on the expectations, leading healthcare enterprises have made digitization the cornerstone of their growth strategy. And digital technologies have become that default channel for healthcare companies.

Digital health unlocking the Triple Aim

The present situation demands care teams to know more, deliver more, and engage with more consumers than ever before.

Along with the volume, complexity of care has also increased tenfold. The latest digital innovations have the potential to help both payers and providers create a more personalized and holistic framework in order to achieve the Triple Aim.



Improving population health

In recent years, the industry has witnessed a strong shift in how healthcare consumers perceive the health system. To fit the need, healthcare models have gone from delivering volume of services to increasing the quality of the outcomes. This transition from reactive care to proactive care has forced providers to focus more on maintaining the overall health of patients instead of just treating ailments.

That requires them to understand the population better and the social determinants of health (SDH) in order to identify and meet the needs even before they arise. Traditional health systems are not equipped to collect SDH data—sociodemographic, psychological, and behavioral information—and put it into the electronic medical records (EMR). But the widespread penetration of smartphones and other smart devices have made it easier for both providers and consumers.

More than 72% of the US population now own a smartphone.[4] Medical providers are leveraging smartphones and mobile applications to tap into multiple goldmines of SDG data. From social media interactions, geolocation data to credit card transactions, such real-time information can unearth novel insights into a patient's behavior, its influence on their health, trigger patterns, and more. These insights not only help providers to offer the right support at the right time but also empower patients to recognize triggers and build up resistance.

Enhancing the care experience

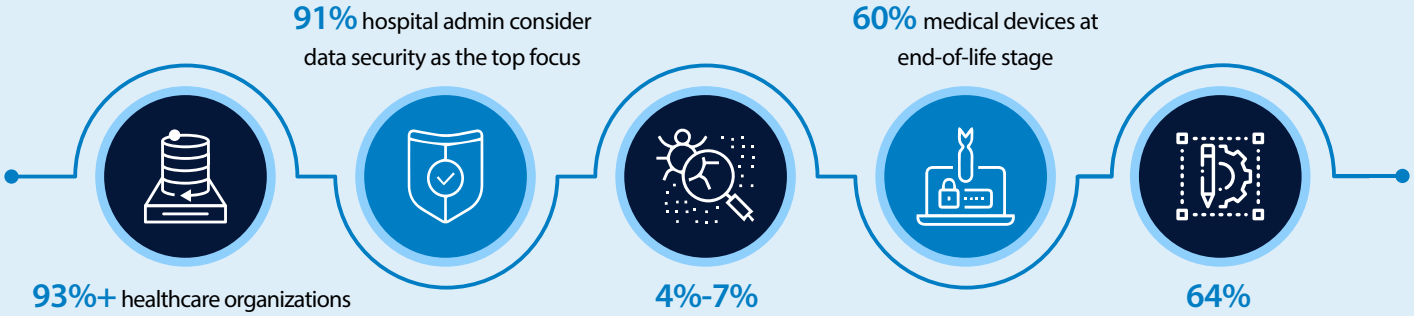
In the wake of the pandemic, improving patient experience has become a key concern for healthcare providers. According to a recent survey, the majority of the customers believed that the pre-care experience is equal to the treatment and a deciding factor. 50% of the patients surveyed agreed to change their insurance provider based on online reviews.[6]

Digital technologies such as automated Customer Relationship Management and Electronic Health Records help providers create a transformative experience, build transparency, accelerate speed and convenience. Healthcare providers are also leveraging artificial information (AI), deep learning (DL) to enhance communication and quality of care. Payers are also adopting digital technologies to improve internal workflows, make network management transparent and efficient, bring healthcare outside the hospital premises, and help detect and prevent claim frauds.

Lowering the costs

Healthcare organizations are dealing with two aspects of cost. One is bringing the care costs down for consumers and the other is increasing the efficacy of technology costs. How to increase the Return on Investment on emerging technologies? How can technology play a role in improving the efficiency of care? Right now, enterprise vendor interactions are largely revolving around the total cost of ownership (TCO).

The need for privacy in the era of digital health



Source: Cybersecurityventures.com[7]

With the new digital health mission comes a greater need for securing the privacy of healthcare consumers. This regular exchange of sensitive consumers' data and information along with the omnipresence of digital technologies has led to the birth of concern around data privacy. Healthcare is also a primary target for cyber attacks. From inadequate security practices to vulnerabilities in code or lack of trained forces exposes payers and providers to perpetrators. According to a Gartner prediction, Internet of Things (IoT) will cause 25% of healthcare cyber attacks.[8]

Payers and providers are still juggling between their legacy systems and digital initiatives. While it will take a few more years to fully transform the digitization of healthcare, the post-pandemic landscape would require a resilient healthcare system. Healthcare providers need to adopt an aggressive approach to implement cybersecurity practices, train the workforce, and build a robust security framework to safeguard the patients' data and maintain critical functions.

As the industry envisions an end-to-end digital future drawing upon the need of the hour, it has become imperative that healthcare enterprises must look for ways to ensure compliance with data privacy regulations and requirements. The post-pandemic era will witness changes in data regulations happening at a breakneck speed. Surviving this fast-evolving environment will require a more strategic approach to manage sensitive personal data.

This challenge cannot be solved unless organizations start looking beyond legal compliance. Instead of looking at the new data privacy regulations as baggage or a hindrance to organizational growth, healthcare leaders need a holistic view and put trust at the forefront of their organizational vision as the new-age digital healthcare will be ruled by trust and transparency.

About the Authors

Abhishek Singh

Vice President, Everest Group

Amit Shukla

AVP & Senior Client Partner, Infosys

References

[1] Top 5 VC Funded Digital Health Categories in 1H 2020, Mercom Capital.com

[2], [3] 2020 Digital health funding already sets a new annual record, Rock Health

[4] Forecast of smartphone penetration in the us

[5] Telehealth fad or the future, EHRN

[6] Coronavirus patient behavior research, Accenture

[7] Healthcare industry to spend 125 billion on cybersecurity from 2020 to 2025, Cybersecurity Ventures

For more information, contact askus@infosys.com

Infosys®
Navigate your next