

TRENDS THAT WILL SHAPE THE FUTURE OF HEALTHCARE

JONATHAN SAYLORS

Healthcare hasn't benefited from major initiatives in the past 10 years, but the industry will continue to do the same thing. That is the theme of a survey of 45 health executives who were asked to comment on what is driving change in the healthcare industry in the next five to seven years. They represent a range of organizations, including care delivery, care financing, insurance and technology.

The survey discussed consolidation, the journey to value, technology and innovation investments, advancements in big data and precision medicine, consumerism and health systems of the future. While these areas all present unique challenges, they also provide leaders with the opportunity to shape the future of their organization.

The survey provided the following insights:

INDUSTRY CONSOLIDATION

Survey results: Consolidation has not delivered on the triple aim and has not provided economic benefits, but organizations will continue to consolidate anyway. The entire industry will eventually benefit because consolidation will drive better value through new population health approaches.

Health systems should begin organizing in a way that maximizes cost savings by focusing on scale, effectiveness in care delivery and financing; reducing unexplained clinical variations; operating on common technology platforms and establishing physician-led standards for consistent care.

JOURNEY TO VALUE

Survey results: A shift to value will continue over the next three to five years because of changing regulations. There are roadblocks in the shift to value within the current system, and it's unclear how a system focused on value-based payments will look.

Health systems should stop waiting for government regulations to dictate if the model will be based on fee-for-service or value. They must chart their own paths forward.

RETURN ON TECHNOLOGY AND INNOVATION INVESTMENTS

Survey results: Technology and innovation have not helped to improve productivity and cost, but investments will continue as the industry develops an infrastructure to support innovation. Data is available, but it has not been used strategically. The same is true for technology and innovation, as we are in the initial stages of innovation.

Health systems should invest in new innovative technologies including wellness products with individualized metrics, solutions that move care closer to home and predictive care algorithms.

BIG DATA AND ADVANCEMENT OF PRECISION MEDICINE

Survey results: Today's data will eventually be useful, but we don't have the resources to fully use it now. In the future, data must be able to be translated into actions including predictive modeling and identifying comorbidities. Personalized medicine will change healthcare, but that may not occur for another decade.

Health systems should use "little big data" to devise more targeted and customized care plans for common diseases until big data and precision medicine can be incorporated.

MILLENNIALS WILL CHANGE HEALTHCARE DELIVERY

Survey results: There is uncertainty about which organizational capabilities and culture will connect with millennials and future generations. However, respondents believe millennials will change healthcare.

Health systems should rethink engagement and service strategies to connect with millennials.

HEALTH SYSTEM OF THE FUTURE

Survey results: There is a lack of agreement on the keys to a successful health system in the future. Big data and increased transparency to cost and quality will be keys to success. In addition, systems will be to scale, provide more access and become more community centric.

Health systems should develop market-specific health delivery services that enhance personalization.

Health organizations that create transformation agendas, continue to drive connectivity, sharpen their consumer-centric mindset, invest in value-driven growth and adopt personalized medicine capabilities will be positioned to navigate disruption and thrive in the healthcare marketplace of the future.



huronconsultinggroup.com

© 2018 Huron Consulting Group Inc. and affiliates. All rights reserved. Huron is a management consulting firm and not a CPA firm, and does not provide attest services, audits, or other engagements in accordance with standards established by the AICPA or auditing standards promulgated by the Public Company Accounting Oversight Board ("PCAOB"). Huron is not a law firm; it does not offer, and is not authorized to provide, legal advice or counseling in any jurisdiction.

MU170873