



Healthcare Business Services (HCBS) Trends

As the volume of healthcare demand is increasing and both severity and utilization will only increase; the market opportunity for healthcare business services is enormous.

Healthcare Business Services Problems to Solve

1. Technology: Interoperability
2. Labor Supply Demand Imbalance: Nurse, Doctors, and Technicians
3. Cost Distribution/Redistribution: Cost efficiency
4. Integration of Services:
5. Government Intervention & Regulation
6. Pay for Performance: Transparency: Outcomes Management
7. Aggregation/Disintermediation of Information
8. Prevention
9. Retail Medicine
10. Mobility Technology

Healthcare Business Services Landscape

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Physician's revenues are down while volumes are up; moreover physicians have to contend with the following issues:

- 47m uninsured: underinsured population
- Regulations
- Rising costs and pricing conundrum (not unit of one pricing)
- Scalability
- Retail based competition from hi volume lower value add.
- Technology adoption

While many physicians have one or more EHR components in either the planning or implementation phase, over 90 percent of all physicians in the United States still lack a complete electronic health records (EHR) system. And now, with some \$21 billion earmarked for healthcare IT spending through The American Recovery and Reinvestment Act of 2009, the magnitude of opportunity has multiplied.

Hospital Consolidation

Hospital Consolidation is driven by:

- Interoperability of technology and tools, integration costs
- Lack of consistent management
- Stickiness of patient (Patient Tourism)





Patient Trends

- Consumer Convenience: Patient preferences and Healthcare Consumerism
- No continuity of care consistent – one patient record
- Total costs increasing for the individual
- Access to clinical management
- Eligibility Issues

Macro Trends Driving Healthcare Business Services (HCBS)

#1: Technology Requirement for Efficiency.

- Clunky, no interoperability, client-server, no connection or communication, costs of old technology
- ICD10 (Diagnosis Code) – US last company to adopt – Y2k for coding. Adoption enables folks to bridge data gap with other countries.
- For Consumerism
- Paper and DMS (Document Management System)

#2: Costs Efficiency (Distribution, Management, etc.)

- Near-Term: Reimbursements
- Long-Term Cost Curve (Administration and Efficiency)

#3: Labor Skill Shortage

- Physicians
- Nurses

#4: Integration Platform

- From Hospital Perspective
- Integration of clinical and financial

#5: Government Intervention & Regulations

#6: Pay-for-Performance

- Moving to outpatient/ retail model.
- Physicians being paid by hospitals

#7: Aggregation and Disintermediation.

#8: Preventative medicine.

- Treat people not patience.



- Genetic testing and mapping.

#9: Cost/Quality Conflict

#10: Volume and Utilization of Services.