

JULY 2021

Top Healthcare Industry Challenges In 2021

Will a battered healthcare system emerge stronger?

MANOJ TAVARAJOO

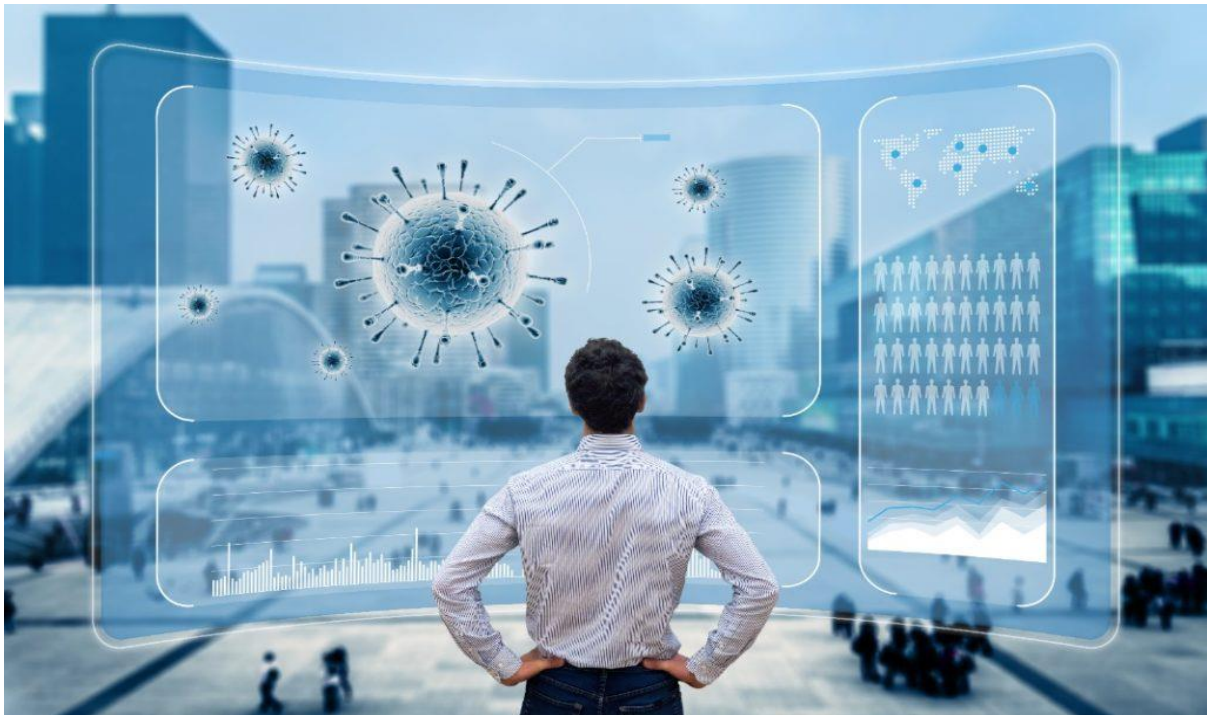


Top healthcare industry challenges in 2021:

Will a battered healthcare system emerge stronger?

Manoj Tavarajoo

July 2021



“The continuing global challenges and potential existential threat posed by the ongoing COVID-19 pandemic. Political divisiveness and polarization. Social and economic unrest. Artificial intelligence (AI), automation and other rapidly developing digital technologies. Rapid shift to virtual, remote work environments. Changes in the geopolitical landscape. Shifting customer preferences and demographics. Fragile supply chains. Volatile unemployment levels and record low interest rates. Escalating competition for specialised talent. Immigration challenges. Cyber breaches on a massive scale. Big data analytics. Future of work.”

These and plenty of other important risk factors are all contributing to high levels of uncertainty, making it impossible to predict what risks the healthcare industry could face in the future. Unexpected events are occurring at an unprecedented rate, posing significant difficulties to healthcare institutions throughout the world in determining the appropriate next measures. Because no one can foresee everything that will happen in the future, healthcare organisations must focus on creating trust-based, resilient cultures driven by genuine leaders that can pivot at the speed of change.

The last few years have been significantly challenging for the healthcare industry. The COVID-19 pandemic highlighted several inadequacies in global healthcare systems. Apart from the surge of patients infected with COVID-19, the crisis and its response exposed many weaknesses in this industry.

The healthcare industry, like so many others, has faced severe difficulties in delivering patient care in the present era context, with the pandemic requiring less physical contact and more social distancing. Healthcare is an industry that relies on face-to-face interactions. As a result, developing new ways to continue diagnosing, examining, and treating patients without physical contact is considerably more difficult.

Some of the major challenges facing the healthcare industry in 2021 include:

1. Transition to Telehealth and Virtual Care

Telehealth has been around for a long time, but it has never been a widely used means of healthcare delivery. The general belief has always been that establishing the most effective patient-physician connection requires a face-to-face interaction. Many diseases also demand a physical examination, which is one of the reasons why telehealth has remained a last-resort choice.

However, things have changed drastically during this pandemic and the true value and importance of telehealth have been realised especially when the need to put up barriers between doctors and patients arose. To compensate for the loss of physical interaction, a virtual solution looked like an obvious alternative.

Telehealth usage increased from 11 percent in 2010 to 46 percent in 2020. As a result of this massive transition, virtual healthcare has emerged as the most important saviour of patient care. Healthcare professionals were to care for patients without contact until further notice. Unfortunately, transitioning a whole industry from live examinations to online consultations was not easy. The transition is still in its early stages. Many healthcare providers struggle to set up a telehealth system. Integrating technology with patient diagnosing, maintaining records, and sending sensitive information back to patients came with many difficulties.

People began to see telehealth as a profitable market for specialised software and technology. Companies began to create cutting-edge software and applications. They would always claim that their solution was the only one a facility would ever require. Because there are so many alternative systems promising perfection, healthcare practitioners are being distracted from selecting a single system for long-term usage. While telehealth has seen a lot of use in the previous year, further improving technology to deliver more efficient treatment will remain a major issue for healthcare in 2021 and beyond.

2. Unreliable Cybersecurity

Unfortunately, the shift to telehealth has demonstrated how susceptible cybersecurity is to data breaches. Increased ransomware attacks leaking confidential patient information have resulted from companies distributing various software with inept firewalls. The industry's

compliance standards and patient data confidentiality were effectively compromised as a result of these regrettable incidents.

At this time, it appears that there is no way to halt the integration of technology into healthcare. Patients and professionals alike recognise the importance of telehealth and electronic health records in preserving vast and confidential information on a daily basis.

The biggest chunk of healthcare data is housed on cloud platforms, necessitating constant security and vigilance. Several restrictions on data accessibility have been imposed by healthcare organisations. Log-ins are constantly monitored and random scanning of patient medical records is prohibited. However, with the rapid development of digital healthcare and the usage of online healthcare platforms, the potential of data breaches has increased. It is no longer sufficient to simply add layers of protection to secure data. To reduce the danger of hacking, it's also necessary to install effective firewalls and use multilevel authentication. Data protection and cybersecurity continues to be a major concern in the medical field.

3. Patient Care Model Innovation

Around the world, healthcare organisations are battling to address the long-standing issues of healthcare affordability, access, quality, and efficiency. However, existing care models, on the other hand, may impede their efforts to adapt and evolve for the future, even as COVID-19 intensifies the need for change. Many of the problems posed by today's delivery models can be reduced or eliminated with the aid of care model innovation.

The transformation of the care model is neither rapid nor simple. It generally involves a multiyear, multistep approach in which corporate leaders define the future-state delivery model, assess the gap between current and desired future states, prioritise and sequence investment initiatives, and then develop, implement, monitor, and measure each project. In addition, cost is a barrier to transformation. The postponement or cancellation of non-essential operations and treatments during the pandemic may put financial burden on providers who are under pressure to transition to new care models. Regardless of the possible obstacles, the need for providers to embrace new care delivery models is rising if they are to survive the pandemic.

4. Streamlining Billing and Payment Transparency

Transparency in payments is critical and increasingly a requirement. The allure of telehealth has provided patients with several options. Due to regional disparities, they will now seek appointments with specialists they would not have considered previously. Patients now have additional healthcare alternatives due to the possibility of virtual visits and therapy. As a result, when it comes to arranging the final appointment, quality and pricing are the determining factors.

Patients have resorted to comparing service rates whenever they have the opportunity, and they prefer to overlook healthcare providers that are not transparent about their pricing. To add more misery, the quoted price is usually much less from the final billing or invoice.

One of the biggest problems with billing is fraud. Throughout the years, several incidents of fraudulent billing have occurred resulting in considerable financial loss. However, since the introduction of electronic medical records and online billing, the prevalence of fraud in healthcare has decreased. Healthcare organisations and insurance companies started to employ state-of-the-art analytics to detect deviations in billing to spot fraud. Healthcare billing procedures are regularly monitored by security professionals. Payment processing is being streamlined by many healthcare organisations and clinics. Healthcare providers are also initiating friendlier billing statements so that patients can view, understand and pay their bills online. However, this is still a work in progress. Introducing newer payment options comes at a cost for medical practices. Besides setting up the payment infrastructure, healthcare organisations also need to have reasonable billing terms with each payment processor. Healthcare practices have to absorb the cost of purchasing new technology. All healthcare providers must also abide by medical regulations and have to ensure payment processing platforms and systems are fully compliant. This is an ongoing challenge.

5. Data Collection and Data Interoperability

The days of standing on one side of a counter table and explaining to a receptionist that your health insurance has changed are long gone. Even in the year leading up to the pandemic, the healthcare sector realised that relying on patients to self-report any modifications to their medical plans would result in a loss of critical data and create gaps.

Moreover, bio-integrated devices that track micro-changes in a person's vital signs and general health are popular ways to utilise digital healthcare. As a result, tracking large quantities of data in order to deliver quality patient care is currently a significant concern.

The industry's main objective is to centralise data. Primarily collecting data about a person's health and medical history, as well as changes in their insurance and health plans in an organised manner. Healthcare institutions can effectively manage payment choices, make appointments, and deliver tests, treatments, and results by developing an easy-access system through a user-friendly forum and interface. This is where cloud computing and artificial intelligence (AI) can assist healthcare organisations and the larger health ecosystem enhance working practises, extend access to services, and provide a better patient and clinician experience.

6. Collaboration across the Health Ecosystem

One of the pandemic's lasting effects is expected to be a greater emphasis on collaboration across the healthcare ecosystem. We've already seen new relationship models promote clinical innovation and broad information and resource-sharing, as well as increased levels of trust, even among traditional competitors. Traditional challenges have become more porous

or even erased, creating opportunities for new healthcare behaviours, new business and funding models, and more effective stakeholder collaborations, leading to novel combinations of products and services from incumbents and new entrants.

Certainly, the need to respond to COVID-19 has opened the door to a variety of partnering arrangements, particularly cross-border arrangements, which may present a number of challenges, including a variety of government pricing mechanisms, drug approval and procurement processes, and data-sharing and ownership regulations. Finally, embracing collaboration can help us find game-changing answers to recurring and new health concerns.

7. Supply Chain Resiliency

Healthcare supply chains are complex and diverse. They must be able to accommodate a wide range of goods (e.g., vaccines, devices, medicines, blood, etc) and supply networks. At the same time, they must be agile and low-cost. The pandemic has produced a tremendous demand for key items over the last year, jeopardising healthcare provider supply chains' capacity to procure and deploy these important items swiftly and cost-effectively. Shortages, supply unpredictability, the need to find new or alternate sources of supply, and cost-cutting pressures have increased healthcare executives' concern and awareness of supply chain risks.

Because of the supply deficit, it was critical to discover new sources of supply as well as alternate goods. Supply chain executives were under a lot of pressure to discover and set up new suppliers, as well as locate and purchase replacement goods. As we prepare for a post-pandemic future, major healthcare systems are reconsidering their supply planning and replenishment procedures, as well as launching efforts to see if their master data management and supplier risk controls are up to par. While supply chains have long been recognised as important, the pandemic highlighted the substantial influence they may have on a variety of hospital operations. As a result, healthcare executives should concentrate on developing or upgrading supply chain resiliency strategies that incorporate risk mitigation actions from both manufacturers and distributors.

8. Leadership to shape the future of Healthcare

If there is one thing that has been revealed during this COVID-19 pandemic, it is the fact that there is a serious lack of effective leadership and vision in healthcare. Healthcare systems had a lack of beds, medical supplies, ventilators, and hospital staff during the pandemic. Clearly, the healthcare sector needs a new breed of leaders who are capable of not just managing a facility but also comprehending global health changes and crisis management. Modern healthcare leaders will need to continually evolve and transform existing systems to become more efficient and productive. To make a difference in healthcare and push this sector to new heights, these leaders must acquire the necessary skills, create trust-based resilient cultures, and anticipate disruptions in the industry.

9. Healthcare Forecasting for an uncertain 2021 & beyond

The COVID-19 pandemic exposed the medical community's inability to predict the future. The majority of healthcare professionals had no clue that the coronavirus would paralyse the

whole workforce and put global healthcare systems at risk. Many hospitals were unable to cope with the influx of patients. Masks, personal protective equipment, and even sanitizers were in low supply in almost every hospital. The healthcare business has clearly gotten complacent. This needs a change. To avoid a repeat of this disaster, a stronger forecasting system is required. Healthcare institutions should enhance their sightlines to identify any waves of infectious illness while also comprehending consumer behaviour, the economy's effect, and the public's general health, according to experts. To assess the long-term forecast, healthcare systems can no longer rely just on short-term trends. Forecasting for the future must improve, and this will be a major challenge for the industry.

10. Future of Work and Talent

COVID-19 has become a key enabler of a future of work and talent in healthcare that would have taken years to achieve otherwise. The pandemic has wreaked havoc on several nations' hospitals and health systems, exposing workforce shortages. It's also changed workplace dynamics by introducing digitally enabled agile ways of working, such as using remote clinical and nonclinical employees to address capacity and demand concerns, and new robotic procedures to improve service delivery. Providers are increasingly turning to data analytics and automated dashboards to ensure that their staff can work more efficiently and effectively. Critical enablers include the expansive use of connected care solutions, such as telehealth and remote patient monitoring, and technology enabled ways of diagnosing, monitoring, and treating patients.

Final Thoughts

From scaling up production to coordinating the delivery of COVID-19 vaccinations, stakeholders in the global healthcare industry are expected to encounter significant hurdles in 2021 and beyond. Organisations must comprehend, analyse, and respond to the patterns that are driving them toward the future of healthcare. Transitioning to telehealth and virtual care, addressing unreliable cybersecurity issues and protecting patient data, driving patient care model innovation, streamlining billing and providing payment transparency, enabling data collection and data interoperability, embracing collaboration across health ecosystem, driving supply chain resiliency, instilling strong leadership to shape the future of healthcare, improving future forecasting, and enabling the future of work and talent are the main challenges to be looked upon. In this pandemic era, let's move forward as a whole unified organisation and take steps to win the battle of challenges in the healthcare industry; It will be a different world indeed when we step together systematically.



MyConsultancy

Accelerating Digital Transformation

SOCIAL MEDIA REPORT

www.myconsultancyonline.com