IDC FutureScape: Worldwide Healthcare 2016 Predictions

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Logistics

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IDC FutureScape: Worldwide Healthcare 2016 Predictions

Note: The size of the bubble indicates complexity/cost to address. Source: IDC Health Insights, 2015
Drivers for IDC FutureScape: Worldwide Healthcare 2016 Predictions

- Cy-Q: An Interconnected, Informed, Interactive, Intrusive, Intelligent & Cognitive Ecosystem C
- Talent Quest: High Demand for Next Generation Business/IT Skills – Scarce Supply
- Cloud Life: Merging the Real Life with Digital Identity
- Connected Well-Being: Convergence of Mobile, Social, and Sensors
- Run Away Train: Cost of Healthcare is Unsustainable
- Cyber-Security Priority: Protecting Patient Privacy and Cybersecurity are Key Compliance Mandates That Come with Incentives and Penalties
- Quality Mantra: Compliance to Care Delivery Standards, Quality, and Best Practices
- Shifting Gears: The Slowing Pace of IT Productivity
- The Next Great Leap: Digital Transformation

For additional details on the above Drivers, please refer to report on IDC.com
IDC FutureScape: Worldwide Healthcare 2016 Predictions

1. By 2018, physicians will use cognitive solutions to identify the most effective treatment for 50% of complex cancer patients resulting in a 10% reduction in mortality and 10% in cost.

2. Virtual care will become routine by 2018. Over the next 5 years, 80% of consumer service interactions will make use of IoT and big data to improve quality, value and timeliness.

3. 2016 will see 3rd platform acute care HIS and EHR begin to come to market and early adopters will get started on digital transformation in 2017-2019.

*Please refer to the comprehensive report on idc.com for all Predictions*
By 2018, physicians will use cognitive solutions to identify the most effective treatment for 50% of complex cancer patients resulting in a 10% reduction in mortality and 10% in costs.

**IT Impact**
- Investments in big data and analytics and cognitive computing
- Communications and collaboration tools.
- IT and business alignment

**Guidance**
- Create an analytic strategy
- Find partners to help financing
- Do not try to "boil the ocean"

**Organizational Impact**
- Breaches
- Industry Cloud
- Cognitive Computing
- IoT
- Hospital 3rd Platform Transformation
- IT Services
- Intelligent Diagnoses
- Risk Contracting
- Robotics
- Global Launch Optimization

**Time (Months) to Mainstream**
0-12, 12-24, 24+

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**IT Impact**

- IoT infrastructure for more connected devices
- New data sources and increased volume creates a need to invest in BDA

**Guidance**

- Build a sustainable business plan for remote health monitoring and virtual visits.
- Align incentives
- Plan carefully

**ORGANIZATIONAL IMPACT**

- Breaches
- Industry Cloud
- Cognitive Computing
- IoT
- Hospital 3rd Platform Transformation
- IT Services
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**TIME (MONTHS) TO MAINSTREAM**

- 0-12
- 12-24
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2016 will see 3rd platform acute care HIS and EHR begin to come to market and early adopters will get started on digital transformation in 2017-2019.

**IT Impact**
- ✓ Understand the limitation of 2nd platform HIS and EHR platforms
- ✓ Early adopters will begin to consider 3rd platform EHR replacements in 2016

**Guidance**
- ✓ Prioritize the need for new functionality
- ✓ Evaluate sunk costs of current platforms against the opportunity cost of the current state

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**Organizational Impact**

<table>
<thead>
<tr>
<th>Time (Months) to Mainstream</th>
<th>Single Department or Business Unit</th>
<th>Multiple Departments or Business Units</th>
<th>Companywide</th>
</tr>
</thead>
<tbody>
<tr>
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IDC FutureScape: Worldwide Healthcare
2016 Predictions

1. Downward pressure of the healthcare economy will increase risk based contracting to 50% of provider payments by 2017 resulting in premium increases in the 2% to 3% range.

2. By 2018 physicians will use cognitive solutions to identify the most effective treatment for 50% of complex cancer patients resulting in a 10% reduction in mortality and 10% in cost.

3. By 2018 industry cloud creation will be the top market entry strategy for tech providers and industrial companies, as leaders of IT and industry domain unite to tear down traditional barriers to entry.

4. By 2017, surgeons will use computer-assisted or robotic surgery techniques to assist in planning, simulating and performing 50% of the most complex surgeries.

5. One out of the three individuals will have their healthcare records compromised by cyberattacks in 2016.

6. By 2018, due to more frequent drug launches, pharma adoption of global launch sequence optimization solutions will grow by 50%, saving the industry billions in potential lost revenue.

7. By 2018, 80% of customer / patient service interaction will make use of IoT and big data to improve quality, value and timeliness. Virtual care will become routine by 2018.

8. By 2018, 30% of WW healthcare systems will employ real time cognitive analysis to provide personalized care leveraging patient’s clinical data, directly supported by clinical outcomes and RWE data.

9. Reluctantly, through 2017 healthcare IT services buyers will consolidate IT services spending in the hands of the 5-10 largest service providers for each sub-vertical at double industry growth rates.

10. 2016 will see 3rd platform acute care HIS and EHR begin to come to market and early adopters will get started on digital transformation in 2017-2019.

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Guidance Summary

1. Recognize strategy, people and processes are as important as technology when it comes to transforming business and clinical models.
2. Align business and IT strategies.
3. Cultivate tomorrow’s IT talent today.
4. Create an analytic strategy that includes the ability to include multiple types of data and advanced analytics such as cognitive computing.
5. Invest in 3rd Platform technologies to enable agile, mobile first, and cloud first strategies.
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