

## THE EVOLUTION OF OUR CURRENT HEALTHCARE SYSTEM

The rapidly changing dynamics of the Healthcare Industry has led to an out-dated system, in desperate need of a shift from a hospital-focused, acute care model to a more community-based mindset.

Increased life expectancy, the incidence of chronic disease and the rising cost of health care products and services are all exerting pressure on our current system, leaving a model ripe for disruption.

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## CHALLENGES OF THE PAST

Previously, the healthcare system faced a very different burden of disease to that which is seen today. Healthcare providers were expected to deal with an immense volume of acute illnesses such as having an accident, major infection or a heart attack. This led to a reactive, hospital-based approach to care.

## AN ANTIQUATED SYSTEM IN THE PRESENT

In the present day, we are seeing a rise in the prevalence of chronic illnesses rather than acute. This significantly alters the demands on our healthcare system. More commonly, patients require a continuum of care, which is a dramatic change in mindset than previously for care providers, infrastructure and systems.

As a result, the main challenge we are seeing in the Healthcare industry is how we can shift our current systems and mechanisms from a hospital-focused, acute care model to a more community-based approach, which would prevent unnecessary attendances and admissions to acute hospitals.

## THE EVOLUTION

In other industries there are mechanisms set in place to naturally improve infrastructure and increase efficiency, e.g. outdated models and systems go into bankruptcy as new, more effective models emerge.

However, healthcare does not follow these traditional restructuring techniques for a number of reasons.



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**Why does this industry specifically struggle to evolve and adapt to new demands?**

## **1. The healthcare industry is highly emotive.**

In an industry driven so strongly by emotions, we often fear change and disruption. Therefore, even when disruptors enter the market with a low cost, highly efficient alternative to the current system, they often find it difficult to scale. Also, a common misconception is that the product with the highest cost (or most likely, the more traditional form of healthcare delivery) is of the highest quality. However, this is frequently not the case. Despite this trend on a global level, the UK has managed to gain a reputation for cost effective care without compromising on quality, which continues to attract overseas investment.

## **2. A misalignment of quality ratings.**

Performance ratings in the industry are not always scientifically proven or 'technically robust'. A common example is that the best surgeon in the area may take on the most complicated cases and, as a result, have the higher patient mortality rate. Even if these ratings are accurate, there is usually a lack of power on the consumer's part to choose the most effective provider. It is typically a decision made by professionals in the industry – carving a primarily third-party paid system.



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## De-centralisation of Care

- Previously, there has been considerable investment in a centralised system
- With a shift in demand for a more personalised approach to care, these centres no longer meet the needs of the population
- Therefore, there will need to be a shift towards care on a more localised level e.g. providing a specialised care unit to an area with a significantly high prevalence of diabetes

## Tech-enabled Services

- Technology will play an essential role in the healthcare system in the future
- It can be utilised greatly to free up time for healthcare professionals to focus on more personal care
- For example, the use of RFID tracking and pills or patches acting as vital monitoring devices

## Robotics

- The increasing prevalence of robotics in Healthcare will continue to drive the trend towards non-invasive surgery – until the point where a surgeon putting their hand in a body will be out of the question!

## Artificial Intelligence

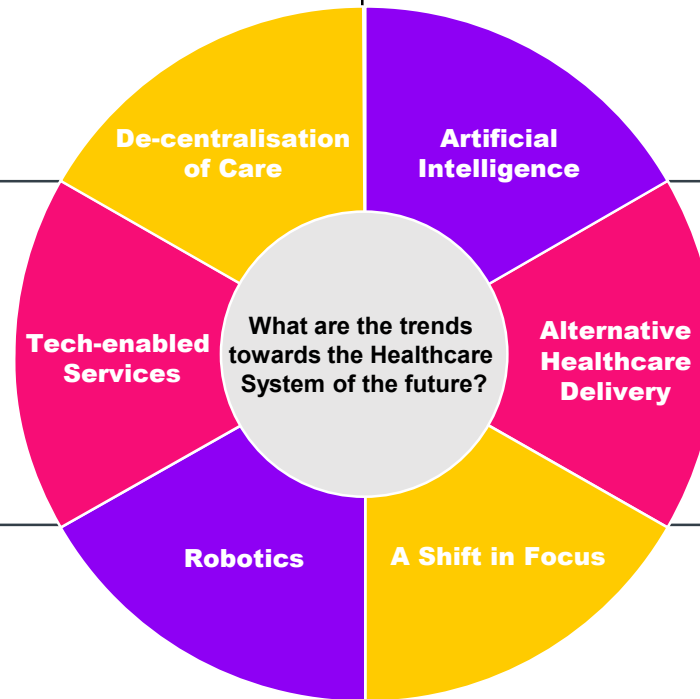
- The use of Artificial Intelligence can allow prediction of a patient's welfare beyond that of the most educated physicians
- We need to utilise the vast amounts of data which is acquired in a hospital or from non-invasive medical devices everyday
- As a result, we will be able to analyse patterns and trends, and find indicators of a decline in health hours, or even days, before it occurs
- Reducing prolonged hospital stays, and the resultant complications associated with this

## Alternative Healthcare Delivery

- Telehealth and other digital channels of healthcare delivery will continue to evolve and popularity will surge

## A Shift in Focus

- In the past, there has been significant focus on clinical care despite only 15% of health outcomes being determined by quality of care received – the rest is due to genetics, behaviours and socioeconomic factors



Source: McKinsey