



KAIHAN'S HEALTHCARE

INSIGHTS AND PERSPECTIVE

CONTEXT

- Ten million people in the United States live in counties with low physical access to healthcare facilities, providers, and limited or no broadband access ([McKinsey](#)).
- Telehealth has skyrocketed—not just due to COVID-19, but also to treat patients in hard-to-reach areas with a lack of healthcare providers and facilities. Telehealth also saves on hospital overutilization costs when patients avoid coming to the hospital or ER for every issue.
- During the COVID-19 pandemic, revenues in the healthcare industry fell 50 percent due to patient uncertainty over visiting healthcare facilities ([Forbes](#)).
- Global healthcare funding reached \$31.6B in Q1 2021.
- COVID-19's effect on minority groups has revealed significant inequity in outcomes for them: racial inequity, healthcare access disparity, social and behavioral health, and physical wellbeing ([McKinsey](#)).



TRENDS

1. Rise of Telehealth

- It has been estimated that there were over 1 billion virtual care visits during 2020, with 900 million related to COVID-19 ([Forrester](#)). As of January 2020, only 24 percent of healthcare organizations had implemented infrastructure for virtual care ([Forrester](#)).
- In areas like India and China where there are a limited number of doctors, remote medicine allows for greater density of and access to patients.
- The convenience of having healthcare at our fingertips changed the service model in 2020, leading to the closure of 8 percent of physician practices. But there has been an explosion of telehealth options through companies such as Teladoc and Doctor On Demand ([Fast Company](#)). Weeks after the onset of COVID-19, 98 percent of community health centers made shifts to telephonic health services ([NACHC](#)). Doctor On Demand, for example, capitalizes on convenience through digital appointments, effectively reducing patient attrition on follow-up appointments ([Fast Company](#)).

2. Smart Health

- While a trusted physician-patient relationship remains the most important factor in consumer healthcare behavior, the rise of health tech, consumer health literacy, electronic medical records, increased consumer healthcare monitoring and other factors have changed the patient care landscape.
- Quality metrics for telehealth and smart health innovation and care are still being developed. Beyond access to care, the quality of care should be benchmarked against in-person care. Factors such as unplanned emergency

room visits, medication adherence, patient satisfaction, and diagnostic accuracy are all crucial factors to consider.

- With the increasing data collection functions of mobile devices come numerous opportunities for HealthTech innovators. App developers have capitalized on smartphones, tablets, and wearables as opportunities to expand healthcare access and health data collection.
- Health apps have an opportunity to improve public health, prevent illness, and strengthen healthcare literacy. ResApp is an application that utilizes a smartphone's microphone to analyze cough sounds to diagnose respiratory diseases. The K Health app applies AI to give users potential diagnoses based on symptoms entered ([Fast Company](#)). A research team at the Centre for Eye Research Australia developed an app for tablets that can recognize signs of Alzheimer's through patient eye scans ([Fast Company](#)).
- Consumer fitness technology has the potential to dramatically save healthcare costs and prevent chronic disease. Obesity accounts for approximately 21 percent of annual US healthcare spending (National League of Cities). Eighty percent of people are willing to wear fitness technology, and 75 percent of users agree that wearables help them engage in their own health ([Business Insider](#)).
- Apple, through its Apple Watch and Health app, tracks and stores data on heart rate, blood oxygen saturation, and sleeping, and provides helpful systems for users to track their nutrition, mobility, and mental health.



3. AI and Automation

- As of this writing, 44 percent of healthcare professionals have not been involved in the “development or deployment” of AI systems in their organization (McKinsey), but AI is quickly growing within the healthcare industry.
- AI applications are expected to relocate primary care from the hospital to the home, decentralizing primary healthcare access and providing the opportunity for AI-based data gathering, analyzing, and patient monitoring (AHA).
- AI and automation capabilities show promise in reducing time spent on routine administrative tasks, which currently require up to 70 percent of healthcare professionals’ availability (McKinsey).
- Partnering AI and automation in the healthcare supply chain is vital for agile production and delivery of care to patients; predictive analytics and delivery optimization are just two areas of strong potential for AI and automation implementation.

8PS

Leverage Point	“8Ps” of Strategy	Opportunity for Disruption	Recommended Leverage Points
<u>Position</u>	The patients you care for and their needs that you seek to fulfill.	5	<ul style="list-style-type: none"> • What technologies do you control that can help you tap into market segments that you previously thought unreachable? • What set of untapped patients do you have the ability to serve?
<u>Product</u>	The healthcare products and services you offer.	3	<ul style="list-style-type: none"> • Is the care you offer personalized to each patient? How can you explore personalization with your care or products?
<u>Promotion</u>	How you connect, communicate, and follow-up with current and potential patients.	8	<ul style="list-style-type: none"> • What systems do you have in place for personalized communication with current patients? • How can you decrease patient attrition with follow-up appointments? • How can you make your practice more visible to new patients?
<u>Price</u>	How patients pay to have access to your care or products.	7	<ul style="list-style-type: none"> • How do you seek to understand the cost of care to the patient? • Are you exploring patient payment options outside of the conventional methods? • Can you document quality of care metrics to support pricing?

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<u>Placement</u>	Where and how patients can learn about and receive care.	6	<ul style="list-style-type: none"> • How can you increase your patients’ proximity to physical care? • Which medical services can you offer remotely and which services need to be provided in person? • How can you effectively reach patients in various geographic locations? • Do you understand why patients within your market do not seek care, and can you develop a solution?
<u>Physical Experience</u>	How and whether your care or products meet the needs and expectations of your patients.	8	<ul style="list-style-type: none"> • How do you track patient satisfaction before, during, and after care? • How do you track patient satisfaction? • How do you track patient quality outcomes? • How do you use patient feedback to continually improve your practice? • How can you include the patient more fully in the care process? • Does your care process consider the holistic needs of patients?
<u>Processes</u>	<p>How you manage your supply chain.</p> <p>How you store, manage, and apply the data and information of your patients.</p> <p>How you measure success of patient care.</p>	9	<ul style="list-style-type: none"> • How can you utilize technology such as mobile applications on smartphones and wearables to gather more useful patient data? • How can you empower patients to use healthcare technology to improve quality outcomes? • How can you adjust your supply chain capabilities to be more agile and flexible to react quickly? • How are you pivoting towards telehealth and virtual care? • In what aspects of your practice could AI and automation increase productivity and patient satisfaction? • Are you leveraging your practice team to provide the essential patient care services that can only be provided in-person, and maximizing technology for all other services?

Leverage Point	"8Ps" of Strategy	Opportunity for Disruption	Recommended Leverage Points
People	The choices you make regarding hiring, organizing, and incentivizing your people and your culture.	5	<ul style="list-style-type: none"> How can you optimize your practice team's work assignments in conjunction with AI integration? How can you reduce redundant tasks through automation? How can you drive positive customer experience and satisfaction through both well-integrated technology and staff?

OUTTHINKERS



- TytoCare is a telehealth company providing medical screening technology to patients.
 - Their target market is parents of young children, but the technology can be used by anyone.
 - Their primary product is a \$299 modular kit that enables individuals to examine their heart, lungs, mouth and throat, skin, and eyes. It comes equipped with a stethoscope, otoscope, and a high-resolution camera ([Fast Company](#)).
 - TytoCare's kit allows patients at home to self-screen and submit their symptoms to doctors through a remote network.
 - TytoCare is developing multiple branches: TytoClinic, which will enable schools, offices, and nursing homes to transform into remote clinics; TytoPro, which will target clinical professionals with higher-grade equipment; and TytoHome, aimed at patients with chronic issues such as asthma, COPD, or those with disabilities ([Fast Company](#)).
 - The company is currently working on developing new attachments and sensors to increase the functions and capabilities of the home health kit.
- Seventy-five percent of Americans are open to the idea of seeing a doctor virtually instead of an in-person visit.
 - Virtual visits cost \$40-\$50 USD, half the cost of an in-person visit.
 - Offers a comprehensive virtual care solution, which covers telehealth, expert medical, and licensed platform services for organizations and individuals.
 - Manages a network of over 3,100 board-certified doctors licensed to see patients in 50 states, as well as international locations.
 - Doctors have access to a patient's medical records and test results. They can see more patients and become more efficient as paperwork becomes digital ([Source](#)).