

Healthcare trends for 2022: digital infrastructure

Key findings

- Although most health systems have not truly integrated digital into clinical care, health systems continue to allocate budget to build and improve digital infrastructure for expanding patient connections and managing care.
- Improving cancer care management using digital therapeutics, particularly mobile health (mHealth), is a key growth area.
- Digitally fluent health systems are better positioned to leverage new solutions that target and engage patient groups, as well as advance patient care management.

Overview

The outlook for 2023 in healthcare requires understanding and clarity of trends that will demand the greatest attention of healthcare leaders. Many of these anticipated trends are not necessarily unfamiliar to the industry; however, the recent past has shifted their priority for critical consideration and amplified the need for actions to align with market demands.

Understanding the direction of health system digital infrastructure is valuable for leaders of medical device, supply and manufacturing organizations to help them best position their goals for driving new, innovative services and products to align with market demands.

One survey reveals that 60% of healthcare organizations are adding new digital projects, while 42% are accelerating some or all of their digital transformation plans.¹ Further, private-equity investment in health-tech companies during the first three quarters of 2021 rose to \$4.5 billion, up from \$1.75 billion over all of 2020.²

A recent survey of Vizient® members, plus provider customers at its market intelligence company Sg2®, reveals positive progress with digital front-door efforts, while health system leaders also acknowledge that less than half have truly integrated digital into clinical care — the ultimate test. But progress is happening and not just at leading organizations.

Progressive community hospitals, such as Memorial Health System in Marietta, Ohio, and FHN in Freeport, Illinois, are using free virtual urgent care visits to engage patients as consumers and raise the profile of their primary care physicians. They are also incorporating remote patient monitoring into chronic care to reduce readmissions.³

Expect to see continued budget allocation, designated digital leaders and more centralized decision-making. Digitally fluent health systems are better positioned to leverage new solutions, such as the one Vizient and Sg2 are piloting, that use consumer data to target and activate patients seeking specific procedural services.

Considerations

- Health systems are seeking new digital means for improving both treatment and patient connections. Are you considering innovations for mHealth or various patient-consumer types?
- The industry is seeing heightened use of digital therapeutics, a segment of the mHealth market that deploys evidence-based, care plan-centric interventions (e.g., portals, texting, voice-led software) to engage patients in their cancer management.
- For example, in 2020, 12% of venture funding for digital health was cancer focused, led by firms fixated on improved medication adherence, stress and anxiety reduction, rehabilitation and symptom management.⁴
- Opportunities continue to emerge for suppliers and manufacturers to develop technologies that offer the healthcare sector new customizable options and methods for broadly connecting and managing care of various patient types (e.g., youth, elderly).

Additional resources

Telehealth's effect on virtually everyone. *Vizient Tech Watch Medical Device*, Volume 1, 2021.

References

1 CB Insights state of healthcare Q2'21 report: investment & sector trends to watch. Slide 12. July 2021. Accessed August 29, 2022.

<https://www.slideshare.net/levshapiro/cb-insights-q2-2021-healthcare-report>

2 Private equity powers digital healthcare revolution. February 7, 2022. Accessed August 12, 2022. <https://www.biopharmadive.com/spons/private-equity-powers-digital-healthcare-revolution/617728/>

3 Unpublished data: These findings have recently been corroborated (Jeff Moser, Vizient; leadership at Memorial Health System in Marietta, Ohio, and FHN in Freeport, Illinois. Unpublished data, March 2021).

4 Digital oncology: the future of cancer diagnosis and treatment. The Records by Galen Growth and Biome. June 29, 2021. Accessed August 26, 2022. <https://www.galengrowth.com/2021/06/29/oncology-the-records-july-21/>

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Sg2 Executive Briefing: Fine-tuning Mergers and Acquisitions Focus. 2021; Impact of Change®, 2021; HCUP National Inpatient Sample (NIS). Healthcare Cost and Utilization Project (HCUP) 2018. Agency for Healthcare Research and Quality, Rockville, MD; Claritas Pop-Facts®, 2021; Sg2 Analysis, 2021.



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