



The 2022 Healthcare State of the Union and a Look Ahead at the Seven Trends

There are seven trends transforming healthcare as we know it.

As we round the halfway mark of 2022, Unify Consulting’s healthcare industry leaders share our insights into the seven trends transforming healthcare as we know it. Whether you're a leader in business, technology, or clinical work, our short guide can give you the inside track to the state of healthcare know and yet to come.

1. Site of Care Delivery: Digital & In-home

The COVID-19 pandemic intensified inequities in care and access and forced patients and healthcare providers to adopt alternate models of site of care delivery—for example, using telemedicine for the first time to triage and provide care at home. Providers and patients have continued to carry the momentum created by the pandemic, resulting in explosive growth of at home care and the adoption omni-channel consumer delivery.

Patients welcome the improved safety, convenience, comfort



“Demand for In-Home Care Rises during Coronavirus”
Wall Street Journal



“Home Healthcare Market experiences Surprising Growth due to Covid-19”
Global News Wire



“In-home urgent care provider Dispatch Health lands \$200M in Series D funding”
Mobi Health News



“Ro raises \$500M to grow remote and in-home primary care platform”
Tech Crunch

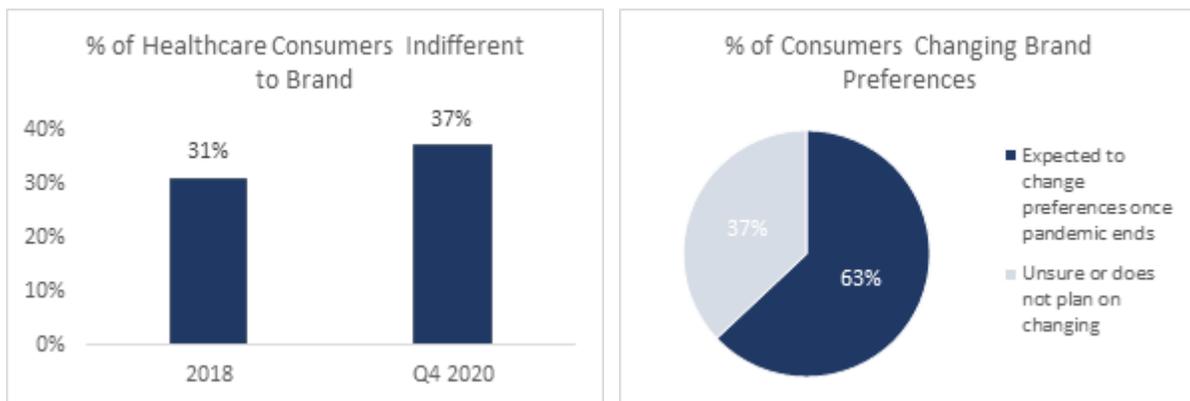
Home-based care is developing rapidly from differentiator to mandatory capability. In order to meet consumer expectations, providers must build in the requisite capabilities that scale and meet consumer demands, bridging traditional care with the home-based care of the future through the continued adoption and use of:



- **Leverage smart-devices and home diagnostics:** Increase access and scale of patient mediated data via wearables and smart-devices; integrate home or personal smart devices for disease monitoring and coordination; deploy emerging home-diagnostic capabilities for testing and screening
- **Extend acute care capabilities in the home:** Protocols and platforms to integrate communications, monitoring and safety systems technology, and rapid response logistics
- **Digitally-enable chronic care pathways:** Address routine infections, chronic disease exacerbation, emergency med, cancer care, and transfusion
- **Integrate in-person and virtual medical care teams:** Medical command center staffed by clinicians and community-based care teams coordinated through unified patient profile

2. Consumerism

The long-predicted promise of consumer power in healthcare has largely failed to materialize, that is, until the COVID-19 pandemic. Since the beginning of the pandemic, consumers have shifted towards increased engagement in care decision making, utilizing data to make informed decisions about their healthcare. While we may not be at the point in which patients are comparing the cost and quality of care as if they were buying convenience products, we are beginning to see consumers more actively assess their healthcare options with available information, often leading to diminishing loyalties and brand indifference.



For providers to harness the brand indifference and capture the consumer loyalties that are up for grabs, they need to understand what is driving consumers to seek alternative care options and operationalize strategies to meet the shifting consumer preferences:

- **Alternate site of care delivery:** The pandemic has shifted the preferred model of care delivery as consumers are most likely to switch providers to access telemedicine offerings (39%)

*Based on IQVIA consumer pulse survey, N=700, conducted Q4 2020



- **Cost of Care:** Increased regulation regarding price transparency has given consumers a critical data point to evaluate their care decisions
- **Patient Experience:** Industry disruptors - such as One Medical, have transformed the way care and convenience are delivered. Patients are proactively evaluating which providers can meet preferences in access and convenience.

3. Health Equity

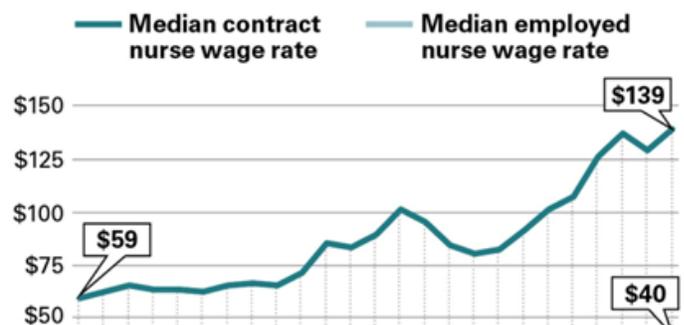
Health equity is an ever-increasing priority for health care organizations. As health systems work for all patients and communities to achieve their health potential, leaders must integrate diversity, equity, and inclusion into the missions and strategies of their organizations.

Health disparities are typically the result of inequitable delivery of care and unmet social needs. A diverse workforce and a culture of inclusivity are crucially important first steps towards improving equity in care delivery, but it's not enough. Here are a few key building blocks health systems can follow in order to advance equity in healthcare:

- **Build cultural humility:** A responsiveness to culture builds faith with relegated patients and enables care teams to meet a range of varied demands. Cultural humility requires a thorough understanding of structural inequities and how they manifest in patient-provider relationships
- **Enhance patient engagement:** Staff must have patient engagement basics in place in order to serve all patients equitably and appropriately. This means meeting patients where they are and including patients input in care delivery
- **Develop an SDOH data plan:** In order to address health equity and disparities, an organization must understand the social determinants of health of the community they serve. Healthcare data, when used properly, is a great way to understand the health disparities of a community. But often, gaps in data exist which prevent a complete and holistic view of the population, further ostracizing underserved and marginalized communities. We must understand the shortcomings of our data and the social implications of using incomplete data to drive care decisions.

4. Workforce of the Future

Caregivers, physicians, and administrative staff are fleeing our health systems. They have been through a tumultuous 2 years that saw burnout through record ICU rates, furloughs for elective service lines, and cost squeezes from financial strain. Health systems, physician groups, and even payers are struggling to maintain a stabilized workforce and are frequently reliant on agencies (i.e.





staffing agencies) to support the care demands of their patient base causing higher financial burden on these organizations.

To prevent this exodus and more importantly to drive employee satisfaction, production, and overall caregiver fulfillment organizations must look to be innovative all aspects impacting their employees:

- **Technology and Systems:** The industry has been flooded with digital transformation in the EMR, new application bolt-ons, devices, and regulatory requirements. This transformation has modernized the industry, but caused significant strain on the healthcare employee and a true rationalization effort must take place. There must be a balance of capturing appropriate data and driving automation with getting clinicians back to the bed side where they can truly take care of patient holistically.
- **Employee Experience:** A bedside nurse or scheduler wants options of career growth, flexibility, and innovation in the role. HR organizations must focus on removing the burden of transactional on-boarding, focus on learning and development that makes a real impact on employee growth, and think about innovative benefits for total rewards. The string of unionized activity and disruption further accelerates the need for an employee pact where caregivers feel supported.

5. Integrated Delivery Networks

Vertical integration of delivery networks has been accelerated in 2022 as new entrants, payers, and digital health companies look to own all aspects of the healthcare ecosystem. Regional Blues have been rapidly acquiring physician groups. Major national payers have been acquiring large medical groups and strengthening partnerships with provider systems. Large pharmacy systems have merged with health plans. Major health systems have increased their investment in self-funding health plans.

These activities can ultimately shift how care is delivered and equate to better patient outcomes, however, several key factors need to be considered to land these new organization on a successful path:

- **Data and Analytics:** The largest benefit of this vertical integration is data access. Provider and payer data sources can be combined and seamlessly interfaced to provide a comprehensive view of the patient and allow for near real-time health interventions. Security and patient data sensitivities need to be foundational but organizations need to reduce data silos, accelerate mining of unstructured data, and build the meaningful logic that enables health outcomes.
- **Operational Considerations:** Many times these merging organizations have only seen operational models from the outside looking in. Health plans and national pharmacies need to be fully aware of the operational challenges facing primary



care physicians in productivity, scheduling, gap closures, and resource constraints.

- **Patient Engagement:** Often times the patient is at the mercy of these consolidation events not knowing all the implications on care navigation, access, and billing. These new organizations must make the appropriate investments in education, technology, and patient outreach infrastructure to fully realize all the synergies these integrated models allow.

6. Cloud Adoption in Healthcare

The fears of security and data access have been subsided by successful shifts to the cloud by major providers and payers. The power of the cloud clearly can be translated into healthcare solutions that drive lower cost, accelerate data integrations, leverage powerful ML/AI models, innovate patient engagement and virtual health, and provide greater overall security. The first half of 2022 has seen massive partnerships with cloud providers and large health systems but still represents significant opportunities for overall adoption.

Hybrid cloud deployment among healthcare providers reached 37% in 2021, up from 19% in 2019.

The cloud journey can be daunting but here are some areas where healthcare organizations can start:

- **Innovation Centers:** Many cloud providers will invest with healthcare organizations and consulting partners to create an innovation office to evaluate where to leverage the cloud based on need and maturity. This a great way to start small and grow adoption as use cases develop.
- **EMR in the Cloud:** Both Epic and Cerner have developed partnership with cloud providers to securely migrate many components of the EMR into the cloud. There are many compelling reasons to the shift including cost savings, performance, and scalability. When the there is a need to drive value and ROI, this is a great place to start.

7. Regulatory Environment

The era of price transparency is well underway in healthcare. CMS, through a multitude of rules and regulations, has made a significant push to release pricing information through multiple avenues. The three key individual policies (hospital price transparency, payer price transparency, and surprise billing regulations) are vital for leaders to understand and can significantly impact and organizations pricing, contracting, and consumer engagement strategies. In 2022, all three policies will be in effect for the first time—and their confluence has the potential to move markets and change the industry's approach to setting prices.



Which policies are in effect, and which are looming? Here's a look at what has happened and what's to come:

Hospital price Transparency final rules

- 2021: Requirement to publish standard changes for all item and services in machine-readable format
- 2021: Requirement to publish standards in consumer-friendly format
- Fewer than 15% of hospitals have fully complied with the price transparency law one year post January 2021 inception, according to a recently published study in JAMA
 - *Haque W, Ahmadzada M, Janumpally S, et al. Adherence to a Federal Hospital Price Transparency Rule and Associated Financial and Marketplace Factors. JAMA. 2022;327(21):2143–2145.*
 - *doi:10.1001/jama.2022.5363*
- CMS is beginning to levy and increase penalties and fines associated with non-compliance – larger hospitals can face up to \$2M per year in fines

Payer price transparency final rules

- July 2022 - Public, structured, organization specific payment rate for providers and prescription drugs data
- 2023 – Out of pocket estimation tool for 500 shoppable services

No surprises act

- January 2022 – Billing protections for emergent and non-emergent out-of-network care
- January 2022 – Cost estimations in advance of scheduled care
- January 2022 – Personalized out of pocket estimation tool

In order to capitalize on the opportunity created by the regulations and policies, organizations must focus on data and process compliance to win consumers looking for increased transparency and ownership of their healthcare spend. These organizations must make the necessary investments in internal capabilities or look to professional services to help fill the gaps required to comply with the new regulations and policies and capture an increased share of the available population.

Conclusion

In an industry entering its early innings of transformation, these seven trends will continue to be at the forefront through 2022 and beyond. If your organization needs help strategizing or executing on these trends please reach out to hello@unifyconsulting.com.