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*A commercial interest is any entity producing marketing, re-selling, or distributed health care good and services consumed by, or used on, patients.
The evolving model of care

The Future of Health is a paradigm shift from clinical care to health care to well-being. From treating a condition to managing wellness. From symptomatic diagnosis to asymptomatic sensing. And this shift is already happening.

To understand the potential financial impact of this vision, Deloitte actuaries built a financial model. The results of the analysis were as follows:

1. The health care industry has an opportunity to break the cost curve and earn US$3.5 trillion of “well-being dividend” by 2040 by lowering spending on care and treatments.1

2. Health care spending will likely fundamentally shift from activities that diagnose and treat existing diseases in 2020 to over 60% of revenue focused on activities that prevent onset of diseases and emphasize on well-being.2

3. New business models will make up 85% of the future revenue in the Future of Health. The new paradigm will reward enterprises, innovations, and solutions that deliver value in well-being, data aggregation platform, and care enablement.3

Source: 1, 2, 3 “Breaking the cost curve” by Kulleni Gebreyes, Andy Davis, Steve David, Maulesh Shukla (Feb 9, 2021)
Future realities

Changes seen today will continue to gain traction in the near term.

- Code-level analysis was done by Deloitte to project detailed shifts in the site of care over the next five years (2020–2024).
- Deloitte’s Future of Health point of view (POV) aligns with these five-year projections.
- Retail/urgent care, noninstitutional care, imaging, and ambulatory surgical centers are the alternate sites that are expected to have the highest growth over the next five years.

**Legend**

1. **Revenue**
2. **Volume**
3. **Others** includes a combination of sites such as infusion centers, physical rehabilitation centers, pain management centers, dialysis centers, etc.
4. CAGR: Five-year (2019–2024) projected compounded average (annual) growth rate.

**Source:** "Breaking the cost curve" by Kulleni Gebreyes, Andy Davis, Steve David, Maulesh Shukla (Feb 9, 2021)

Note:
1. The “Hospital” category includes both inpatient and outpatient.
2. The revenue represented is in US billion dollars and volume in millions.
3. The “Others” category includes a combination of sites such as infusion centers, physical rehabilitation centers, pain management centers, dialysis centers, etc.
4. CAGR: Five-year (2019–2024) projected compounded average (annual) growth rate.
Trends driving a new future of health in 2040

The changes that are taking place are driving toward a large-scale industry disruption.

The empowered consumer is becoming increasingly focused on their well-being and demanding more customized products and insurance offerings.

- Affordable health for all
- Native data-oriented entrants disrupting incumbents
- From care to health to well-being
- Acceleration of digital health evolution
- Interconnected health communities
- Regulation encouraging long-term accountability
- Evolution of trusted patient/caregiver relationship
- Health data ownership by consumers
- “N of 1” personalized care
- Personal cognitive and AI for improved outcomes
What is “health”?

Health is being reconsidered as an **overall state of well-being** encompassing physical, mental, social, emotional, spiritual, and financial health.
Drivers of the Future of Health

The Future of Health will be driven by digital transformation, enabled by radically interoperable data and open, secure platforms.
The Future of Health will be:

Aimed primarily to **sustain well-being** and provide care only in the rare instances when well-being fails;

Driven by digital transformation, enabled by radically interoperable **data** along with open and secure **platforms**; and

Powered by new ways to complete enabling tasks and address jobs-to-be-done in the future.

The Future of Health will be:

- **Aimed primarily to sustain well-being** and provide care only in the rare instances when well-being fails;
- **Driven by digital transformation**, enabled by radically interoperable data along with open and secure platforms; and
- **Powered by new ways** to complete enabling tasks and address jobs-to-be-done in the future.

**The Future of Health** will be: Radically Interoperable DATA Open and Secure PLATFORMS + ENVIRONMENT

Scientific Environmental Geographical POPULATION Public Health Socio-Economic Financial INDIVIDUAL Health Financial Behavioral Social INSTITUTIONS Businesses Government NPO/NGO

**Jobs-to-Be-Done:**

- **Receive Care**
- **Sustain Well-Being**

**Enabling Tasks**

- **Monitor** health continuously to identify conditions and risks early.
- **Advise** consumers to influence behavior and sustain well-being.
- **Support** consumers to maintain health and well-being.

**Assess** personalized health needs.

**Treat** consumers with tailored “N of 1” solutions.
What do you have to believe to achieve the Future of Health?

**Data sharing**
Consumers are willing to share data, which is captured and owned by a large number of players in the market. Transparency in data use and collection is standard practice, increasing consumer trust and willingness to share additional information. Financial incentives are used to ensure institutions and individuals participate in data sharing.

**Interoperable data**
Large aggregated data sets provide a real-time and holistic view of the consumer and their environment. These data sets enable advanced analytics to generate novel insights in real-time. Incoming data from various sources will be standardized, aggregated, stored and continuously updated.

**Access**
Traditional barriers to health care access, like geography and lack of resources, are significantly reduced thanks to a radically transformed health system. The cost of wellness and care has plummeted thanks to interoperable data and data sharing. More patients have more access so they have the tools to achieve wellness and health.

**Empowered consumer**
Consumers are driving the pace of change as they are no longer passive participants. They demand transparency, convenience and access. These demands require the market to respond with a fundamentally patient-centric approach that benefits all consumers, ensuring access across socio-economic groups.

**Behavior change**
Diseases of today can often be modified by behavior, but many patients do not feel empowered or do not have the ability to be responsible for their health. The introduction of AI, VR, AR, remote care and sensors that are tailored to consumer interests and health status can empower patients to take control of their holistic well-being.

**Scientific breakthrough**
Scientific breakthroughs, like stem cells, nanobots, biome sensors, and others, will occur at an exponential pace, building on the insights derived from radically interoperable data, orthogonal players that disrupt the market, transformed clinical trial structure/timing, and increased participation from the crowd.
Health care disruption

Today’s health care sectors will be disrupted by radically interoperable data and the empowered consumer.

The existing health ecosystem will change dramatically in a world that has real-time access to data and advanced capabilities to capture, interpret, and act.

**Providers**

The shift to prevention and wellness will cause complexity in procedure volume and routine care costs to crater.

Increased connectivity will transform care delivery models and engage consumers via virtual and localized care hubs, leading to a shift in care delivery location and type.

**Plan**

The availability of real-time data along with advanced and predictive analytics will remove uncertainty and risk from the market and eliminate the need for traditional coverage.

Increased interoperability, consumer-centricity, and technological advances will drive changes in health coverage offerings.

**Life Sciences**

Advanced early intervention, prevention, and precision medicine will contribute to a shift toward curative and preventative therapies and drop in volume of units.

Cognitive technology applied to massive data sets will automate R&D and lower cost.

Medical technology will advance exponentially and its uses will extend across the entire health ecosystem.

**Government and Public Sector**

The role of government shifts to catalyst of change and enabler of equitable health care for all.
Ten winning business archetypes in the Future of Health

**Data + Platform**
- Data Convener
  - Data Collectors
  - Data Connectors
  - Data Securers
- Science and Insights Engine
  - Engine Developers
  - Analytic Gurus
  - Insight Discoverers
- Infrastructure Builder
  - Core Platform Developers
  - Platform Managers and Operators

**Well-Being + Care Delivery**
- Health Products’ Developer
  - Application Developers
  - Inventors and Innovators
  - Manufacturers
- Consumer-Centric Health Community
  - Virtual Care Providers
  - Virtual Care Enablers
  - Wellness Coaches
- Specialty Care Operator
  - World Class Health Centers
  - Event-Specific Facilities
- Localized Health Hub
  - Retail Clinics
  - Home Health
  - Health Navigators

**Care Enablement**
- Connectors and Intermediaries
  - Enterprise Tool Developers
  - Supply Chain Designers
  - Supply Chain Coordinators
  - Delivery Service Providers
- Individualized Financer
  - N of 1 Insurers
  - Catastrophic Care Insurers
  - Government Safety Net Payers
- Regulator
  - Market Leaders and Innovators
  - Government Regulators and Policy Makers

Powered by radically interoperable data for a personalized and seamless consumer experience
Purpose-driven health care ecosystems

As lines blur between technology, consumer, retail, and health care industries, participants are developing purpose-driven, digitally-enabled ecosystems that enable the provision of services beyond their core business.

Ecosystems incorporate a web of mutually beneficial relationships brokered by a digital platform that enhances the value for all participants using the platform.

Ecosystem roles – Convene and/or participate

Across industries, platform businesses have rewired value chains by developing new ecosystem models

**PLATFORM PRINCIPLES IN ACTION**

1. **Accessibility of under-utilized assets**
   Access to under-utilized assets, platform businesses facilitated large value chain transformations and unlocked value

2. **Delegation to ecosystem**
   Partnerships with resources that platforms do not control; by delegating non-strategic assets to the ecosystem, platforms can scale rapidly

3. **Modularized components**
   Modularity and standardization in business and technology functions, rendering it easier for partners in the ecosystem to plug and play into the platform

4. **Focus on consumer experience**
   Simplification and creation of an intuitive and convenient experience for users to drive adoption of the platform

5. **Positive network effects**
   A focus on consumer experience, aggregates more consumers to the platform, which brings more producers, unlocking virtuous cyclical value

**Convener**
Define, create, organize, and operate the ecosystem. This includes orchestrating interactions on the platform within an agreed-upon commercial model, generating powerful network effects

**Participant**
Provide services and products to the ecosystem. For participants, value gained by the ecosystem and its platform significantly outweigh the costs of 'going at it alone'

**Platform Operator**
Create the platform on which the infrastructure, underlying technology, and analytics function

Source: Ben Thompson, Stratchery
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