

Healthcare in 2017: Shift Towards Value



Despite the uncertainty brought about by the election of Donald Trump, the movement toward value-based care is likely to continue unabated. Indeed, Trump's health policy talks about patient-centred care that promotes choice, quality and affordability, all "hallmarks of the pivot toward value-based care," according to [PwC Health Research Institute](#).

In its annual report of top health industry issues for the upcoming year, PwC foresees an abundance of opportunities that are centred on the concept of value. These opportunities will build upon the progress the industry has made so far in the transition away from fee-for-service to innovations and practices to meet the challenge of value-based care.

The report predicts that 2017 will be dominated by the shift toward value. Specifically, the report points to 2017 as the first performance year for the physician payment reform law, Medicare Access and CHIP Reauthorisation Act of 2015 (MACRA). Providers must participate in one of two payment tracks, both of which emphasise downside risk. The Centers for Medicare & Medicaid Services' new oncology bundled payment will qualify for MACRA's five-percent bonus in 2017. Likewise, new bundled programmes for cardiac and orthopaedic care will be introduced next year.

See Also: [Value-Based Healthcare Revolution Ahead](#)

The report also highlights the need for healthcare executives to prepare for the impact of emerging technologies on business models, operations, workforce needs and cybersecurity risks. Among the technologies seen disrupting the industry in the next decade are artificial intelligence, robots, drones, 3D printing, Internet of Things and virtual reality.

While adoption of these technologies has been rather slow compared to other industries, PwC has seen an increase in the number of organisations embracing these new innovations. However, the report recommends that executives consider how these technologies work together rather than adopting them individually. [Investment in cybersecurity](#) is also necessary in order to meet regulator expectations and avoid costly breaches.

In 2017, hospitals will also see an increase in invention to combat infectious disease and antimicrobial resistance. This may mean increased use of mobile technology such as smartphones to locate and diagnose patients, as well as collect data to share with public health officials.

Providers are also seen collaborating with former competitors through joint ventures, partnerships, strategic alliances and clinical affiliations. The report notes that partnership strategies have allowed hospitals to grow their brands while preserving their not-for-profit identities.

In addition to mergers and acquisitions, traditional players will come together to form nontraditional partnerships that will allow the organisations to quickly adapt to the changing healthcare environment, according to Rick Judy, management consulting leader, health industries, PwC. These strategic partnerships also reduce the potential downside risk of full ownership, Judy adds.

Source: [Fierce Healthcare](#)

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