

# 2017 HEALTH PREDICTIONS



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Historically, healthcare has been focused on funding and improving the entrenched “sickcare” system and providing access for the costliest, most needy populations. While vitally important and effectively applied in some areas, there needs to be a greater focus on consumer health initiatives. In the reality of daily living, most of us are healthcare consumers most of the time (making choices that impact our health) and by contrast, are only patients a small percentage of the time (receiving clinical care from health professionals).

The opportunity for industry transformation lies in focusing on linking clinical and consumer initiatives to create a more holistic approach to healthcare. This will result in increased competition among healthcare industry players and an expanded role of the consumer to be more accountable for and engaged in their own well-being.

The Trump administration policies are focused on deregulating the healthcare market, increasing consumer accountability, accelerating innovation and driving transparency. These structural shifts are likely to fuel a consumer-driven market and accelerate the following three trends:

### TREND 1. THE PERSONALIZATION REVOLUTION

- An estimated 70% of a person’s health status is driven by environmental and lifestyle factors, with clinical care and genetics making up only 30%. Going forward, as the healthcare industry looks for ways to reduce costs, it must focus on consumers in a more holistic way to drive greater healthcare value (health status/cost inputs of achieving that status).
- With the big pivot to a consumer-driven market, it will become increasingly more important for non-healthcare data (e.g., demographics, buying habits,) to be combined with the available clinical and claims data to



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create a more complete picture of the healthcare consumer. Today, the healthcare industry is making assumptions about consumers based on the limited 5% of information they know about them - largely clinical and claims data. Moving forward, advanced analytics will leverage new data models to generate personalized programs and experiences for the consumer, which will ultimately enable behavior change.

- With health and well-being (lifestyle) coming together, consumers can expect to experience vastly improved personalization that does not start and stop with sickcare. This two-axis convergence means for the first time the Y-axis: personalized and precision medicine (supported by value-based reimbursement) meets the X-axis: personalized consumer health and well-being (supported by value-based benefits) to create a total consumer experience. This chasm will be tackled by innovators bringing personalized total solutions to the market through partnership-based business models.

## TREND 2. THE NEW \$6 TRILLION MARKETPLACE

- Connecting the dots between the clinical and consumer markets will create a new \$6 trillion marketplace that results in a more seamless experience for the consumer. When lifestyle and sickcare are bridged together (e.g., “I have an appointment, but I don’t have transportation”) a new marketplace emerges that can have a significant impact.
- The consumer wallet will increase in importance in terms of how a consumer can earn rewards or save money for completing activities or changing behaviors. The focus on the healthcare consumer will create a new type of accounting that is not just about reimbursement (claims and premiums), but also includes other aspects of spend around the consumer healthcare economy (incentives, tracking devices, coaches, financial management, mental health, etc.). The currencies for sickcare

and health/well-being will work interchangeably as consumers become more accountable and seek to stretch their health dollars further.

- The enterprise consumer platform in healthcare will become essential and complement claims and clinical platforms. It will systematically connect the consumer to the healthcare system and create a close integration of the both the sickcare and health/well-being market.

## TREND 3. THE CONSUMER TECHNOLOGY PARADE

- Technology will drive new business designs, dramatically changing experiences and expectations (always on, easy, my way). Incumbents will struggle to shift their business models unless they partner with organizations that bring consumer tech and lifestyle competencies.
- Over the next five years, consumer health companies will use AI (artificial intelligence) or machine learning to translate big data into actionable insights. Progress, however, will be gated by HI (human intelligence). In many cases, human “teaching” will be necessary to systematically allow computers to learn, put things into context, and provide automation.
- As more gadgets continue to hit the market, they will generally continue to be commoditized and competition will grow. The real value of gadgets and their expanding array of new sensors lies in extracting the information, extrapolating the data and combining with other factors and program results to deliver meaningful insights or recommendations to the consumer.

**Hear more predictions and insights from Jeff and Tom by viewing the webinar replay here:**

[info.welltok.com/2017-healthcare-predictions-webinar](http://info.welltok.com/2017-healthcare-predictions-webinar)