TOMORROW’S GOVERNMENT HEALTHCARE: CITIZEN-CENTRIC AND SUSTAINABLE

A marketing paradigm to achieve ‘triple aim’: healthcare, cost, and outcomes
A marketing paradigm for healthcare

Healthcare reforms have been evolving since the 19th century to address changing social and economic needs. The scale and scope of change has increased dramatically with the Patient Protection and Affordable Care Act (PPACA) and Medicaid modernization. These legislations aim to improve care and health outcomes, and reduce costs. However, the approach to comply with legislations and integrate health and social programs has only been partially successful.

Today, most US states use legacy systems and manual processes to deliver care and service to citizens. To support new programs and comply with stringent timelines, states tend to build on their existing systems. This approach limits their ability to enhance efficiency or engage citizens effectively.

Adopting a marketing paradigm – shift focus to citizen-centricity and sustainability by adopting or leveraging technology rather than building can help states move closer to citizens and engage them more actively to improve health outcomes and reduce costs.

Marketing paradigm to achieve sustainability

Among first-world nations, the US has one of the highest healthcare costs. Spending is mostly on maintenance and administration of old technology systems (Bank, 2014).

<table>
<thead>
<tr>
<th>Country</th>
<th>Health care Spend (% of GDP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>18.0</td>
</tr>
<tr>
<td>France</td>
<td>11.6</td>
</tr>
<tr>
<td>Canada</td>
<td>11.2</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>9.3</td>
</tr>
<tr>
<td>Israel</td>
<td>7.7</td>
</tr>
<tr>
<td>Singapore</td>
<td>4.6</td>
</tr>
<tr>
<td>India</td>
<td>3.9</td>
</tr>
</tbody>
</table>

Healthcare Spend Across Countries
From the baby boomer generation to millennials, there has been an exponential shift in the demographics and the needs of the population consuming government funded healthcare. These needs spawned new programs which created complexities and difficult trade-offs (services).

Sustainability of this model is questionable, especially for states that rely on old systems and processes to address key healthcare imperatives – increasing demands of larger population, new programs, active regulatory environment, and diminishing funding sources. This raises a number of issues including:

- Diminishing or losing family care
- Challenges in supporting full chronic care programs
- Inability to localize care
- Shrinking base of healthcare providers

The risk of non-sustainability and the inability to run individual health management is increasing, thus sustainability of the healthcare system is now at an inflection point. A marketing paradigm can help states shift focus from building technology to rapidly adopting it, and create an agile model that can adapt to evolving needs, thereby creating value.
SOURCING
Install (don’t build)  Pilot  Shape Citizens’ Perception  Innovation  Extend Value and Collaborate

New Paradigm to Achieve Sustainability
Marketing paradigm to enable citizen-centricity

Today’s citizen expectations are set by mature experiences with leading companies in retail, telecom, banking and B2C industries. Citizen’s needs are increasingly influenced by digital channels such as web, mobile, social media and they prefer to access information on their own before requesting assistance. However, existing systems and processes do not empower or engage users to take ownership of their own health.

Citizen engagement drives ownership and accountability to enable sustainable behavior change, thereby improving health outcomes and lowering costs. A marketing paradigm can help states become more citizen-centric and provide a consistent and connected experience while engaging citizens effectively across all channels.

Social Enterprise Models and Analytics: Vehicles for Citizen Centricity

Social Enterprise Models and Analytics are key vehicles to increase citizen-centricity. These strengthen citizen engagement in health and social programs, and facilitate exchange of information and services.

<table>
<thead>
<tr>
<th>Social Enterprise Models</th>
<th>Analytics</th>
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<tr>
<td>• Integrated platform to build citizen communities, consolidate information, and enable anytime, anywhere service, and exchange of information</td>
<td>• Create a feedback loop, use big data to identify trends/patterns, and use advanced analytics models to create relevant products and services</td>
</tr>
<tr>
<td>• Support analysis of different interventions and track outcomes</td>
<td>• Analyze interventions and utilization of services to generate insights to strengthen operational models, make them more sustainable, and improve health outcomes</td>
</tr>
</tbody>
</table>
Economics of sustainability

Creative destruction, sometimes known as Schumpeter's gale (Alm, 2008), is a form of 'Radical Innovation', where citizen (households) engagement in outcome-based healthcare brings in social accountability and reduces cost. It is a powerful vehicle to enable the marketing paradigm and helps shift from an IT and business process function to a closed loop marketing function, moving decisions and analytics downstream to the family.

Through pervasive technologies such as Social Enterprise Models and analytics, states can build accountability in the entire healthcare network. This accountability is the key to improve health outcomes and create a sustainable system.
Growing gaps between needs and capabilities lead to unsustainability. State funding will soon be unable to maintain the social service needs.

PPACA and Integrated Eligibility are still built over existing paradigms to address changing needs. Costs and inefficiencies inherent in the existing setup seep into different programs such as SNAP, TANF, Medicaid, etc.

Marketing paradigm through principles of constructive destruction, Social Enterprise Models, and analytics can effectively support the evolving social and healthcare requirements and help states realize an independent, self-sustained and cost-contained health and human services system with minimal federal support. Minimal investments are required to implement systems, technology and services (outreach, business process re-engineering, etc.).

Marketing paradigm at work: a pilot program (Robin Wulffson, 2013)

The UCLA Medical Center conducted a pilot program to evaluate the ‘last year of life’, one of the most expensive programs in the country, among a sample population. UCLA adopted Social Enterprise Models and analytics-based intervention to see if health outcomes can be improved at lower costs. The approach resulted in overall savings of 30%. Extending it to the LA County showed an annual savings of $4.3 billion – proof that a marketing paradigm can drive significant change towards sustainability.
About the authors

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Brian leads the establishment of the vision and direction for exchange offerings across Infosys Public Services. This includes federal, state and commercial clients and partners. These services include building Infosys Public Services’ own exchange platform, Medicaid expansion and supplemental products, leading an ecosystem of partners that provide a full range of consulting, services and products across all healthcare and government sectors. Drawing on experiences in the establishment of other health collaboratives (e.g.; RHIOs) and numerous joint efforts with multiple clients and technology partners, Brian focuses on developing practical solutions.

Brian has been providing industry, practice, sales and project leadership for over 25 years. He has extensive experience in bringing industry-leading solutions and platforms to market.

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