Measuring Healthcare Innovation

2012 is shaping up to be a very interesting year of innovation for healthcare product development. Kalypso is tracking five major forces that drive the need for innovation and will require your organization to anticipate and adapt to new environments, and focus on emerging risks and opportunities - all while managing the existing business. The five major forces are:

1. **Cost** - Increasing costs have driven large self-insured groups to demand innovation in product design and delivery, and improved focus on chronic care. Both large and small groups will continue to drive more cost to employees through benefit design changes (co-pays, co-insurance, out of pocket maximums) and Consumer Driven Health Plans (CDHPs).

2. **Efficacy** – The US healthcare system consistently delivers lower quality outcomes for twice the per capita investment as compared to other nations. Healthcare reform and the large self-insured groups are demanding better results for less money, resulting in new concepts such as Accountable Care Organizations (ACOs) and Health Information Exchanges (HIEs) to drive higher results with less cost.

3. **Access** – With somewhere north of 50 million Americans having access to basic health insurance, healthcare reform has mandated the creation of Retail Exchanges by 2014 with game-changing implications for plans and brokers alike.

4. **Technology** - Rapid advances in medical devices and equipment, computational modeling and pharmaceuticals are driving the need to innovate and adapt in healthcare. A few major trends in technology include “big data”, mobility and personal device integration.

5. **Business Model Innovation** – The emergence of non-traditional clinical delivery models such as retail clinics threaten traditional Individual Physician Associations (IPAs) and big box hospitals, as well as demand new strategies in network and product design by payors.

Addressing these forces can be a daunting prospect if you’re not prepared and focused. We look forward to the opportunity to make a meaningful contribution to your perspectives on what it is going to take to innovate and grow in these rapidly changing times.

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What's your view? Add your question or comment