

Digital health may provide solutions for SA healthcare consumers, but are SA Life Sciences and Healthcare organisations ready to adopt it? Asks Deloitte

Johannesburg, 26 August 2015 – Digital Healthcare presents potential solutions to many of the healthcare challenges faced in South Africa and the rest of Africa. Adoption of digital solutions in general are high amongst consumers despite technology proficiency levels, but the industry itself appears to be facing challenges that need to be resolved before we see broad investment into these technologies and resultant adoption by private and public healthcare stakeholders, says Valter Adao, healthcare director of Deloitte Digital.

Based on international trends, the next generation healthcare delivery system is anticipated to take monitored care into the homes of outpatients and to provide a more patient centric design. However, before a broad healthcare solution becomes viable in South Africa, it requires placing the patient at the centre of healthcare activity and integrating care across the various points of service through more comprehensive understanding of individuals' health problems.

South Africans are already being exposed to the digital health age by the increasing take-up of standalone mobile health (devices via increasing use of smartphones among clinicians and patients). In August the Health Minister Aaron Motsoaledi and partners celebrated the one year anniversary of MomConnect a mobile messaging platform that saw 465 703 users adopt the service, which translates into almost one Mom per minute. This is a practical example that exists in South Africa today and speaks to the increasing maturity of Digital Participation.

According to media analyst, Arthur Goldstuck, South Africa is already sufficiently mobile-connected for that to occur, but it requires industry-wide collaboration and broader adoption of new technologies to take it to the next level of digital health.

That the digital age is upon us is well evidenced by the disruptive technologies demonstrated by Uber, and Airbnb. In light of disruptions occurring in these industries, Adao warns that unless the critical sectors of healthcare in the private and public sector don't collaborate around mHealth, we will struggle to move from 'potential' to 'reality', we may see non-healthcare force disrupting the market.

"Consumers are already comfortable with digital services, as demonstrated by mobile only behaviour in which many consumers only access online services through their mobile devices as well as the ready acceptance of pervasive solutions such as online banking and digital innovations like Uber – it is health practitioners who appear reluctant to adopt them. Potentially disruptive technologies and apps already exist, but they are not connected to practitioners and as a result technological advancement is occurring on a fragmented and silo'd basis.

"To enable mass access to healthcare, improved healthcare and cheaper healthcare, we need full integration to occur. That is why we at Deloitte Consulting are promoting dialogue between all stakeholders and on the continent" explains Adao.

As to why industries that are vulnerable to disruptors, Adao explains that executives are often unaware of the impact of Exponentials on their industry and their business. "Companies view their progress and that of new competitors on a linear basis, the equivalent of one new equal step at a time, whereas technology trends for the potential impact of each new step to be the aggregate of all previous steps – hence exponential improvements in efficiency while the cost typically halves. Up to a point on the continuum of development, technology still looks ordinary and participants fail to see the exponential technological disruption looming over them.

"Using Uber, the poster child for digital disruption, as a practical example, these disruptions tends to take the industry by surprise when a complete technological package is launched upon an

equally unsuspecting public. The public accepts the new technology, and disruption follows. Often it also comes from an unexpected player not directly involved in that industry. Right now we see telcos, financial institutions, and technology companies funding research into healthcare. Potential disrupters are already lining up because the rewards may be so exceptional,” says Adao.

“The Holy Grail of affordable, accessible and improved healthcare will only come about once all parties sit down together to develop an ecosystem which aligns their interests and puts the patient at the centre. For instance, digital healthcare holds the potential for earlier diagnosis of conditions and therefore improved and cheaper treatment with, for instance, more outpatient treatment. Already, the trend in developed markets is to shift from volume-based care to value-based care and a dematerialisation of physical infrastructure such as fewer hospital beds. This involves sending patients home earlier with an electronic nanny to recover with full monitoring. It’s inevitable that this is the direction South Africa must go,” says Adao.

While all parties evidence willingness in this direction, at the moment there is no common ground from which the industry can develop a comprehensive digital health system. Healthcare consumers are increasingly accepting mHealth solutions via technologies such as smart phones and tablets, and they are therefore more at ease with online interactions such as communicating with doctors, virtual monitoring of their condition as well as general wellness and fitness purposes, and using online prescription renewal services, but this is not always integrated into a national care system.

Adao explains that digital health is a more holistic solution than either mHealth or individual applications: it is based on improved information access of all the mobile data across various stakeholders. In this respect, South Africa’s digital health is still in its infancy, and its full potential in addressing some of the major care delivery challenges is yet to be realised.

“The first step would be for a cross-collaboration of the three health sectors to create a situation where the patient is at the centre of the care model. The second would be the consciousness-raising education of consumers. Already, the trend is for consumers to try self-diagnosis via the internet when they have a health issue, as well as post-diagnosis verification after they’ve visited a doctor. This willingness to seek out digital and mobile solutions is apparent across all demographics.”

“Healthcare accounts for 9.7% of national GDP in South Africa and 17% in the US. This is consequently a massive industry and there will be no shortage of disruptors looking to invest into this market through exponential technology development. There is already a great deal happening on a fragmented basis, so I urge the industry to take the initiative before it is too late,” says Adao.