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## The Alt3 view of the world 2:

### DOES THE HEALTH SECTOR NEED CARE?

The health sector: notoriously complex with, in some areas, a high level of resistance to change and a tendency towards expensive bureaucracy. Yet healthcare is an essential. This article examines the fundamental changes about to take place and explains clearly WHY healthcare change needs to be embraced if health and care is to meet the increasing demands of the 21<sup>st</sup> century.



Without a doubt we – all of us in the world together – are on the verge of a series of fundamental and far reaching changes. True, these changes have been building and accumulating for a very long time and so aren't new. However ... each is reaching a critical tipping point – and together they are converging to create an unavoidable tangle of change.

The individual challenges may not be new yet the collective scale of what is taking place is enough to change the world as we know it.

I say “unavoidable” because they will only be avoidable through just as far reaching concerted international action ... and we have to be honest ... this is one factor that so far has been noticeably missing. And, I say “tangle” because one challenge is enough ... but several together and with all their associated consequences creates the feeling of “where do we start?”.

Health is one of these massive areas of cause and effect. It is one of those areas that will affect every person, every company, every society. It has the very real ability to alter the financial landscape of any country and any region, with significant consequences. And the news is ... in some areas the changes taking place can already be seen and felt. Health is one of these areas: personal health, national health, global health. They are all connected.

The changes on the health landscape are particularly complex. It's like throwing a stone into a lake and watching the ripples. This time you throw a handful of stones into the water. The competing and accumulating cascading ripples of consequence can cause a lot of turbulence. However, where the lake will return to normal after the ripples disperse, with health ... there will be continuing turbulence for a very long time ... and not all will return to normal.

We need to be aware of what is taking place.

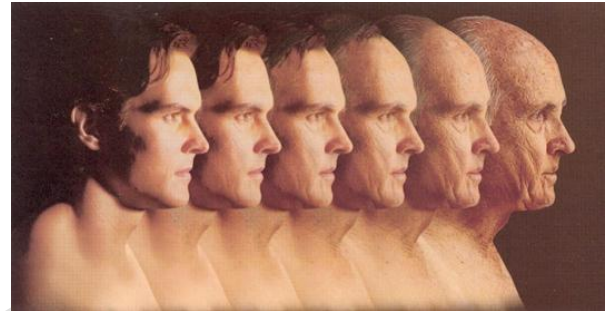
So, back to basics, just what are these fundamental health changes? Well, they are both direct and indirect, and in keeping with all the other changes

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being tracked by Alt3, are highly interconnected with areas such as resource use, global financial and social stability, forward thinking and collaboration. Nothing in our world exists in isolation which is why we need to act in collaboration – and cohesively.

### 1. Aging population

The average age of the world's population is increasing yet few places in the world are geared towards the type of health care required by an aging population. This type of healthcare tends to be intensive and expensive. As the average age increases so does the cost – and this is a major burden for every country, and in many ways for the individuals being cared for.



The wave of age care related health issues is already starting to pressurise some national budgets – and this is only the start. The proportion of elderly requiring some form of assistance through to full time residential and / or medical care will need not only a sustainable method of funding but – and perhaps more importantly – a level of organisation that will be very difficult for the social healthcare and public sectors to currently meet expectations within.

As the population ages, the challenges ahead will require a new way of thinking. Simply throwing money at the problem is not going to overcome the difficulties ... most especially if money is already in short supply.

### 2. Increasing population

Not only is the population increasing in average age, it is also noticeably increasing in number. This is due almost completely to the increased food and potable water supply, increased basic healthcare and sanitation to the different populations, as well as increased education and general provision resulting in a general increase in the standard of living.

Everyone has a better chance of survival – a better chance of living a healthier and longer life. The advances made so far are something to be proud of. We just have to make sure they increase in impact – and are sustainable.

This is the problem isn't it? In a world of finite resources, just how can the increases be sustained through the present pattern of use? The fact is, in their present pattern of use, the increases cannot be sustained. And there is one significant weak point that will cause many of the remaining pack of cards to start to fall in dramatic fashion.

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With the increase in population there has also come some unwanted side effects, for example extensive drug and alcohol use and a noticeable shift in dietary habits that are starting to manifest themselves in a growing explosion of healthcare demands, for example in the requirements for emergency services and in childhood obesity and type II diabetes. Type II Diabetes is classed as a chronic condition. One among many. 80% of the public health budget of one western country is consumed by the care required for chronic conditions. And as the incidence of chronic conditions increases, clearly the funding model is unsustainable.

As the myriad of resource hungry healthcare demands increase they will have an unwanted impact on the societies affected – as well as a further drain on finite healthcare resources.

Each drain provides an overall decreasing input into further healthcare advances. This is a major reason why healthcare demand and delivery needs to be controlled. This is not as difficult as some would have you believe.

### 3. Increased medical care

There is also no doubt that within the past generation we have all seen massive increases in the scale, the type and the reach of general healthcare. The boundaries have been pushed forward through significant advances in disease prevention and treatment, for example, cancer, through genetic treatment, through new drugs that have helped create a greater state of health for much of the worlds population. For the remainder of the population there has been a general increase in the provision of basic healthcare with the trickle effect of further advances slowly but gradually making an impact.



True, the picture still isn't perfect – but it's far better than it was a generation ago and a completely different picture to the state of healthcare a century ago. We have much to be proud of ... and much more to look forward to. It is inconceivable to stop where we are due to funding constraints. We have to work smarter.

One of the great areas of healthcare advancement is technology enablement. This applies to not only the actual treatment, for example, in surgery, but also in “out of hospital” care (a growing essential for chronic and elderly care), for remote monitoring and relevant alerts. The technology enablement also applies to the reach of doctors and other specialists into remote areas of the world which have largely been deprived of this level of healthcare.

Technology enablement will be a specific factor that will continue to increase the reach and scope of healthcare throughout the world. It will also enable a greater amount of standards based e-information to be used for the prevention of wide spread health disorders and the prevention of specific

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tragic errors. However, as we have seen in some specific examples, it has to be a relevant and workable enablement (and information management), otherwise valuable funding will be squandered and advancement will be set back several years.

The healthcare sector has in the past not benefited from the most far sighted management – a factor contributing to the general fragmentation and costly bureaucratic approach to healthcare.

#### 4. Increasing cost of care

This increase in the scale and scope of healthcare comes at a cost. Do not believe anyone who states any healthcare is free. Free healthcare may be an admirable dream ... but in reality it costs – and costs increasing amounts due to unacceptable inherent inefficiency, and especially if there is an unwieldy bureaucracy to also pay for. Each advance in healthcare costs a proportional amount. And so as healthcare increases throughout the world, as healthcare increases for an aging and growing population, as healthcare increases in effectiveness due to new treatments and drugs ... the associated costs increases beyond the reach of many budgets.



What does this mean?

It means it is unreasonable to expect cost increases to continue to be funded ad infinitum. It just isn't possible. We live in the real world. With all the fundamental changes taking place, such as the increase in population number and age, it is not possible to simply maintain the present state of general healthcare. Maintenance of the present level of healthcare under the present system of use will mean an overall decrease in healthcare provision. Decreasing the present level of funding will only mean an even worse outcome.

So, there can't be constant increases in funding. There can't be a freeze under the present system of use. There can't be a decrease in healthcare funding. What options are there?

The clue is in the term “under the present system of use”.

There is only one feasible approach to maintain and cost effectively increase the health of the population. That is to look for a more efficient and effective means of healthcare development and delivery. This means a greater use of “out of hospital” care, a lessening in the demand for bureaucracy through a greater use of integrated technology driven healthcare delivery, for example, telehealth, and a greater use of standards based health informatics.

**The healthcare demands of the 21<sup>st</sup> century require a new way of thinking from a healthcare sector stuck in the 20<sup>th</sup> century, or in some cases the 19<sup>th</sup> century.**

The seeds of the development have been planted ... but they are notoriously slow to germinate due to a high level of resistance to change from many clinicians and from a number of managers who clearly have no view of the future, or from politicians desperate for a “quick fix” to gain a vote winner.

The obvious failure of some integrated technology developments has not been because the technology or the intent was at fault, but rather was implemented in a hazardous manner with constant tinkering and changes with little thought of consequence or need. This is something that has to be radically altered if healthcare delivery is to be successful in the future.

Planning and implementation can not be separate from any cohesive change management.

## **5. Water availability**

Where as continued healthcare funding is a major cause for concern for every society, the consequences of potable water availability will be the trigger that will cause a rapid decrease in healthcare in many areas of the world and will impact all others. Nothing exists in isolation.



Whether you can see it or not, fresh water availability is a growing global problem – and not a small one at that.

There is increased population with increased water demand, increased food production with increased water demand, increased industrialisation with increased water demand ... and all with increased pollution of the water courses. This results in a decrease of available water per head of population. In some areas of the world this will simply mean an increase in the cost of water provision. In other areas of the world this overall development will mean the difference between life and death.

- Combine this with the expected effects of climate change and there is a powerful recipe for disaster.

There are clear signs that water is running out in some major regions of the world. There is drought and spreading desertification. The consequences of this will undoubtedly be a loss of agricultural capability, a necessary and widespread shift in the population from the affected areas into urban areas where already there is often severe pressure on existing resources. Look at Mumbai. Desertification is already on the doorstep of some specific major Chinese cities. The overall “ripples of consequence” of this will be felt on a number of different levels:

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- loss of food production which to the local population will prove to be disastrous
- more people crammed into urban areas with limited provision of clean water, food, shelter and healthcare – with the greater probability of an explosion of disease
- following the migration from the rural to the local urban areas there is likely to be a resultant pulse of migration from these local urban areas across the world to regions less affected by drought and disease

The world will find itself with less food, less water and with a shifting population with a prevalence for disease. This is a recipe for a further series of unwanted effects. Without forward planning these unwanted effects will become the stark reality of the new world.

There is a way out of this growing tangle.

#### **6. Large scale migration**

The world has undergone numerous waves of migration in the past – and will undoubtedly continue to do so. Migration in itself isn't something to be feared. Yet in today's world of increasing population and finite resources it is something to be planned for. Failure to do this will result in a swamping of the localised infrastructure, and in some cases a collapse of the delivery system leading to social unrest.

For example, recent, relatively small scale, migrations into the developed world have shown the clear vulnerabilities within the existing resource delivery mechanisms, most especially health. An influx of more people causes pressure on existing tight resources. A heavy influx of more people will undoubtedly cause intolerable strains on the health system. Quite apart from the significant cost implications, and the very real decreased ability to serve the existing local population, we have already seen the re-emergence of specific disease groups that had previously been wiped out in some regions. There is also strong anecdotal evidence of other disease groups being enhanced due to unchecked migration from areas where there is a low level of healthcare availability.

This is all cost and the reduced ability to serve the local population. It is a budget and social threat for governments who fund public healthcare – but an opportunity for private healthcare.

As time ticks on, the above points become increasingly unavoidable. The healthcare demands increase. The costs of delivery become unsustainable. The threat of breakdown emerges as a distinct danger. To successfully navigate through such a landscape requires a new way of thinking that cost effectively increases the scope, the scale and the reach of healthcare delivery without feeding the bureaucracy and by overcoming the entrenched resistance to change. Failure to do this WILL result in breakdown.

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Where are the decision makers when you need them?

So does the health sector need care? Most definitely. Some therapy for a personality disorder perhaps, so it remembers the reason for its existence.

We live in a fast changing world. This is where we at Alt3 come in.

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