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calsoft labs

An ALTEN Group Company

Healthcare Sector

Time for new perspectives

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India's healthcare related expenditure is still amongst the lowest globally. Due to this there exist significant challenges that need to be addressed to fulfill the stated goal for healthcare for every citizen by 2020. These challenges are both in terms of accessibility of healthcare service and quality of patient care. The healthcare sector, in India, is currently experiencing a steady growth because of increase in life expectancy, higher income levels, greater reach of health insurance, and growing lifestyle-

related diseases, and is at an inflection point and is poised for rapid growth in the medium term. Indian Healthcare Industry is currently estimated at USD 40 Billion. The industry is expected to grow to ~USD 79 Billion by 2012 and ~ USD 280 Billion by 2020. The average CAGR for the next 10 years, therefore, has been estimated at ~ 21 percent. However, while this represents significant opportunity for the health care providers, the small and medium technology service providers can ride this growth by coming up with innovative technology solutions.

Though the usage of IT solutions for healthcare industry in India is not very high, the help of private sector investments in Healthcare sector and due to the increase in the use of modern diagnostic and treatment solutions, we see that care providers and associated service providers like health insurers are adopting information technology as a much faster pace than earlier. Indian technology solution providers need to develop innovative solutions to seize this opportunity and create a strong healthcare technology industry. Few areas which have a higher potential of IT investment are:

- Low cost Hospital Management Systems, customized to meet the needs of Indian hospitals.
- Low cost telemedicine systems for providing care to remote hospitals and primary health centers where trained or specialized doctors are not available
- Low cost diagnostic systems customized for Indian market
- Patient health record portals for storing and sharing patient health record among different stakeholders like patients, hospitals, clinics, physicians.
- A low cost laboratory information management system for pharmaceutical and biotechnology companies for accelerating R&D activities

Using technology to re-shaping Indian Healthcare Sector

Indian technology solutions providers, big and small, have an opportunity to use the disruptive technologies like Cloud & Mobility and change the way healthcare is provided in our country

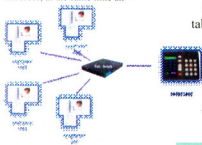




and create a sustainable competitive advantage in market place. To understand how these technologies can change the healthcare landscape, let us understand the two facades of the challenges in healthcare – one in providing healthcare solution to all and other to grow the industry faster enough. These two challenges are two sides of the coin and cannot be solved independently. At a macro level these challenges are caused by:

- Absence of access to healthcare to a major part of the population due to unavailable infrastructure, skilled doctors, care providers, and basic medicines
- Resource constraints, financial & workforce, to create infrastructure required to provide healthcare for all
- Inefficiencies in healthcare operations due to low automation and isolated systems

Technology providers can use cloud computing effectively to solve many of these challenges. A cloud based telemedicine system that can be accessed over a low cost tablet can go a long way in increasing the access to healthcare as this can enable people in remote areas to reach out to expert doctors in a much lower cost. Since cloud based solutions are generally delivered on a 'pay per use' model, it creates less strain on existing financial resources, at the same time an



optimized the use of skilled human resources. Similarly a cloud based patient health record portal, accessible through a tablet, can increase operational efficiencies and reduce the diagnostic costs. A cloud based healthcare information system integrated with patient health record portal can increase operational efficiencies in any hospital manifolds without creating a big dent on financial resources of the hospitals. Similarly, a cloud based Laboratory Information System can reduce the cost of drug discovery which can result in low cost medicines for our country. We are already seeing many Indian technology companies taking right step towards this and launching cloud and mobility based innovative solutions for enabling healthcare providers to solve above mentioned challenges.

Another big opportunity that lies in front of Indian technology companies is to come out with low cost indigenous medical devices that meet the requirements of Indian healthcare industry. Companies should focus on

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Somenath Nag, is currently the Director - Business Development & Marketing in ALTEN - Calsoftlabs. Somenath is highly commended for growing Calsoft labs' presence in North American region. His extensive experience in Outsourced Product Development Space has helped several tier 1 ISVs & start-ups in setting up Offshore Product Engineering labs and Program Management Offices. He has been managing multiple key strategic programs in the area of Healthcare, Mobile Communication, Digital Imaging and Product Engineering. Somenath, a Certified Scrum Master, has special interest in areas like Strategic Management, Cloud Computing, Software Testing, Big data & Cloud Analytics, and Enterprise Mobility.

the ruggedness, simplicity, easy accessibility, usability, and specific needs of Indian healthcare industry while developing these systems. A new bottom of the pyramid approach can help the manufacturers here as they can offset the loss of profit margin through economy of scale.

It is clear that the disrupting technologies like cloud & mobility will be a major driver in changing the face of Indian healthcare industry and making India a healthy nation. It is imperative that technology providers need to show agility, and out of the box thinking capability to come out with innovative solutions to contribute to this growth journey.