Top health industry issues of 2021: Will a shocked system emerge stronger?
Figure 1: Half of consumers who have had a virtual care visit said they encountered at least one issue

Did you encounter any of the following issues during your virtual care visit(s)?

- I had technical issues
  - White: 24%
  - Black: 27%
  - Latinx: 28%

- I felt uncomfortable being on video
  - White: 14%
  - Black: 17%
  - Latinx: 28%

- My problem could not be addressed via virtual visits
  - White: 13%
  - Black: 15%
  - Latinx: 23%

- I was not clear on my follow-up care steps or where to go next
  - White: 7%
  - Black: 20%
  - Latinx: 21%

- No, I did not encounter any issues
  - White: 34%
  - Black: 35%
  - Latinx: 51%

Source: PwC Health Research Institute consumer survey, September 2020
Note: Selected data displayed. Other options selected less frequently included “The physician/health professional I saw did not seem comfortable on video,” “It was too expensive,” and “I felt rushed.”
Figure 2: The pandemic’s effect on Americans’ mental health is staggering

Since March 1, 2020, have you experienced any symptoms of anxiety or depression as a result of the COVID-19 pandemic?

<table>
<thead>
<tr>
<th>LEAST AFFECTED % responding yes</th>
<th>Demographic</th>
<th>MOST AFFECTED % responding yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male 27%</td>
<td>Gender 36%</td>
<td>Female</td>
</tr>
<tr>
<td>65 years and older 15%</td>
<td>Age 47%</td>
<td>18 to 24 years</td>
</tr>
<tr>
<td>White 30%</td>
<td>Race 44%</td>
<td>Latinx</td>
</tr>
<tr>
<td>$100,000 or more 24%</td>
<td>Income 43%</td>
<td>$25,000 to $34,999</td>
</tr>
<tr>
<td>Medicare 22%</td>
<td>Insurance status 48%</td>
<td>Medicaid</td>
</tr>
<tr>
<td>Households w/out dependents under 18 25%</td>
<td>Family status 48%</td>
<td>Households with dependents under 18</td>
</tr>
<tr>
<td>Healthy adults 19%</td>
<td>Consumer health group 60%</td>
<td>Consumers with mental illness</td>
</tr>
</tbody>
</table>

Source: PwC Health Research Institute consumer survey, September 2020
Figure 3: Health services provider executives cite multiple challenges in growing telehealth programs

How significant or insignificant a challenge are the following as they relate to growing your telehealth program?

Respondents indicating "very significant"

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reimbursement</td>
<td>52%</td>
</tr>
<tr>
<td>Retaining patients for ancillary services (e.g., lab and imagining services)</td>
<td>40%</td>
</tr>
<tr>
<td>Consumer willingness</td>
<td>37%</td>
</tr>
<tr>
<td>Physician willingness</td>
<td>18%</td>
</tr>
</tbody>
</table>

Source: PwC Health Research Institute Health executive survey, August-September 2020
## Figure 4: Voices from the field—front-line clinicians’ experience and observations

<table>
<thead>
<tr>
<th>Clinician</th>
<th>Here is my experience</th>
<th>Here is what I learned</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pediatrician, children's hospital</strong></td>
<td>Prior to the pandemic I treated 15-20 patients a day but none virtually. Now I treat 4-5 a day virtually and the rest in person. It is less than ideal for diagnosis but does work well for conferences with parents, educating patients and treating anxiety.</td>
<td>I bundle all of my telehealth visits for the end of the day. It was too disruptive to toggle between in-person and virtual visits. I know it is the future of medicine but I think it will always be a niche. People want a connection with their doctor. You can’t be a healer without a more human connection.</td>
</tr>
<tr>
<td><strong>Physical therapist and owner, outpatient clinic</strong></td>
<td>In-person visits fell by 50% in spring of 2020 but are now at their highest volume as elective surgeries have returned. We treated one patient virtually during the pandemic and it was successful. We are now set up for virtual visits and will conduct them if requested.</td>
<td>We will need to pair physical therapy virtual visits with a technology that can measure range of motion. Insurance companies only want to pay for objective measurements. Physical therapy patients prefer human interaction, the group environment in the clinic is what they want.</td>
</tr>
<tr>
<td><strong>Resident psychiatrist, academic medical center</strong></td>
<td>I now treat patients virtually during three hour blocks every morning. In-person visits are being slowly rolled out, as the situation evolves.</td>
<td>Telepsychiatry allows us to peek into the patient's home, which can be really valuable. You can see where they are calling from and really get a deeper understanding of their social context that you wouldn’t be able to do if they just came into the office. The relationship between the psychiatrist and patient feels more artificial in a virtual visit because nuances such as body language go a long way toward building this relationship.</td>
</tr>
<tr>
<td><strong>Registered dietician, solo practitioner</strong></td>
<td>Pre-COVID-19, I had 12-15 in-person visits per week, which dipped some during the spring but is now up to 18 visits per week. Stress from the pandemic has increased eating disorders. I now have changed my practice to two days a week in person and two days a week virtual.</td>
<td>Moving to virtual visits became easier once I found the right technology. I installed a virtual platform for the visits and care management, which has the ability to connect to EMR/EHRs, but none are connected. Not all clients were willing to move to virtual visits. It can be difficult to really see the whole person because you lose subtle body cues.</td>
</tr>
</tbody>
</table>

Source: PwC Health Research Institute clinician field interviews week of Sept. 14, 2020
Figure 5: The FDA issued nearly 350 emergency use authorizations over a nine-month period in 2020

FDA emergency use authorizations between Feb. 1 and Oct. 28, 2020

- In vitro diagnostic products: 289
- Personal protective equipment and related medical devices: 22
- Ventilators and other medical devices: 5
- Drug and biological products: 26

Figure 6: Pharmaceutical and life sciences executives expect significant investment in digitizing clinical trials

How significantly will your digital efforts in clinical trials increase or decrease in 2021?
Responses by company size (based on revenue)

Source: PwC Health Research Institute health executive survey, August-September 2020
Responses not shown: Somewhat decrease (0%), significantly decrease (0%)
Figure 7: Many pharmaceutical companies expect virtual trials to grow significantly over the next five years

What percentage of your organization’s clinical trials do you expect will be virtual in 2021? What percentage do you expect will be virtual in five years?

Source: PwC Health Research Institute Health executive survey, August-September 2020
Note: Not shown: 13% of respondents selected 0% for 2021; 2% selected 0% for 2025
Figure 8: Provider and life sciences executives agree that the COVID-19 pandemic has at least somewhat negatively impacted pharma/clinician engagement

How negatively or positively has the COVID-19 pandemic affected engagement between pharmaceuticals sales representatives and clinicians?

<table>
<thead>
<tr>
<th></th>
<th>Provider executives</th>
<th>Pharmaceutical and life sciences executives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very negatively</td>
<td>7%</td>
<td>4%</td>
</tr>
<tr>
<td>Somewhat negatively</td>
<td>70%</td>
<td>68%</td>
</tr>
</tbody>
</table>

Source: PwC Health Research Institute Health executive survey, August-September 2020

How negatively or positively has the COVID-19 pandemic affected engagement between medical science liaisons and clinicians?

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</thead>
<tbody>
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<td>4%</td>
<td>2%</td>
</tr>
<tr>
<td>Somewhat negatively</td>
<td>56%</td>
<td>58%</td>
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Source: PwC Health Research Institute Health executive survey, August-September 2020
Figure 9: A regional forecast leads to healthier consumers, cost savings and less waste

An academic medical center convenes a coalition to forecast regional health that includes:
- Local insurers
- Local health system
- Physician groups
- Public health agencies
- Pharmaceutical representatives
- New tech startup
- State health information exchange

The group combines regional data so it can “forecast” the likely onset and progression of COVID-19, using data on:
- Chronic conditions
- High obesity levels
- Uninsured levels
- Pharmacy prescription refills
- Emergency room discharges
- Air quality
- Food deserts
- Insurance claims
- Mobility levels
- Virus spread
- EHR insights
- Consumer preferences

Meet Esther
Frontline worker for a home health agency. She has diabetes and is borderline obese.

Using predictive modeling to determine her preferred channel of outreach, Esther receives a phone call from a care coordinator detailing COVID-19 safety protocols and new virtual health benefits offered by her insurer.

The coalition uses simulation and forecasting technology to generate an individual digital twin matching Esther’s profile and gain insight into the behavioral and lifestyle influences that can affect her health.

Esther is flagged by the coalition’s data analysis as being at higher risk for exposure to COVID-19 and poor outcomes.

The coalition reaches out to Esther to sign her up for 90-day mail order prescriptions to avoid any interruption.

The coalition has monitored the local supply chain to maintain a regional stock of PPE. Esther is mailed a box of masks to protect her during travel on public transportation to and from work.

Local health systems share data showing precipitous drops in visits for patients managing chronic conditions. Esther’s primary care physician receives a notification to contact Esther and reassure her about COVID-19 safety measures at her physician’s office.

A team of wellness experts presents Esther a simulation that maps out the impact of her eating habits and stress level on her body. It suggests she may need a kidney transplant within five years if she does not make changes.

Based on assumptions about her risk profile, the consortium sends her a remote monitoring device. Esther’s physician notes worsening readings from the device and schedules counseling.

Esther commits to a regular schedule of virtual meetups with nutrition and fitness counselors. Her local health system and insurer coordinate with a grocer to have nutritious foods delivered. Esther loses weight, improves her eating and sleeping, decreases her stress level and avoids a costly transplant and hospitalization.

Source: PwC Health Research Institute illustration
How worried are you, if at all, about going to the doctor in-person during the COVID-19 pandemic?
(Responses collected in early September 2020)

Source: PwC Health Research Institute consumer survey, September 2020
Figure 11: Payers’ rising risk-based capital ratios during the pandemic create opportunities to invest

Average risk-based capital for the health insurance industry, weighted

Source: PwC analysis of statutory financial data from SNL Financial (part of S&P Global Market Intelligence)
Figure 12: Life sciences and provider executives say they will prioritize supply chain transparency in 2021

Which of the following will your organization prioritize in 2021 related to supply chain?

- Improving supply chain transparency: 41% (50%)
- Improving the security of the supply chain: 29% (16%)
- Finding the right suppliers: 16% (22%)
- Understanding and managing third-party risks: 9% (11%)
- None of the above: 5% (1%)

Source: PwC Health Research Institute Health executive survey, August-September 2020
Figure A: Fewer than half of provider and payer executives surveyed have identified someone to lead their interoperability efforts

What steps have you taken to prepare for new federal interoperability rules?

- 79% Prepared for new processes
- 68% Reviewed business partnerships in this new regulatory environment
- 53% Mapped out data to see what's affected
- 44% Identified a leader
- 4% None of the above

Source: PwC Health Research Institute Health executive survey, August-September 2020
Figure B: Consumers are becoming less open to sharing healthcare information as data breaches are trending upward

Are you comfortable sharing your medical and health information among healthcare organizations?

- **Percentage of consumers willing to share their medical and health information among healthcare organizations**
- **Healthcare data breaches of 500 or more records**

Source: PwC Health Research Institute consumer surveys, 2016, May 2018, September 2020
*PwC Health Research Institute projected monthly breaches for September-December 2020 based on the monthly average of January-August actuals.*