

People on board: Transforming healthcare by blending agility, responsiveness, and resilience

COVID-19 Impacts on healthcare travel & future prospects

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Global Supply & Demand Shocks

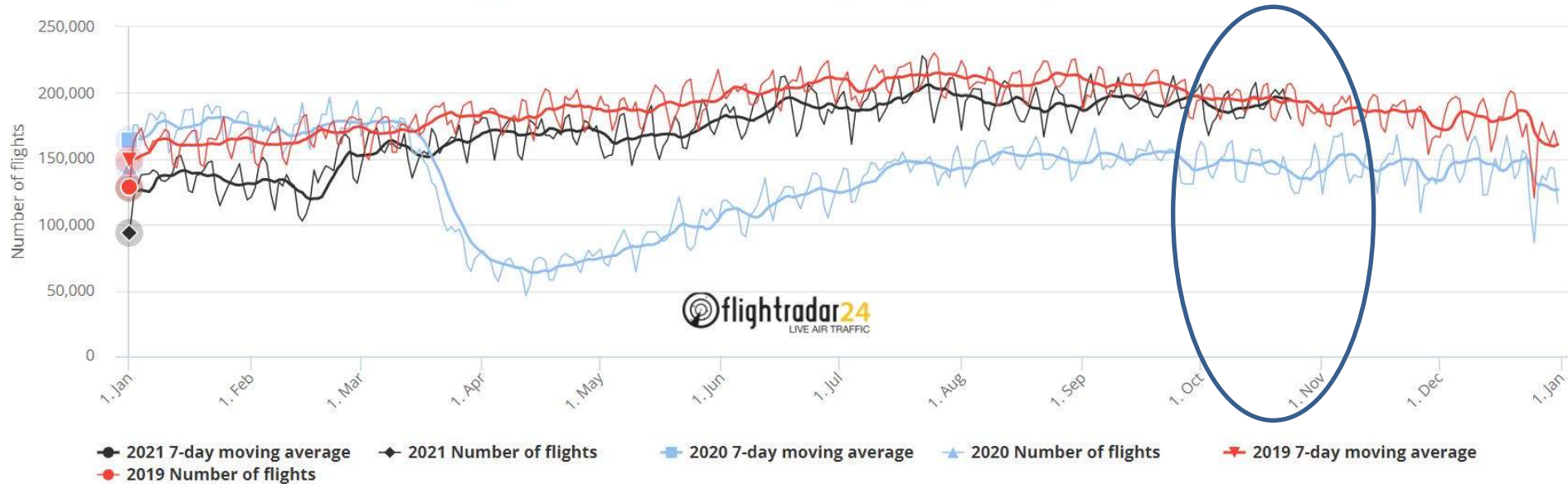
- Demand
- Supply
- The Consumer
- #4 Predictions



Flight tracking statistics

Demand-side Shock

Total number of flights tracked by Flightradar24, per day (UTC time), 2019 vs 2020 vs 2021



Demand: Pent-Up

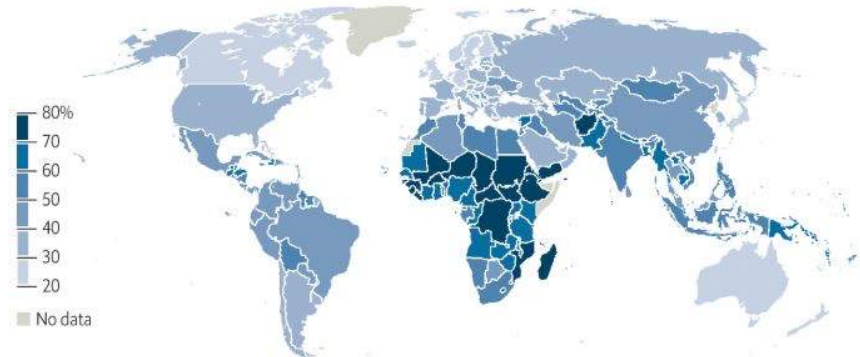


Tens of millions of surgeries are being postponed as a result of the pandemic

It will take hospitals months to work through the backlog

Collateral damage

Share of cancer surgeries cancelled during the peak 12 weeks of disruption from covid-19, %



Source: "Elective surgery during the SARS-CoV-2 pandemic", A. Bhangu et al., British Journal of Surgery, 2020

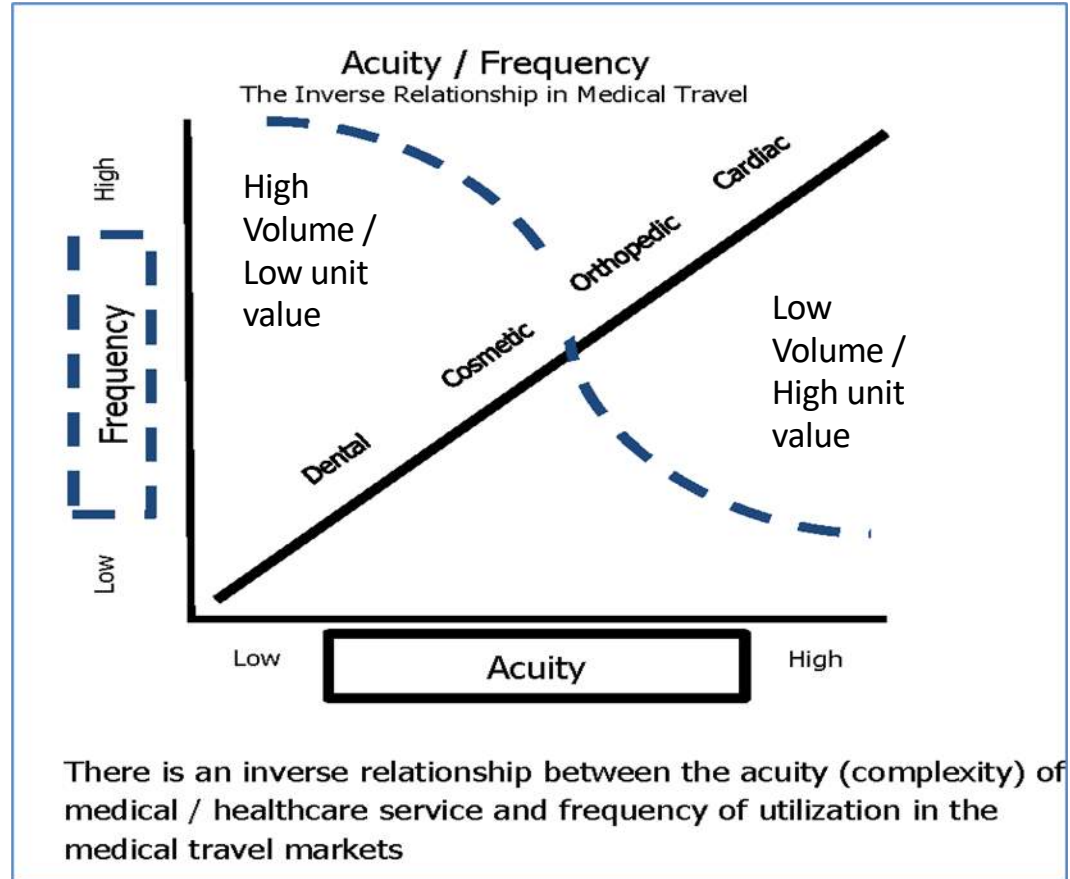
Healthcare: Supply-side Shocks

- Supply was diverted
- Few elective procedures
- Protecting capacity
- Some % of demand will not come back, so
 - New supply needed to meet changing demand



Health / Medical Tourism Markets

Historical
Structural
Limitations

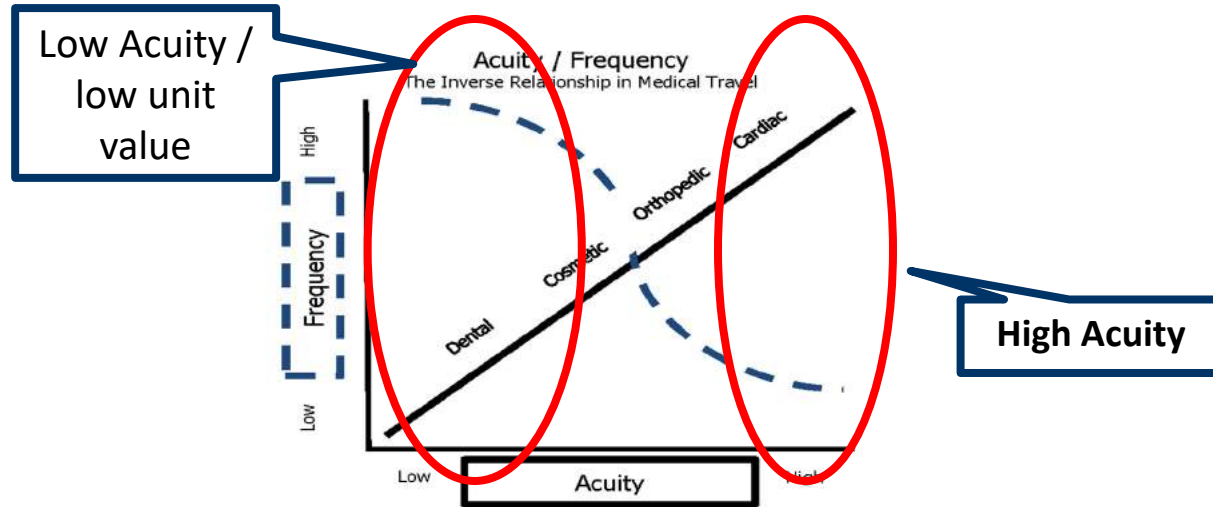


Legacy “opportunistic” health tourism Mode 2

GATS

Mode	Type	Trade in healthcare	Examples
Mode 1	Cross border supply of services	Trade across borders through electronic media; shipment of materials; analysis of information	Telemedicine; Transfer of images for evaluation and analysis such as radiology, histology, cardiology, etc.
Mode 2	Consumption abroad	Care for foreign patients in a destination across a border; foreign students attending classes	Consumers traveling across borders for the express purpose of receiving treatment; students from one location traveling to another location for training
Mode 3	Commercial/operational presence	Establishment of foreign operations, subsidiaries or investment for the management or provision of health services	Providers from one country initiating services through an operating entity in another country
Mode 4	Presence of natural persons	Temporary movement or location of health professionals providing services abroad; short-term consulting assignments	Locum tenens across borders; consulting

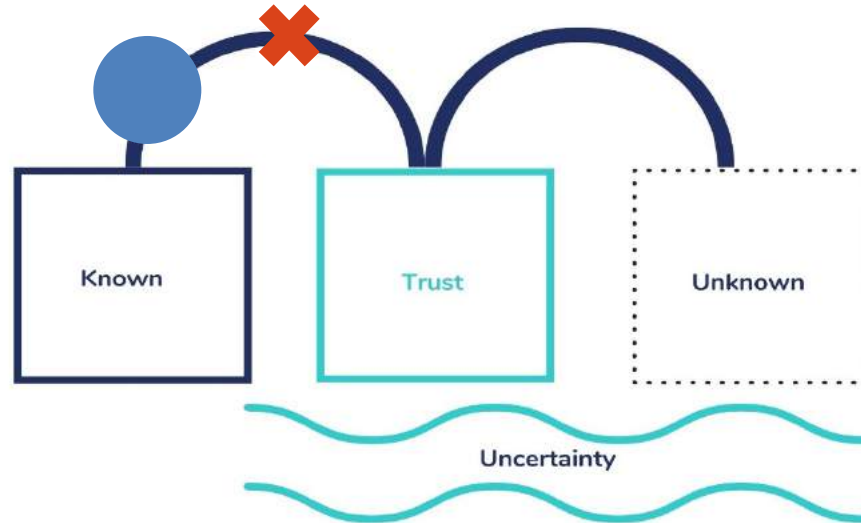
Health / Medical Tourism – The Recovery Traditional (Mode 2) segments returning



There is an inverse relationship between the acuity (complexity) of medical / healthcare service and frequency of utilization in the medical travel markets



The Health Tourist's Journey COVID-19 Has Changed Health Tourists



The Future of Health Travel

Prediction #1 - Mode 2 GATS Eclipsed

Prediction #2 – Access is Multi-Mode

Prediction #3 – Technology, Not Airplanes

Prediction #4 – Labor Demand: the Caring Economy



Prediction #1: ↓ Mode 2, ↑↑ Modes 1, 3 & 4

GATS

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Prediction #2 – Access is Multi-Modal



Prediction #3 – Technology, Not Airplanes

Why would we move one patient in one plane when we could...

- Move the symptoms *and*
- The diagnosis *and*
- The knowledge & skills *and*
- Remote rehab / monitoring



Prediction #4 - Labor Demand & the Caring Economy

History → from industrial economies to service-based economies

The Next Shift?

Caring economies

The aging societies – OECD – where will the labor come from?

The elderly consumers won't / will not move, so we'll go to them

- Rare-earth elements will be easier to find than a trained aide
- Mode 4 (natural persons traveling to provide – not consume)



Final thoughts about costs / price

Rebound demand will be / is almost price insensitive

High volume, low unit value market segments:

- These are / will remain the most price sensitive

High acuity / low volume segments

- These will remain price insensitive

Technology will (eventually) drive down costs AND prices



References

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