

ASIA HEALTH ECOSYSTEM SERIES VOLUME II: PART 1

AMPLIFIED PRIMARY CARE

Future primary care models



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ABOUT THE HEALTH ECOSYSTEM SERIES VOLUME II

Healthcare's traditional "truths" are changing. The "double whammy," where a health system must actively manage both non-communicable diseases (NCDs) and infectious diseases, is no longer only applicable to emerging countries. As countries continue battling the rise of chronic disease, the world has now come to a painful realization: infectious disease epidemics are no longer "[black swan](#)" events.

In the last two decades, Asia — in the heart of the "dengue belt" — has seen outbreaks of infectious diseases such as SARS, H5N1 (avian flu), H1N1 (swine flu), MERS, and ZIKA simultaneously take the lives of many and disrupt ways of life. With no certain end to COVID-19, the world now recognizes that disease crises, when not actively managed or contained, can quickly spiral to bring entire health systems and economies to their knees. At the same time, Asia has a staggering medical trend rate (the increase in per capita medical claims costs due to medical inflation, utilization pattern changes, and other factors such as government regulation) of [10.4%](#), outpacing the general inflation rate in Asia of 2.5%. The spike in both demand and unit costs means the need to improve value is not only necessary, but urgent.

This three-part series was jointly developed by Oliver Wyman and [Sheares Healthcare](#), and serves as a guide for health ecosystem stakeholders, investors, and consumers offering a glimpse into the future of healthcare in Asia, as we envision it. In [part 1](#), we explore the amplification of primary care and its new role. In [part 2](#), we highlight the need for coordination and the next generation of enablement — functional capabilities and activities that support payers and/or providers in actively managing health. In [part 3](#), we suggest the ingredients for value-based care in this region, and where Asia sits in its journey towards value.

AMPLIFIED PRIMARY CARE: FUTURE PRIMARY CARE MODELS

In Asian markets, the healthcare system is often characterized by a dual model of public and private hospital-based care (mostly public, in volume) and some primary care (usually private). Hospitals offer great service breadth and depth, from low-acuity care (for example, screenings and cuts) to specialized, more advanced higher-acuity care (for example, robotic surgery). Primary care, where it exists, is a more retail-based “first line of defense.” In some markets, primary care also serves as health plan (insurance-based) gatekeepers to specialists and hospitals. Primary care’s current effectiveness in Asia is perhaps mixed at best. Many Asian consumers are accustomed to going straight to the hospital. Therefore, the two systems typically operate in silos with only referral paperwork and verbal recaps of prognosis or scans provided by patients as the most common touchpoints between primary care and hospitals. This status quo is increasing the burden on already stretched hospitals and is driving up overall costs.

How might system change come about? Through specialization and prevention.

Specialization: Providers who specialize in specific activities or focus areas deliver lower costs with similar outcomes. We have seen that in the operating theatre, but also in primary care with new models like Iora Health, a United States-based provider offering an extensivist care model for chronic disease management [paired with a shift to “non-visit based” care](#) especially during the current pandemic. In Asia today, primary care either a) plays a limited or non-essential role, with patients going directly to hospitals/Accident & Emergency (A&E) departments or b) is predominantly delivered in brick and mortar general practitioner clinics that offer a transactional, “one-size-fits-all” model. Neither scenario effectively serves all of the needs of an evolving Asian population with specific health needs and experiences.

Prevention: Singapore’s health system has established primary, secondary and tertiary care. Nevertheless, hospitalizations have surged — between 2015 and 2017, [hospital admissions grew](#) circa 14%, 10 times the population growth rate due to rising demand, particularly from its ageing population. A recent Oliver Wyman study conducted in Singapore estimated that nearly 10-15% of spend for a health system was incurred due to preventable admissions. In mature Asian economies, the age-sex standardized preventable admission rate is three times the Organization for Economic Co-operation and Development (OECD) average.

WHAT DOES THE AMPLIFIED ROLE OF PRIMARY CARE ENTAIL?

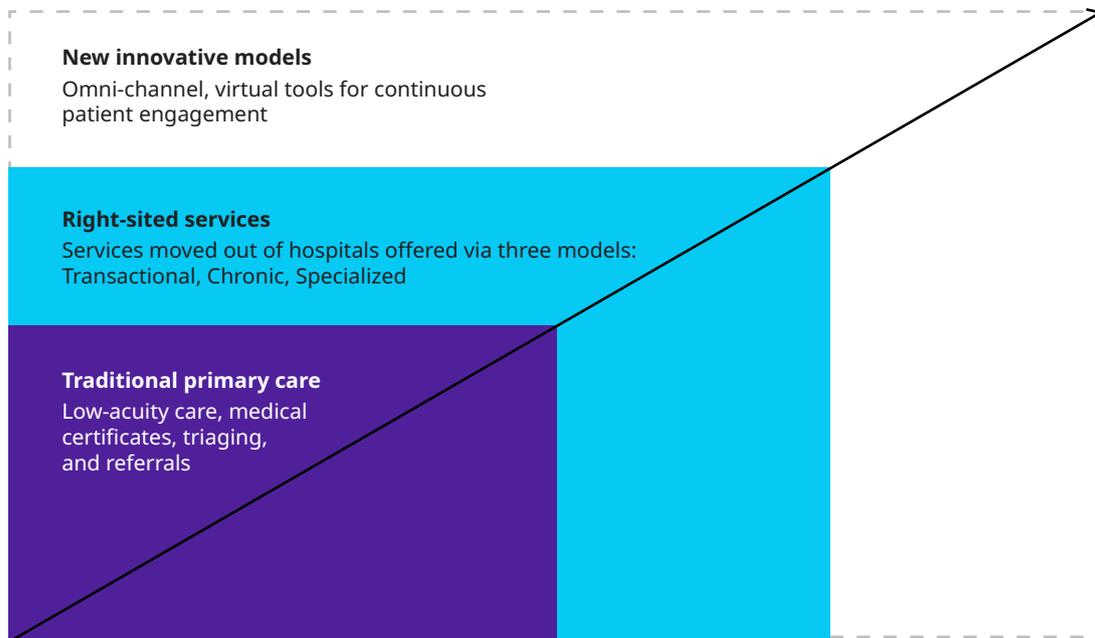
1. Traditional primary care. Basic services — treating coughs and colds, providing medical certificates for employee leave, and referring patients to specialists or hospitals — will continue to be the core of a typical general practitioner practice. The rise of differentiated capabilities to enable “right-siting” of care and new innovative digital/omnichannel models, such as new patient concierge and navigation tools, will also allow for a more efficient primary care model.

2. Right-sited care is comprised of care encounters often seen in hospital settings but that can be otherwise completed in an outpatient or primary care setting. This includes non-urgent, more high-volume routine services with low risk of complications, requiring minimal post-operative care, and can account for meaningful volume of foot traffic in hospitals. Thus, there are three new focus areas for amplified primary care:

- **Non-priority A&E:** Minor or non-emergencies with no mobility impairment, such as cuts, bites, or old injuries that can readily be offloaded from hospital A&E settings to local primary care settings. The opportunity here is significant — across several reports, more than 50% of A&E visits in Singapore took place during business hours were [classified](#) as Priority 3 (minor emergencies with no mobility impairment such as bites) and Priority 4 (non-emergencies such as old injuries and long-term conditions). In the daytime, general practitioner clinics would be equally available and less expensive than a hospital setting.
- **Chronic care:** Over 70% of all mortality in Asia from 2014-2018 was attributed to non-communicable diseases. In China, Japan, and South Korea [this figure](#) was a staggering 80-87%, and Singapore has declared a [war on diabetes](#) as a major public health effort. Comorbidities are also a factor, as in a [Singapore-based study](#) conducted by the Ministry of Health and Duke-NUS medical school, 37% of circa 5,000 elderly respondents reported having three or more chronic conditions. Nudges and interventions (such as nutrition counselling or medication management support) should be added to treatment plans alongside follow-up care and dosage calibration. This higher frequency, lower-intensity care can actually be provided in a more convenient, community-based primary care setting, rather than hospitals, with the option to triage patients to higher-acuity care sites in the event of worsening conditions. To expand their capacity, primary care providers should expand care teams beyond just physicians and nurses. New roles like nurse managers and coaches, can play a role to help support patient adherence to lifestyle and habits critical to better outcomes for chronic conditions.
- **Specialized screenings:** Screenings and scopes are high-volume, and predictable components of prevention and early detection. Procedures which are frequently taking place in hospital settings, such as a colonoscopy, bronchoscopy, or endoscopy could also be suited for more convenient and more affordable alternative care sites, such as primary care clinics.

3. Virtual and omni-channel care — Non-hospital based and digital models around the world saw [notable spikes in adoption](#) during the initial months of the COVID-19 pandemic. These digital models offer more than virtual consults, by also facilitating awareness/education, triaging, coordination, and payment.

Exhibit: Evolving models of primary care



Source: Oliver Wyman

Right-siting will help health systems balance patient loads by referring low acuity or routine cases to virtual (such as telemedicine) and omnichannel (such as home care) settings. Many predictive-analytics powered apps such as Ada or Babylon Health collect information on users’ symptoms to provide personalized recommendations on next steps and where to get care. Applications such as these could complement the existing primary care ecosystem by providing efficient triaging and guidance to patients on the nearest general practitioners. They may also [leverage other partnerships](#) to boost their adoption rates. These digital models are designed to help promote continuous patient engagement and in turn drive better health outcomes. They also serve as [new front doors for the digital acquisition](#) of patients.

We are also seeing some payers and providers in Asia offering free-of-charge telemedicine services during the COVID-19 pandemic, to offset the temporary closure of brick and mortar facilities and to spur adoption of typically lower cost virtual care sites. These big utilization spikes in [China](#) and [Singapore](#), together with increasing integration of virtual with offline models once they resumed, increasingly suggest a new norm.

WHAT SHOULD PRIMARY CARE OPERATORS DO NOW?

With the rise of these models, primary care players must differentiate themselves from a one-size-fits-all, standard services model to recognizing different segments and deciding how and when to embrace these new care constructs. For example, general practitioners who want to refocus and support non-priority A&E could extend operating hours and allocate space or deploy nurses to provide wound care. Similarly, physicians focused on chronic care should go beyond “routine” follow-ups, eventually building coordinated care teams, where nurses take on case management and coordination roles. In a successful care team, the [patient must also be engaged](#) along every step of the journey. For continuous patient monitoring between encounters, they could also leverage wearables and lifestyle management apps. Specialized GPs would offer routine screenings of key conditions (for example, cancer screenings). These should also leverage apps to promote awareness for vague symptoms that, in combination, could require intervention (for example, for a male over age 60, itchy skin, weight loss, and swelling of legs could be a strong indicator of liver cancer).

“AMPLIFIED” PRIMARY CARE IS AN OPPORTUNITY FOR HEALTH SYSTEMS AND PAYERS

Amplified primary care is the diversification from traditional GP care only to new, focused offerings.

For providers, an amplified primary care model frees up capacity and resources spent on low-acuity care provision and enables them to deliver better outcomes for patients. It will enable hospitals to deepen specialization and push the envelope for the treatment of more complex conditions and become true centers of excellence locally.

Amplified primary care will also improve costs and outcomes for payers. Primary care settings, both physical and virtual — tend to be more efficient and lower cost than hospitals. Many payers also see an opportunity to extend their role to coordinate care, rather than just claims, which we will explore further in [part 2](#).

Oliver Wyman takeaway

Amplified primary care is one of the key tenets in the future of healthcare. The traditional role of primary care will still exist, but it will be augmented by new models involving a) right-sited care through greater specialization and b) innovative delivery models such as virtual care. Ultimately, this will enable lower costs and better outcomes for patients and the system.

Oliver Wyman is a global leader in management consulting that combines deep industry knowledge with specialized expertise in strategy, operations, risk management, and organization transformation.

Sheares Healthcare Group owns and provides healthcare delivery services in Asia and around the world. Sheares is wholly-owned by Temasek, a global investment company headquartered in Singapore.

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