

A stylized graphic of a globe with latitude and longitude lines, rendered in grey and white. It is partially obscured by a large green rectangular box that contains the main title text.

# 5 MEGA TRENDS

THAT WILL AFFECT  
LATIN AMERICAN HEALTHCARE  
FOR YEARS TO COME

# Presence of Global Health Intelligence



Founded on **20+ years experience** in Market Intelligence

- Latin America offices in Miami, Mexico City and Sao Paulo.



Dedicated to **Healthcare** in Emerging Markets

- Monitoring of over 20 medical devices every quarter.



The **largest hospital demographics database** in Latin America

- Profiles on >18,000 hospitals in Latin America.



# Global Health Intelligence solutions

①

HospiScope



The world's largest and only hospital demographics database focused on Latin America, with verified and actionable data.

②

SurgiScope *New!*



The world's largest and only diagnostic, therapeutic and surgical procedures database focused on LatAm, by hospital.

③

ShareScope



A unique methodology based on the analysis of import data to deliver reliable insights in a timely manner across LatAm.

④

In-Scope



Refined with 20+ years Market Intelligence experience.

- Market sizing and segmentation
- Partner search & market due diligence
- Competitive profiling
- Pricing and cost analysis
- Best practices
- Positioning and opportunity identification



**5 MEGA  
TRENDS**  
IN LATIN AMERICAN HEALTHCARE

INTRODUCTION AND  
GUESTS

# 5 years of gathering healthcare data... and counting

## Whitepaper to Megatrends

Built on 20+ years experience  
in Market Intelligence



2014

- Launch of **Global Health Intelligence**, formerly AMI's Healthcare practice.
- **3 countries in HospiScope**: Brazil, Mexico, Colombia

2015

- **7 countries in HospiScope** : Addition of Argentina, Chile, Peru, Puerto Rico.
- Launch of **ShareScope** – market size & share analysis.

2016

- **11 countries in HospiScope**: Addition of Dominican Republic, Guatemala, Costa Rica, Panama.
- **2<sup>nd</sup> Whitepaper.**

2017

- **14 countries in HospiScope**: Addition of Bolivia, Uruguay, Paraguay.
- **3<sup>rd</sup> Whitepaper.**

2018

- Launch of **SurgiScope** – procedure data analysis.
- **Megatrends Whitepaper.**

# On the agenda



1. Shifts in LatAm Populations Impact Health care
  - Obesity and NCDs Expand
  - Growing Population of Seniors
2. Insurance and Patient Monitoring
  - Why private insurance is spiking in Latin America
  - Smart and secure: 2 key tech needs in Latin American healthcare
3. Connectivity Closes the Gaps
  - Changing roles for the 5 P's in LatAm
  - Remote care rises
4. LatAm Hospitals Beef Up to Keep Up
  - Tech Adoption – EMR, PACS, RIS
  - Expansion of the Installed Base
  - Data Transparency to Drive Scale
5. Controlling Costs Is More Crucial — and More Challenging
  - Generating cost efficiencies
  - Cost savings through Supply Chain management
6. Questions & Answers

# Today's speakers



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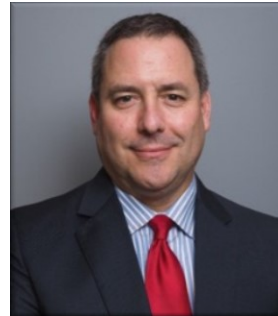
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# 5 MEGA TRENDS

IN LATIN AMERICAN HEALTHCARE

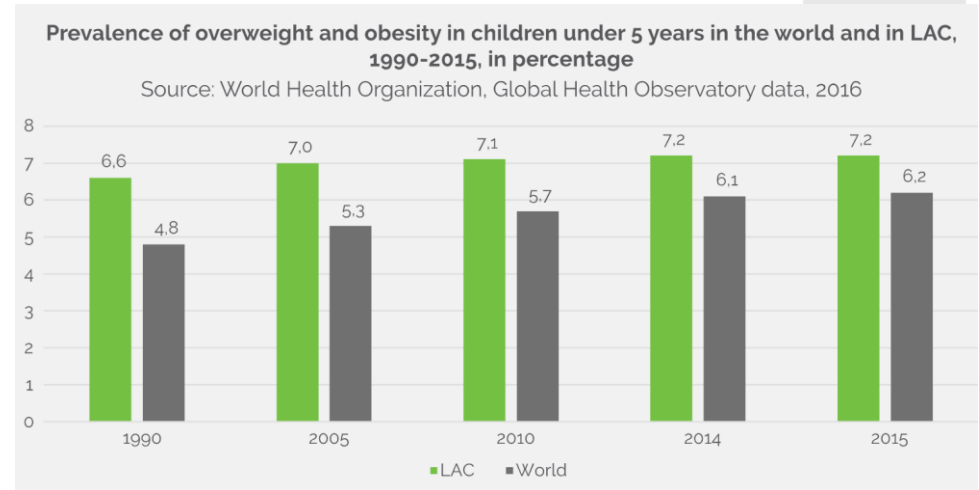
## 1. SHIFTS IN LATAM POPULATIONS



# Obesity and NCDs Expand



- Obesity will affect >50% of men and >60% of women in LatAm by 2030.
  - 19%-37% of children across the region are obese
- Obesity, heart disease and high blood pressure often go hand in hand with diabetes and kidney disease.
  - 10% of the LatAm population suffers from diabetes.
- Cancer: ~1.1 M new cases diagnosed each year.



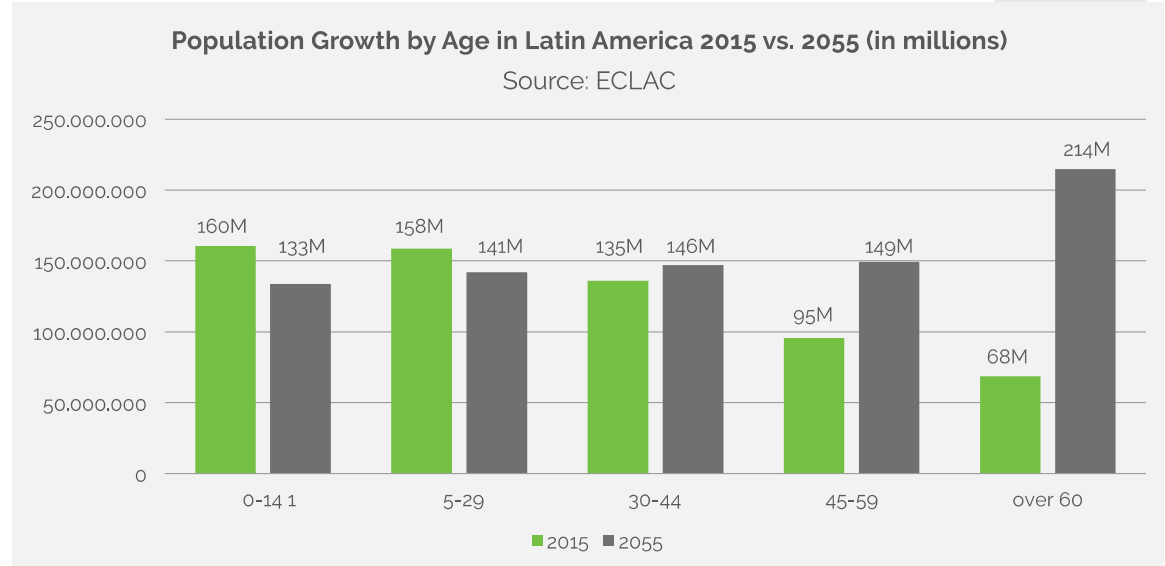
## TAKEAWAY

**An increase in the installed base of capital equipment used to treat these conditions, notably Dialysis machines, Respirators, X-Ray machines, MRI machines, Nebulizers and Blood sugar monitors.**

# Growing Population of Seniors



- No part of the world is aging as rapidly as Latin America.
  - Further impacted by a reduction of the family size.



## TAKEAWAY

**Shifting demand in the types of devices and equipment that hospitals and care facilities require to treat patients: Dialysis equipment, Electrocardiographs and Cardiovascular-related devices and equipment, amongst others.**

**Rise in both telemedicine and home care – some countries are ahead of others.**



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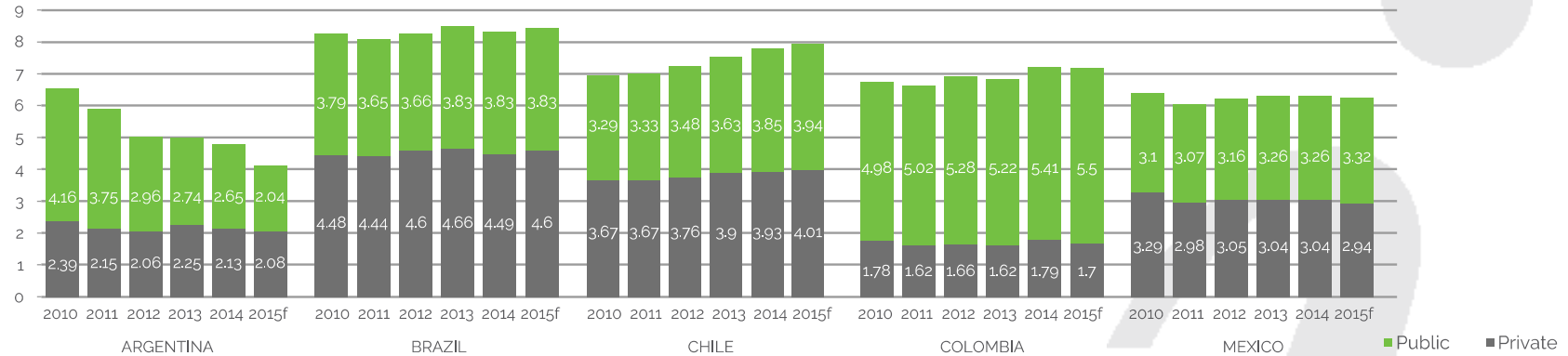
2. INSURANCE AND  
PATIENT MONITORING

# Why Private Insurance is Spiking



## Healthcare expenditure, % of GDP

Source: 2017 Latin American Insurance Outlook



- Private hospitals are more numerous, but are often smaller than their public counterparts.
- High-specialty public institutes offer some of the best care in the region, but are riddled with red tape.
- For a health care system to be effective, it must offer a quality service in a timely manner.

### TAKEAWAY

**Insurance industry growth of ~20% per year.**

**The middle class is the next frontier.** Private insurance is developing products for this customer base. Small highly specialized clinics are developing unique care delivery models.

**Medical device and equipment manufacturers have to adapt their offering.**

# Smart and Secure: 2 Key Tech Trends



Device type	Patient monitoring Imaging	Basic: Watches, Bands, etc. Sophisticated: Glucose & Insulin monitors, Sleep monitors, etc.
Value	\$5 B in 2017 \$8 B in 2021	17% growth per year \$1.3 B by 2022
Requirements	Strong infrastructure	Tech adoption – starts with phones
Implications	Healthcare IT Connectivity, EMR, PACS, RIS	Population health Direct communication / dialogue / real data
Concerns	Security of patient data	Security of personal data



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3. CONNECTIVITY CLOSES THE  
GAPS

# Changing Roles for the 5Ps



Patients	Want to be more involved in the process of care. Research physicians, facilities, payers, devices and equipment. Engage in the healthcare dialogue.
Physicians	At the crux of patient / payer interface. May work in multiple institutions.
Professional healthcare administrators	Face the current HC needs and plan for future. Private sector: Seek cost reductions. Public sector: Seek efficiency gains.
Payers	Deliver effective care in a timely manner. Importance of Quality of care.
Policy makers	Must consider the HC needs of the future. Importance of Quality of care.

## PATIENT CONVERSATIONS ABOUT HOSPITALS IN 2017

- **Brazil: 38,419**  
Primarily: Albert Einstein, HCor, Sirio-Libanês, H. de Clinicas
- **Mexico: 27,384**  
Primarily: Medica Sur, ABC, Star Medica, H. Espanol
- **Colombia: 15,284**  
Primarily: Fundacion Cardio-Infantil, Clinica Las Americas

# Remote Care Rises



Device type	Telemedicine	Home care
Value	\$1.1 B in 2017 \$2.5 B in 2021	17% growth per year \$1.3 B by 2022
Growth	High	Medium-High (varies by country)
Needs	Heightened connectivity between institutions, both locally and international	Reliable infrastructure Devices in place (physical and policies) Training staff + patients
Considerations	Rules of collaboration are defined on a case-by-case basis	Reduces cost of care Patient comfort Equipment damage and theft





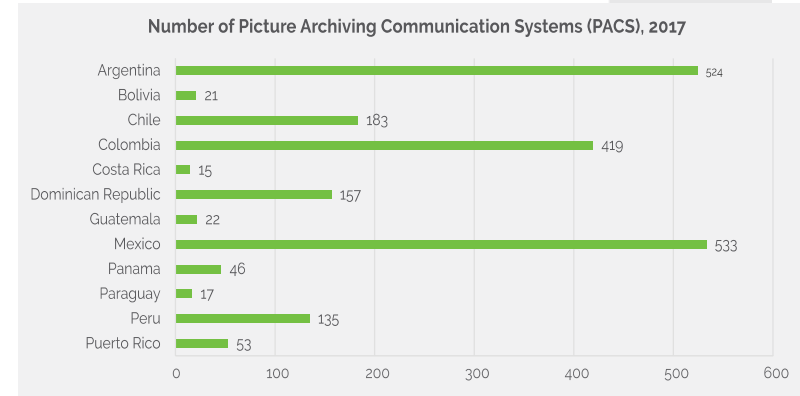
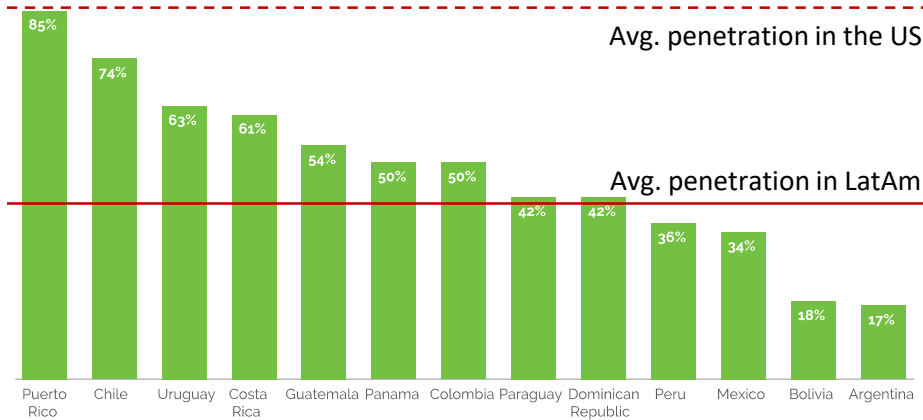
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4. LATAM HOSPITALS BEEF UP  
TO KEEP UP

# Tech Adoption – EMR, PACS, RIS



EMR Penetration in Latin America, 2017

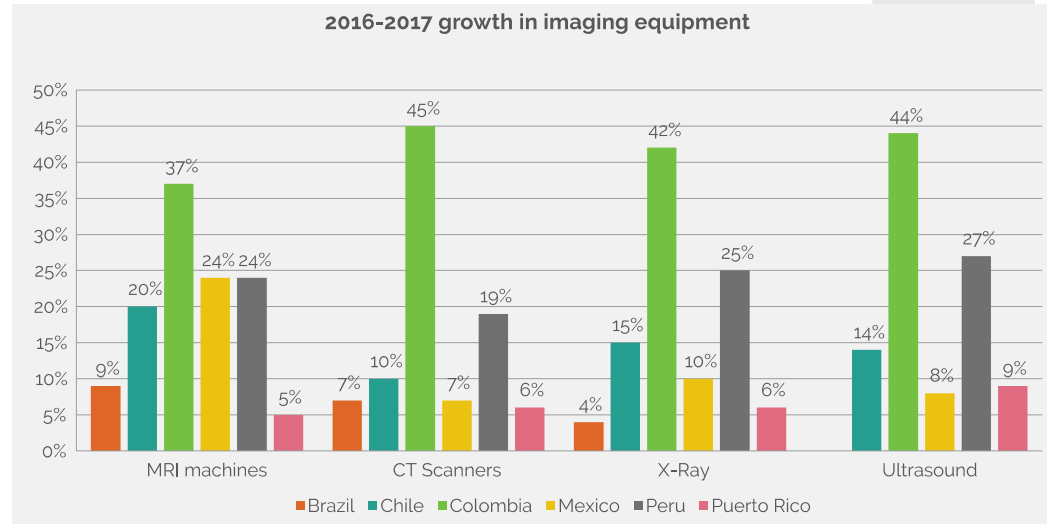


- Latin America lags in terms of technology adoption, but is demonstrating solid growth.
  - EMR adoption went from 36% to 40% from 2016 to 2017.
  - PACS and RIS still have low penetration rates – 15% and 4% respectively.
- Technology adoption varies greatly amongst countries.

# Expansion of the Installed Base



- Imaging and diagnostic equipment is showing growth across major markets.
- Other areas: Hemodialysis, Cardiac, Diabetes related equipment.
- Heightened interest in Central American markets.
- Some modalities are growing faster than others.
  - Understanding the numbers both from a sales perspective as well as from an installed base point of view is important in order to help craft your growth strategy.



# Data Transparency to Drive Scale



## KEY INDUSTRY DRIVERS



Obesity epidemic



Demographic changes

*System  
efficiencies*



Tight budgets /  
Cost considerations

- The only way to conceivably broaden access, improve quality and control costs is to look for efficiencies in the system.
- Area of opportunity: Information sharing to drive scale and achieve savings.



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5. CONTROLLING COSTS IS  
CRUCIAL AND CHALLENGING

# Generating Cost Efficiencies



## EFFICIENCY RANKING



Latin America

### AREAS OF IMPROVEMENT

- Operational effectiveness – reducing the speed of care
- Optimizing planning and scheduling
- Optimizing use of staff and equipment
- Creating measures and KPIs (ex: infection rates)
- Creating culture of Discussing and Acting upon the measures and KPIs

## RELIANCE ON IMPORTED EQUIPMENT & DEVICES



ASIA



LATAM

### SUSTAINED GROWTH OF ASIAN (PRIMARILY CHINESE) PRODUCTS

- Price driven market, particularly for Providers who attribute less importance on after-sales service.
- Primary target clients: Independent practices, Clinics, Smaller hospitals.

# Cost savings through Supply Chain management



Generating 20%-30% Cost Savings



**Vendor Management Inventory**



**Group Purchase Organizations**



**3<sup>rd</sup> Party Logistics**



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QUESTIONS & ANSWERS





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