

# The Acceleration of digital health in APAC

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**BAIN & COMPANY** 

# Asia-Pacific healthcare ecosystem is at a tipping point

## Huge demand wave

APAC

**2.3B**

population in APAC

**~60%**

of global 65+ population growth

**>250M**

adults with diabetes by 2025\*

## Constrained supply

SEA

**0.8**



Physicians per '000 population

**1.6**



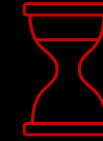
Hospital beds per '000 population

**9-14%**



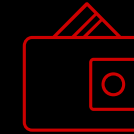
Healthcare inflation rate

## >> Pain points



### Access challenges

with long waiting times at hospitals and primary care facilities



### Skyrocketing costs

out-of-pocket bills, drugs, insurance



### Low quality of care

leading to poor patient outcomes

# Several trends and opportunities are shaping Asian healthcare over the next decade

## GUIDING PRINCIPLES



**Increase accessibility**



**Improve affordability**



**Deliver quality outcomes**

## KEY TRENDS



**Changing demographics**



**Rising costs**



**Shifting consumer expectations**



**Technological and medical transformation**



**Physician capacity**



**Regulators stepping up**

## FUTURE BACK OPPORTUNITIES



**Empower consumers with a single touchpoint for care**

Consumers want greater ownership and a single touchpoint (physical or virtual) to manage their healthcare



**Transition care outside of hospital walls**

Shifting nonemergency services to outpatient or alternative models to relieve overextended hospitals



**Increase consumer access to digital tools and platforms**

Strong interest in telemedicine, self-diagnosis apps, long-term illness mgmt. tools and electronic records



**Support physicians with AI, automation, and machine learning**

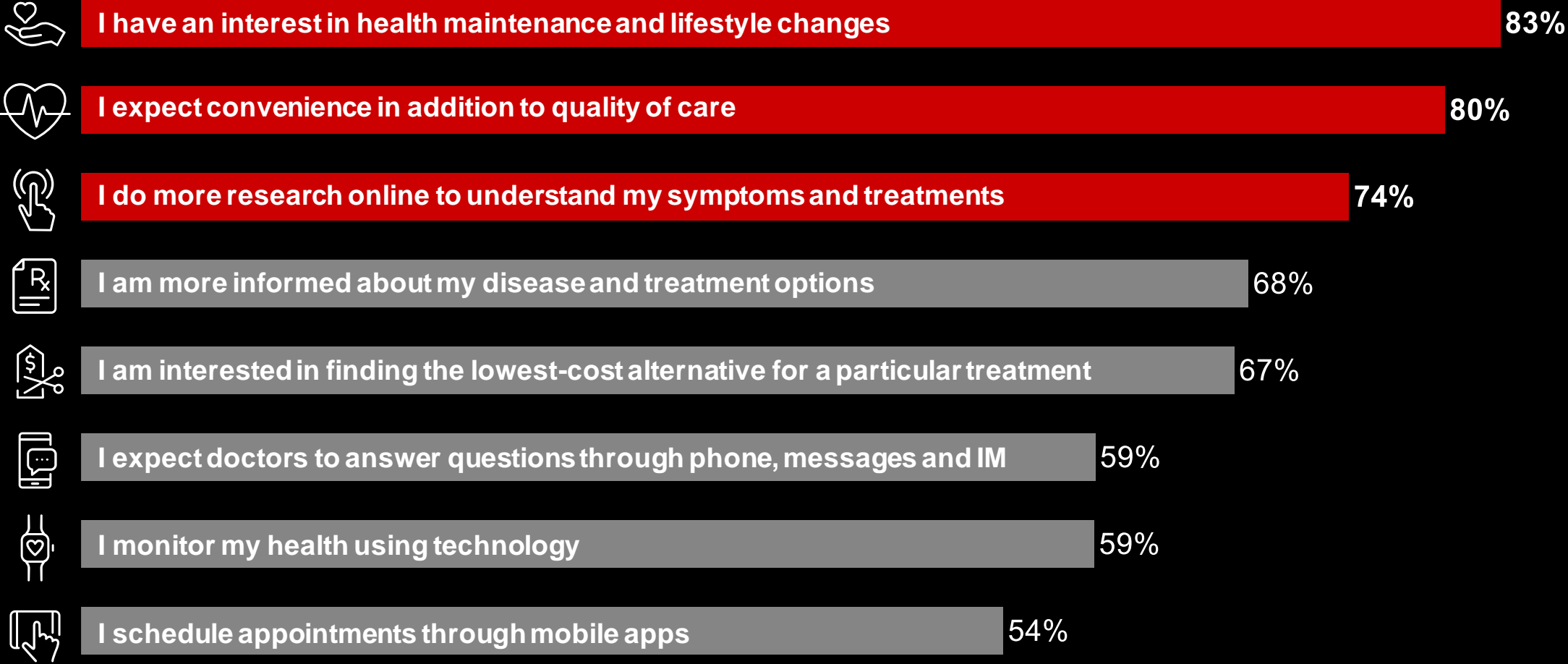
Resources and tools to enable better clinical decision-making for physicians

**Crisis accelerating long term trends, healthcare ecosystem needs to adapt**

# A new type of patient was already emerging in APAC, pre-COVID

/4 Q 2019

Q: Compared with 3-5 years ago, to what extent are the following statements about you true today?



Note: % of patients who responded "Somewhat agree" and "Strongly agree"  
Source: Bain Frontline of Healthcare APAC Survey 2019 (Patient N = 1,823)

■ Top 3 trends

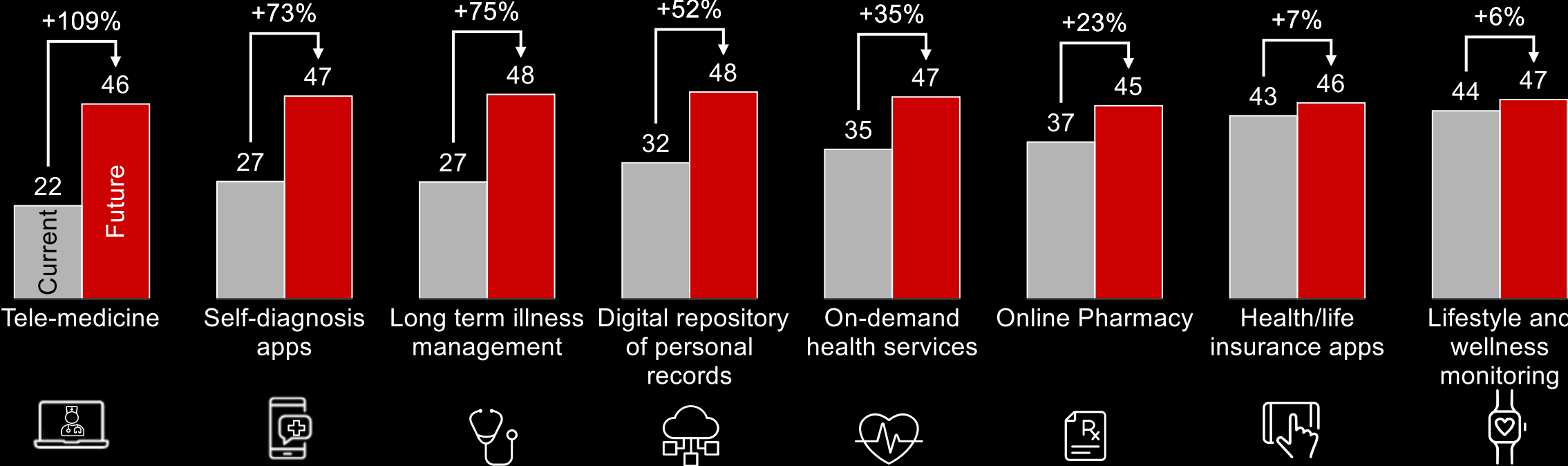
# Digital health tools were (already) experiencing rapid adoption

/4 Q 2019

Q: From the list of tools and systems below, which (1) have you used in the past 12 months, (2) would you use in the next 5 years if made available, or (3) have you not used and do not expect to use in the future?

Current and future adoption of service - % of respondents

**95%** of consumers would use digital health services if the costs were covered by an employer or insurance provider



Source: Bain Frontline of Healthcare APAC Survey 2019 (Patient N = 1,823)

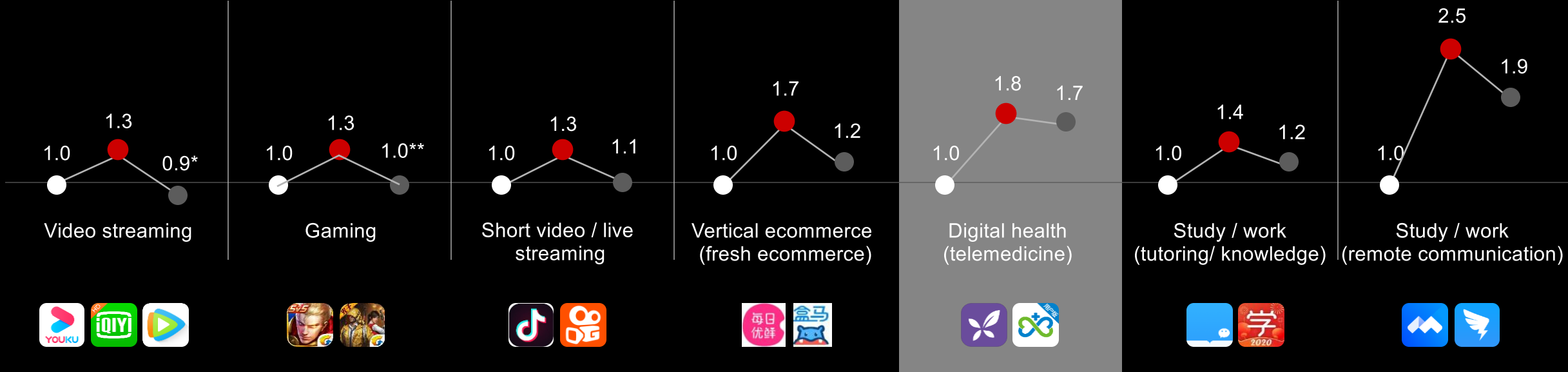
# Digital health 'took off' during the COVID crisis and has demonstrated persistency once lockdowns ended

## Increasing leisure time

## Reshaping new use cases

Avg. time spend per user on different mobile APP categories across various stages of COVID-19 (indexed to Emerging situation)

● Emerging situation/normal ● Rapid escalation ● Controlled and recovery  
/ PER USER BASIS

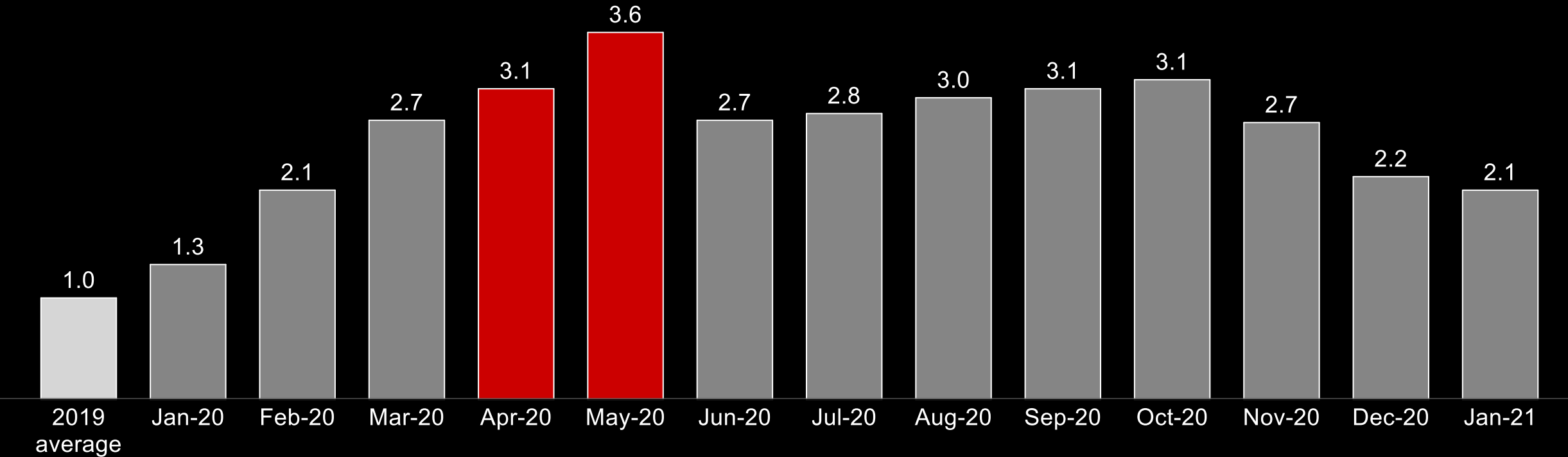


Note: \*Consumer spend time on video streaming highly depends on availability of new content; \*\*survey audience includes people > 18 years old, miss younger consumer who may stay longer for Gaming Apps; Avg. time spend include APP users only  
Source: Consumer survey (N=981); Bain analysis

# Telemedicine is here to stay: Patients embrace virtual consultations in the 'new normal'

## MyDoc monthly active users (indexed, 2019-Jan, 2021)

■ Rapid escalation during peak of pandemic

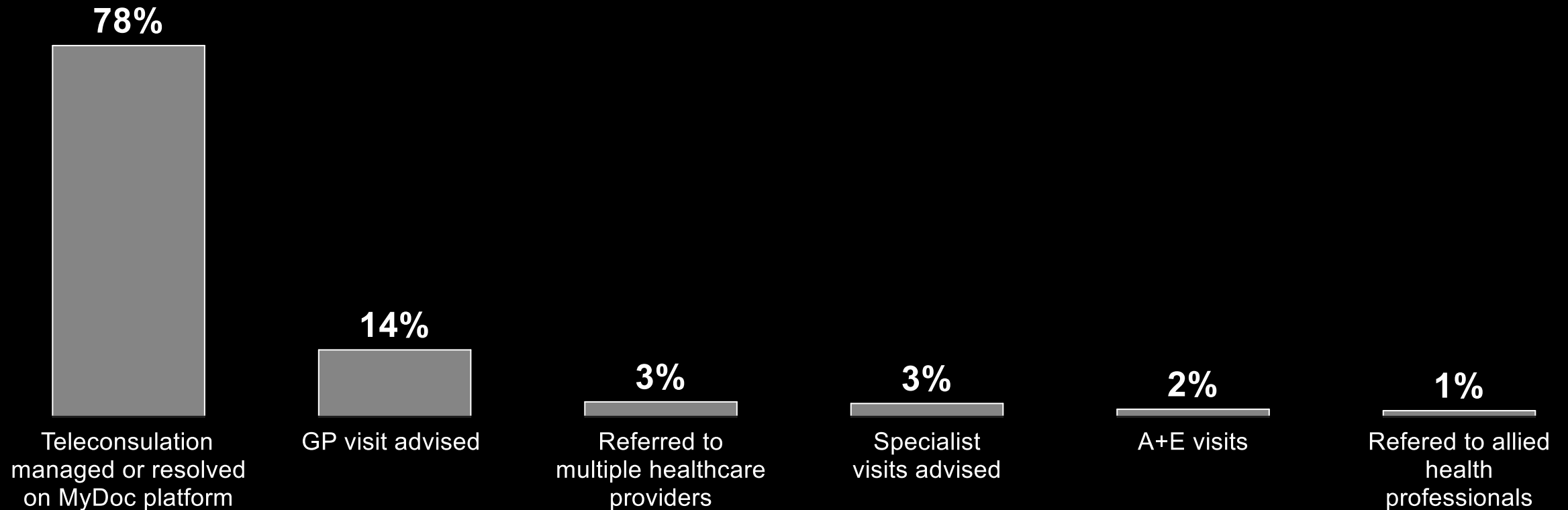


**Monthly active user:** A monthly active user is a **registered unique user** who requested for at least one **video consultation with MyDoc panel doctors** (regardless of the outcome status e.g. patient cancellation, re-schedule etc.) over a 30-day window.

Note: Data shown in the chart is derived from a sample population within the MyDoc platform that includes user groups that have been established for 1 year or more.  
Source: MyDoc Data, as of Feb, 2021

# Telemedicine is improving outcome, efficiency, and is taking the role of primary care in steering patients through the healthcare system

## Outcome of teleconsultations on MyDoc platform (Jan, 2019-Jan, 2021)



Category definitions: teleconsultations managed and resolved on MyDoc platform includes cases with prescriptions, medical certificates or both; cases resulted in referral could include those with prescription, medical certificates or both; cases that are referred to multiple healthcare providers include those where a visit is advised and/or patients are referred to more than one healthcare provider, i.e. both a GP and allied health professional

Source: MyDoc Data, as of Feb, 2021



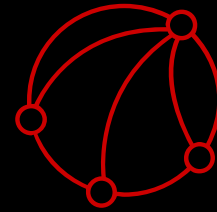
# Summary perspectives – APAC digital health outlook

Digital health is an **enabler** to support core healthcare objectives

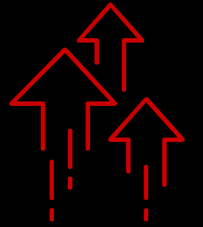
- (1) **Patient** experience and outcomes,
- (2) **Provider** efficiency and outcomes, and
- (3) **Payer** populations health and claims management



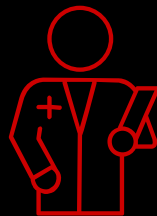
Digital health has an **important role to play within the APAC healthcare landscape**, though historically ‘held back’ by regulatory obstacles and resistance to change



**COVID-19 has accelerated the adoption** of digital health and we expect behavioral change to persist, **setting a ‘new normal’ trajectory** for the sector



The “sustainable” application of digital health will take the form of a **seamless OFFLINE-TO-ONLINE ecosystem** (owned or networked). Traditional payers/providers are now racing to ‘digitize’.



Digital health may be the solution of **bending the cost curve in APAC**. This poses an opportunity for **payers and providers** to use digital health as a central component of their offering, helping enhance patient experience and optimize their resources

