



# PLANNING FOR 2021: A Guide for Healthcare CIOs

## Executive Summary:

This whitepaper dives into what healthcare CIOs can expect from the current year. In it, you'll learn:

- What challenges to anticipate in 2021
- Vital healthcare technologies for the future
- Keys to addressing the healthcare IT challenges of the future
- How to prepare for new technology adoption and telemedicine

## Introduction

The pandemic spurred major shifts across industries in 2020, most notably affecting healthcare – and healthcare IT. Even before COVID-19, Markets and Markets<sup>1</sup> predicted the global healthcare cloud computing market would reach \$51.9 billion by 2024 – a compound annual growth rate of 17.2% from 2019. Statista's original projections for telehealth visits in 2020 ranged from 39 to 60 million; as a result of the pandemic, Forrester<sup>2</sup> anticipates over 1 billion virtual visits in 2020 alone.

Along with these changes comes an obvious increase in overall healthcare spending, with a report published in The Lancet Journal<sup>3</sup> anticipating global healthcare spending to rise from roughly \$8 trillion in 2013 to over \$18 trillion in 2040.

Healthcare CIOs must adapt to change and plan accordingly for 2021. This whitepaper addresses the challenges to expect in the future, vital technologies to prioritize, and how to approach healthcare IT strategy to ensure stability in 2021 and beyond.

## Challenges to Anticipate in 2021

While healthcare CIOs face some challenges year after year, 2021 brings a few that will require particular vigilance to overcome. Large-scale telehealth adoption, for instance, requires network and infrastructure improvements, as well as increased bandwidth – especially at larger hospitals and health systems. These changes don't just happen on their own: they require time, expertise, and money in the budget.

- **Budget Constraints**

Healthcare organizations need to invest in technologies that support the vast amount of data traveling across networks as a result of the increase in telemedicine visits. Healthcare CIOs must ensure their network and current data infrastructure can handle the anticipated usage in 2021.

Beyond these hard technology costs, healthcare CIOs need to take soft costs into consideration as well. These include resources like staff, as well as the time it takes to research and determine the optimal setup and technologies required to help meet future IT goals.

The challenge here is to find room in your budget for what is likely a permanent transition to telemedicine as the norm. Whether this requires an investment in

cloud technology, improved network infrastructure, or upgraded connectivity, healthcare CIOs need to maximize the budget they have – or somehow find additional money if there isn't any.

- **Resource Drain**

This is an evergreen concern that is especially relevant in 2021: How do healthcare CIOs execute migration to new technologies without draining already-thin internal resources? With limited IT staff, the big concern is creating bottlenecks or other problems when employees are putting all their energy into technology migration instead of the day-to-day tasks they already struggle to keep up with.

- **Lack of Expertise**

In a similar vein, healthcare IT departments may have expertise limitations that make it difficult to adopt necessary technologies without any disruption. Overworked healthcare IT staff may not have the ability – let alone the time – to figure out how to efficiently implement new technologies.

A unified communications as a service (UCaaS) migration, for example, requires porting thousands of phone numbers – a large-scale project that takes up lots of time. How can a healthcare CIO make a process like this as painless as possible?

## Vital Healthcare Technologies for the Coming Year and Beyond

There are a few critical areas that all healthcare CIOs need to prioritize in order to evolve along with a changing healthcare landscape.

- **UCaaS**

UCaaS adoption was already on the rise before the pandemic, and as a result of the spike in telehealth usage, healthcare organizations are seeing its true value. UCaaS allows healthcare organizations to unify their communications through a single platform, simplifying activities such as appointment scheduling and confirmations, for example, by allowing patients to communicate with a provider via whatever means they prefer (voice, chat, text, and so on).

UCaaS enables effective telehealth delivery, as a UCaaS platform can manage every element of a telemedicine appointment from scheduling to communication of follow-up steps from the provider to the patient. Virtual visits are secure, helping

providers remain Health Insurance Portability and Accountability Act (HIPAA)-compliant thanks to built-in encryption and user access controls.

Healthcare organizations can also streamline internal communication because UCaaS facilitates collaboration across departments without requiring physical, in-person contact. Secure file-sharing simplifies communication about a specific patient, helping enhance the overall quality of care.

- **SD-WAN**

Software-defined wide area networking (SD-WAN) offers a number of benefits to healthcare organizations. It automatically prioritizes traffic over the appropriate connections, minimizing bottlenecks and lags that could be detrimental to telemedicine delivery and overall patient care. Patient data – such as that gathered from monitoring devices or diagnostic imaging tools – will be prioritized over all other types of traffic, eliminating latency and giving critical information to the doctors who need to see it as quickly as possible.

SD-WAN keeps data secure, even for clinics with multiple locations. It also allows disparate sites to set up completely separate networks, so if one goes down, all the others aren't affected.

- **Security**

Cyber security is always a priority, and it's become increasingly important to healthcare organizations as a result of the pandemic. Cybersecurity Ventures<sup>4</sup> predicts that in 2021, the healthcare industry will be victim to two to three times more cyberattacks than any other industry. It's critical for healthcare CIOs to prioritize investments in security technology.

Healthcare organizations need to take a layered approach to cybersecurity to effectively protect sensitive patient information. Your security strategy should take into consideration:

- Endpoints, including laptops and mobile devices for employees that are working from home.
- Employee security training, so that workers – whether on-premise or remote – don't create preventable security incidents by clicking on links they could be trained to identify and avoid.
- Network security, via SD-WAN, virtual private networks (VPNs) for remote workers, and more secure internet connectivity.

- **POTS Replacement**

Healthcare organizations that still utilize plain old telephone service (POTS) need to prepare for the day legacy voice technology reaches end-of-life. The transition to cloud-based voice technology is imminent and necessary – and will ultimately save healthcare organizations money that can be repurposed toward the other key technologies.

## Keys to Addressing the Healthcare IT Challenges of the Future

Healthcare CIOs need to prepare for new technology implementation across the areas described above. Whether you're preparing to implement cloud communications technology, SD-WAN, cyber security solutions, POTS replacement, or all of the above, you'll need to plan carefully – and make sure you have room in the budget for the upgrades you need. There are a few ways to approach the IT challenges you'll face in 2021:

- Work with your existing carriers to help finance the move to new technology. While a few vendors are amenable to making changes of this nature easy for healthcare organizations, the majority will be difficult to work with without the support of a third party. Healthcare CIOs would benefit from partnering with a third party that can liaise with vendors in the interest of financing any technology migrations.
- Leverage your current spend with your vendors. Healthcare CIOs can offset the cost of technology migrations by lowering the costs of legacy technology. These dollars saved can be repurposed so that the net cost of a new implementation or upgrade is zero. A third party can help execute successful negotiations with your vendors.
- Evaluate alternative providers. While it's tempting to stay with existing vendors or focus attention on big-name providers, those tactics aren't always the route to cost-effective technology implementation. Being open to non-traditional solutions is often the way to save on costs and benefit from a more customized approach that's tailored to your organization. An unbiased, vendor-agnostic third-party partner is useful in finding the solutions and providers that are the best fit for your organization's needs.

## Prepare for 2021 With PAG

As a healthcare CIO, you have a lot to plan for in the year ahead. Effective patient care in 2021 requires new technology adoption and a pivot away from tried-and-true IT strategy as the rise of telemedicine continues.

Working with a third-party advisor like PAG will help you achieve your technology goals – and stay in budget. Our experts have partnered with healthcare organizations like yours to find hidden cost savings and create space in the budget to make critical technology investments that keep your organization secure and efficient while enhancing the patient experience. Our vendor-agnostic approach ensures any provider you select is the best fit for your requirements – at a cost you can afford.

If you're ready for the guidance that will help you save on costs and procure the best possible technology to meet the challenges of 2021, we're here to help. Contact PAG today.

### Sources:

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2. <https://www.beckershospitalreview.com/telehealth/led-by-covid-19-surge-virtual-visits-will-surpass-1b-in-2020-report.html>
3. [https://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(16\)30167-2/fulltext](https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(16)30167-2/fulltext)
4. <https://www.securitymagazine.com/articles/93770-healthcare-cybersecurity-strategy-start-at-the-end>

