Leading health system modernization in a changing world

Insights from Oracle
Introduction

The changing healthcare landscape

In this ebook, we explore how providers can successfully navigate the rapidly changing health services landscape. We will look at the spectrum of challenges and opportunities providers face and how leading health services organizations are digitally transforming to remain ahead of a dynamic market.

We will show how Oracle is helping shape the future of health service management with innovative approaches and technologies that revolutionize the patient experience, improve community health, enhance team well-being, and drive new levels of operational efficiency.

The rapidly evolving health industry: Health services is one of the biggest and fastest growing industries in today's economy. It is also in the midst of a revolution in technology and economics that is changing the game for providers in every part of the industry, from hospitals and clinics to doctors, nurses, dentists, support services, and more. Advances in technology and cloud services are driving improvements in medical capabilities, care services, and patient engagement; and doing so at unprecedented speed. Rapid innovation in multiple fields allows clinicians to continually improve treatment, quality of care, and engage patients in comprehensive and flexible ways that were impractical in the past.

Evolving needs drive innovation: In these days of pandemic-driven disruption, the global health community is forced to plan and adapt faster than ever before. Whether focusing on patient engagement, care provision, partner management, or payment systems; digital technologies lie at the heart of modern health solutions.

Meanwhile, mergers and acquisitions continue to define provider strategies as increasingly larger health organizations seek to establish economies of scale. It is no longer acceptable to limp along with multiple accounting and supplier management systems, fragmented HR processes, or patient care and profile information distributed across multiple vendors' solutions.
Provider organizations understand that modernization is required: Not only do patients and clinicians demand modern service options, but suppliers and partners favor working relationships with institutions that can easily integrate with the latest mobile, social, home and remote health systems. Organizations that adopt modern healthcare platforms are increasingly successful at attracting the best clinicians and caregivers, delivering quality patient experiences, and providing efficient, cost-effective services.

These trends point the way forward for healthcare organizations as they emerge from the pandemic and prepare to serve expanding patient populations with high-quality, accessible care delivered at sustainable cost over the long term.

The global healthcare market

The world’s healthcare market is massive and growing rapidly. According to CSI Market, the 2020 global healthcare sector had a US$5.7 trillion market cap with many segments experiencing greater than 30% growth annually.

Source: Data by Industry within Healthcare Sector, csimarket.com

MARKETCAP

- $245B | Medical laboratories
- $1.15T | Equipment & supplies
- $3.27T | Pharmaceutical
- $1.05T | Biotech

$5.7 trillion
Healthcare Sector (total)
Five key challenges facing the healthcare industry

1. Empowering the patient experience

In today’s crowded health marketplace, the competition for patient dollars is intense. Providers realize transactional approaches to care delivery are no longer sufficient. Institutions now target improved health outcomes throughout a patient’s lifespan, from before the patient presents for care to long after. Community engagement is growing in popularity as local health networks spring up to support full family engagement, communication of best practices, and broader population outreach.

2. Managing workforce dynamics

Health providers are facing extreme human capital challenges. The challenges extend beyond retaining skilled caregivers throughout the entire service organization. Not only do providers struggle to attract, engage, and nurture key talent, but these workers face constantly changing work conditions and high levels of stress. Even without the special circumstances of the COVID-19 pandemic, health service workers must contend with business expansions, changing regulations, and expanding patient expectations that will continue to grow as care capabilities expand and the population ages.
3 Keeping pace with rapid modernization

Healthcare has traditionally been viewed as a technology and business process laggard with service delivery improvements at all levels constrained by fragmented IT systems. But market forces are changing this scenario. Outcome-driven business models are forcing changes in patient lifecycle management, caregiver allocation management, and reimbursement. Providers with fragmented systems, data and service models are struggling to keep pace in a competitive market. Successful provider organizations recognize modern engagement models are critical to success for internal employees and clinicians as well as external patients and communities.

4 Leveraging industry consolidation

Expanding markets and increasing service opportunities are fuelling a more competitive business environment. Forward-thinking organizations are seizing the opportunity to gain efficiencies through cost reductions, service aggregation, and orchestrating investments across multiple consolidated care organizations. Expect ongoing waves of mergers and acquisitions across healthcare segments as the market continues seek reduced overhead and optimization of scarce resources and skills.
As healthcare service options expand, institutions are struggling with a similarly expanding burden of complex and costly regulations. Pandemic-driven reporting requirements have only increased demands for event tracking and audit trails. Provider organizations are enlarging their digital networks to support deeper engagement with patients, communities, and partners, often with a focus on integration of newly launched IoT applications. These networks are high volume and mission critical making them valuable targets of cyberattacks. Maintaining secure, trusted networks is a strategic business challenge with enormous financial, service delivery, regulatory, and reputational implications.
The Pandemic:

A perfect storm of disruption—and opportunity

Pandemic-driven disruption is accelerating shifts in healthcare planning, delivery, clinical care, and employee engagement. But COVID-19 also presented opportunities to learn valuable lessons. Many healthcare organizations were pushed to rapidly mobilize, replan, and modernize to respond to strains on care delivery. Virtual care changed from a “potential option” to a necessity virtually overnight, with providers moving closer to the consumer as a result.

Pandemic-driven disruption is accelerating shifts in health planning, delivery, clinical care, and employee engagement

The New Normal

• Increased Operational efficiency
• Increased Supply Chain optimization
• Enhanced patient engagement
• Expanded employee engagement
• Mobile, home and community engagement channels
A unified platform for healthcare

Health organizations have a powerful ally as they face these challenges: Oracle’s growing portfolio of cloud solutions can improve patient outcomes and reduce service costs by delivering intelligent patient service and financial insights; when and where they’re needed.

Oracle’s modern cloud for the health industry

Oracle is shaping the future of health service management with modern, cloud-based management systems that integrate all aspects of a provider’s organization on a single platform. Providers adopting Oracle’s modern cloud applications and health solutions are delivering new levels of business growth, cost efficiency, and innovation through faster insights, improved decisions, enhanced caregiver engagement and motivation, and expanded structures for managing service excellence.
Cloud-powered healthcare
Oracle Cloud Applications are innovative, modern, and complete solutions for end-to-end, data-driven healthcare operations. With common data spanning finance, supply chain, HR, and operations, healthcare providers gain a single view of financial data across their health delivery system and can harness a single workflow engine, user experience, and analytics toolset.

Security first
As the world’s leading data management company, Oracle builds security and data stewardship throughout its entire product architecture, ensuring that healthcare organizations can maintain regulatory and compliance for all service operations whether onsite, mobile, or virtual.

Next-generation healthcare analytics and AI
Providers today are using the latest cloud analytics and data science technologies from Oracle to analyze healthcare data and build new AI applications. Providers can now create evidence-based care models and understand how to improve patient and clinician experience, reduce the cost of care, and enhance population health.
Data-driven, patient-centered care
Recognizing that patients are at the center of any health organization, forward-thinking providers are turning to Oracle for the support they need to deliver world-class, patient-centered care. By unlocking insights across systems and organizational boundaries, Oracle enables providers to create better patient experiences, reduce per-capita cost, increase clinician satisfaction, and improve population health.

Modernizing finance and operations
With Oracle Fusion Cloud ERP, providers have a single financial reporting system that’s easy to use and adapt, helping simplify the financial close process. Financial data is more accessible with user friendly, mobile first interfaces that make life easier for back-office teams. Executives now have access to data wherever and whenever they need it and can use detailed profitability management analytics to track the success of new and current service lines.

Stay ahead of change
As health providers chart their growth path, Oracle Cloud ERP applications can drive better decisions through comprehensive performance evaluation and planning. Planners can more easily build revenue projections, budgets, and labor plans for new clinics, care service lines, mergers and acquisitions, and organic growth.

The pandemic showed the value of preparing for an unexpected crisis with scenario planning. Health providers using Oracle Cloud ERP can model multiple scenarios and test assumptions to understand how various strategies will affect the bottom line.

Streamlined compliance
Oracle Cloud ERP solutions help simplify month-end compliance reporting and analysis. Providers can build a single system to manage clinical, safety, and regulatory reporting processes across all their clinics and improve decision-making with a multidimensional view of data.

Why Oracle leads in health finance?
Accounting hub. Oracle provides centralized accounting rules for source transactions and additional reference fields for reporting.

Joint venture accounting. Oracle enables the allocation of individual transactions to partners and billing for capital draws or calculating distributions.

General ledger reporting. Embedded, out-of-the-box reports help providers accelerate time to value with best-practice reporting solutions.

Payables imaging. Built with machine learning, Oracle automatically creates PO-matched invoices from scanned images.

Planning. Oracle enables long-term strategic forecasting, US Federal Accounting Standards, actual vs. forecast comparisons, and integration of capital, workforce, and project expenses as part of an overall financial planning process.
Empowering your people

To stay competitive, organizations are sharpening their focus on attracting and retaining skilled talent. Oracle Human Capital Management (HCM) Cloud for healthcare provides a new generation of tools that make that goal a reality. Oracle empowers teams to deliver great care through HR processes that improve clinician and staff satisfaction and reduce turnover.

Oracle HCM Cloud solutions integrate everything from payroll to recruiting and career development on a unified cloud platform. Providers can staff their clinical operations with flexible staffing plans to help position everyone for success and decrease burnout. Health organizations can manage people and payroll consistently across every facility and use automation to easily meet union and compliance requirements. Increasingly popular self-service features support employees and staff wherever they’re located and digital assistants can be intelligently integrated into HR processes to speed task completion.

Hire the right people faster

Oracle HCM Cloud streamlines the hiring process and locates the right candidates for each job while promoting policy goals such as diversity and inclusion. Once employees are on board, providers can help identify career growth opportunities and build a culture of collaboration and continuous improvement that keeps them committed to the organization. Personalized, role-based learning can help staff build critical skills and meet compliance requirements. Oracle also helps providers maintain a safe, productive workplace, offering solutions to track and resolve health and safety incidents and avert potentially costly episodes. For providers who are changing the direction of their business, the HCM platform can help create workforce plans that align new care models with shifts in patient mix. These and other capabilities are giving health providers the wherewithal to build a modern, resilient workforce.

Why Oracle leads in healthcare HR?

We have a complete hire-to-retire employee solution that will optimize people utilization, connection, and engagement.

Our leading-edge payroll solution improves efficiencies, reduces complexity and costs, and ensures accurately processed payroll.

Native recruiting with candidate relationship management and onboarding helps attract the right candidates more efficiently, lower total cost of ownership, and offer better employee and patient experiences.
Building a more resilient supply chain
In an uncertain world, agile supply chain processes are no longer optional, but a necessity for health organizations. Oracle supports providers with a single platform for managing every aspect of supply chains, from inventory management and procurement to order management and logistics.

Oracle SCM Cloud solutions help predict demand more accurately and automatically ensure supplies are on hand and directed where and when they’re needed without wasted time tracking them down. Oracle’s platform can track the deployment of medical devices throughout the supply chain to identify potential issues and safeguard patients by proactively managing product recalls.

Why Oracle leads in healthcare supply chain management?

**Inventory visibility.** Oracle SCM solutions provide visibility of on-hand inventory from receipt to consumption.

**Consignment management.** Built-in SCM tools help providers track consigned goods and replenish inventory.

**GPO contract support.** Providers can integrate with third-party price management solutions to automate complex healthcare pricing.

**Rebate management.** Providers use Oracle solutions to track money owed by the supplier and rapidly settle rebate claims.

**Recall management.** Real-time recall notices from regulators help providers locate, quarantine, and return recalled parts.

**Enterprise contract management.** Providers can easily negotiate and manage all types of contracts across the enterprise.
Health industry success stories

A growing number of health providers are realizing tangible returns from investments in Oracle health solutions. From efficient finance operations and optimized supply chains to more flexible and motivated workforces, health organizations are tackling the challenges and opportunities that are part and parcel of the new health services landscape.

Here is a sampling of successes reported by leading health organizations.

**Adventist Health:** With Oracle Cloud ERP, EPM, and HCM, the healthcare company improved inventory management, cut its budgeting cycle in half, and can integrate new acquisitions in just months. Adventist Health improved results across the entire organization.

Learn more →

**Indiana University Health (et al):** In the past year, leading healthcare organizations have deployed Oracle Cloud to support essential workers and deliver care for more than 26 million Americans annually.

Learn more →

**Kaiser Permanente:** To improve the HR experience for more than 220,000 employees, Kaiser Permanente chose Oracle Cloud. Kaiser partnered with Oracle to modernize its business processes with Oracle Fusion Cloud Human Capital Management (HCM) to deliver intuitive employee experiences, simplify complex HR processes, and meet the health and safety needs of its workforce.

Learn more →
The way forward: commitment to excellence

As the world rebounds from the COVID-19 pandemic, the health industry is discovering a new respect for the powerful role technology can play in helping organizations thrive during incredibly challenging periods. Oracle's modern, integrated cloud solutions lie at the heart of the transformation imperative, giving providers a unified platform to optimize every aspect of their operations from clinical care and supply chains to finances, workforce management, and more. As the perennial leader in enterprise-level cloud solutions, Oracle is singularly positioned to equip providers with the means to lead in their markets.

It is Oracle's commitment to directly support the unique needs of health organizations worldwide that sets us apart. Few vendors can match the breadth, depth, and quality of modern functionality Oracle has built into its cloud.

Find out more about Oracle Healthcare.