



## IT – In the Pink of Indian Healthcare

My take on the current state of India's healthcare sector, the challenges, and the road ahead.

Healthcare is one of India's critical sectors - in terms of providing care to patients and also providing employment to the community. It's not surprising that the Indian Healthcare sector currently represents a USD 40 billion industry.

### Challenges

Despite technology's many benefits, the use of IT in the Indian healthcare industry is far less as compared to sectors such as banking or travel. The country has several world-class medical facilities, but these fall woefully short of meeting the needs of the 700 million Indians living in suburban and rural India.

One of the biggest challenges facing the wide spread implementation of IT is the steep price of technology. Huge initial investments and a difficult to measure return-on-investments (ROI) curb the penetration rate of IT. For example, despite the growing number of private hospitals, the cost of hospital information systems (HIS) solutions is high and is a restraining factor for the hospitals to implement IT.

### The path ahead

Across the world IT has made and will continue to make significant difference in patient care. From diagnosis, investigation and documentation to treatment, retrieval of information and research, IT can significantly bridge the gap between India's healthcare potential and it's actual deliveries.

**>>> To support and nurture the growth of healthcare technology, the Government should provide incentives to hospitals to seek NABH accreditation and IT enablement by allowing 100% tax exemption for expenditures <<<**

One such technology is telemedicine: the remote diagnosis, monitoring and treatment of patients via video conferencing or the Internet. Telemedicine is a fast-emerging trend in India, supported by exponential growth in the country's information and communications technology (ICT) sector, and plummeting telecom costs.

With the introduction of 3G, the possibilities of remote treatment and diagnosis of patients through mobile phones have been strengthened. Today, the number of cell phone users in India stands at approximately 600 million, with a projected increase of 20 million each month. Some telecom operators and value-added service developers are considering usage of mobile phones for diagnostic and treatment support, remote disease monitoring, health awareness and communication.

A booming healthcare insurance scenario is also paving the way for hospitals to afford using technologies such as HIS and EMR. Health Insurance has posted tremendous growth in the last two fiscals, with health insurance premium expected to grow at a CAGR of over 25 per cent for the period spanning from 2009-10 to 2013-14. Analysts believe this will not only aid growth in number of hospitals, but also IT implementation in healthcare.