



# **How Can the Healthcare Industry Address Its Issue of Lagging Productivity?—video**

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The healthcare sector has actually been losing productivity when much of the economy has been gaining. In fact if you look across various industries in the US, services as a whole have lost productivity compared to things like manufacturing and retail. And within services, healthcare has lost the most productivity. So we have the greatest opportunity, but we're also falling farther and farther behind.

The first is to recognize that productivity is actually part of our strategy. If you look at how people think about making healthcare more affordable, mostly they focus on how do you eliminate care that didn't need to take place in the first place? That is a great objective and it's very admirable. But let's just assume for the sake of argument, that we accomplish that to perfection and all of that care has been eliminated. The cost of care going forward will be exactly what it was historically, just starting at a lower point. It will grow at a rate faster than the overall economy cause it takes the same number of people to do what's necessary. So considering at a strategic imperative is actually relatively new for the healthcare industry. After that, then we need to start bringing technology to bear in order to really get the benefits.

The introduction of these technologies that make care more affordable, actually makes the system more productive. The future of healthcare is really one that's more independent of location, one that's more personalized, one that's more self-service and one that's more physical and virtual at the same time. That's the care that I expect to receive in the next 30 years, and I haven't seen that care in the 30 years since I've been practicing medicine. But I know we're on the cusp of it.