

On February 22, we attended ACG New York's 2018 Healthcare event. Here are five of our top takeaways from the panel, which focused on the Healthcare Industry in the US.

Prepared by TresVista Financial Services

## 5 THINGS YOU MISSED LAST WEEK –

**1 Latest Trends:** The Healthcare Industry is rapidly changing and becoming more dynamic. One of the new trends involves hospitalists, physicians whose primary focus is the general medical care of the hospitalized patients. They include mainly internal doctors who look after the well-being of the patients. The main winning points lately have been Technology and Data, which seem to provide more consumer satisfaction. The latest in Healthcare Technology, i.e. Tele-Health or Tele-Medicine, involves the use of digital tools for medical treatment. All said, the competitive advantage rests on patients' preference.

**2 Acquisitions and Partnerships:** There has been a rapid consolidation in the Healthcare Industry. Main points to consider in an acquisition are the scale of operations and market share. A similar scale of operations gives the acquirer synergies and market share is important for the acquirer to make sense of the acquisition. The latest and biggest coalition between Amazon, Berkshire Hathaway, and J.P. Morgan is focused on lowering healthcare costs for the companies' employees and delivering significant advancements for all patients. Tremendous synergies are expected to arise from the coalition.

**3 Physicians and Patients:** Physicians are different to handle, if not difficult. They have an intellectual and an emotional involvement, as they must connect with the patients, therefore it's very important to provide physicians with proper incentives. On the other hand, patients are the primary focus. It is important to provide new and better services in terms of proper transportation, technology, medical services, etc., while employees should be emphatic and should maintain proper standards for the patients.

**4 Competitiveness:** Healthcare is expensive. Hence, it is important to partner up with patients and insurance companies in order to be competitive and efficient. Insurance approvals are very important, as this is the first step to gain the confidence of the patients. There will always be a tradeoff between cost effectiveness and efficient physicians, therefore it is important to find the right mix. The culture in the organization also affects the competitive strategy, as it affects the consumer satisfaction.

**5 Due Diligence:** The main challenges faced in doing due diligence in acquisitions are aggressiveness and the need for quick results. Due diligence should involve integrating the infrastructure of the two companies. It is important to engage with the staff and make them feel at home. See what the company does better and try to adapt to that to make an overall better company. Companies should be able to get the best of the employees from the company being acquired and that is possible only with proper due diligence.

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