



## ***How the Pandemic Is Driving Healthcare Organizations' Investment in Technology***

***HIMSS research finds healthcare technology a priority as operating budgets remain flat or decrease slightly***

It's no surprise that technology for virtual care like telehealth and remote patient monitoring took off during the COVID-19 pandemic. After all, healthcare organizations (HCOs) desperately needed ways to deliver care more safely in a world where close contact was suddenly a health risk.

Now, deep into the global health crisis, it's also clear that technology has only become more critical to delivering quality care and an optimal patient experience. The pandemic forced HCOs to pivot quickly to offer as much virtual care as possible, implement social distancing protocols and secure patient data, online interactions and remote work from cyberattacks.

At the same time, the pandemic put hospitals and health systems under a major financial strain – the American Hospital Association projected losses for 2020 up to \$323.1 billion.<sup>1</sup> HCOs' rapid adoption of telehealth solutions – with promising consumer satisfaction levels – underscored the importance of investing in technology while budgets remained flat.<sup>2</sup>

Now that telehealth has reached a tipping point, the focus will be on improving virtual care's effectiveness, efficiency and security, according to Renee Patton, Global Director of Education and Healthcare in Cisco's Global Industry Solutions Group. Initial research already shows technology investments are a top priority for operational budgets.

### **Technology upgrades a priority for HCOs**

Not surprisingly, upgrading IT infrastructure (particularly in the U.K.) became a higher priority than recruiting and hiring during the pandemic, according to the IT and business leaders surveyed in an October 2020 HIMSS study, sponsored by Cisco.\*



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Renee Patton | Global Director, Education and Healthcare | Cisco Global Industry Solutions Group

And, even after the pandemic is under control, more than three-quarters of IT and business leaders in the U.S. expect investment in telehealth to increase. Shifting back to spending to pre-pandemic business priorities will take 12 to 24 months, according to the HIMSS research.

“I don’t think healthcare organizations are going to snap back to business as usual,” Patton said. “I think we’re all now realizing we have to be thinking about the gaps the pandemic exposed and fix them for the long term. How do we continue to serve patients and support the remote workforce in a secure way?”

With cyberattacks on the rise in 2020, Patton noted that budgets should account for data security, regulatory compliance and disaster recovery technologies.<sup>3</sup> The move to remote work and a greater reliance on multiple devices to deliver care leave HCOs vulnerable.

### Streamlining care delivery with technology

The HIMSS research also revealed budgets have largely decreased or stayed flat during the pandemic, with many healthcare institutions reallocating budgets to mitigate losses.

“Healthcare organizations are doing whatever they can to weather the storm,” explained Patton. “The good news is that it doesn’t mean patient satisfaction has to suffer. Technologies that can help deliver quality virtual care can actually improve efficiency – and patient satisfaction.”

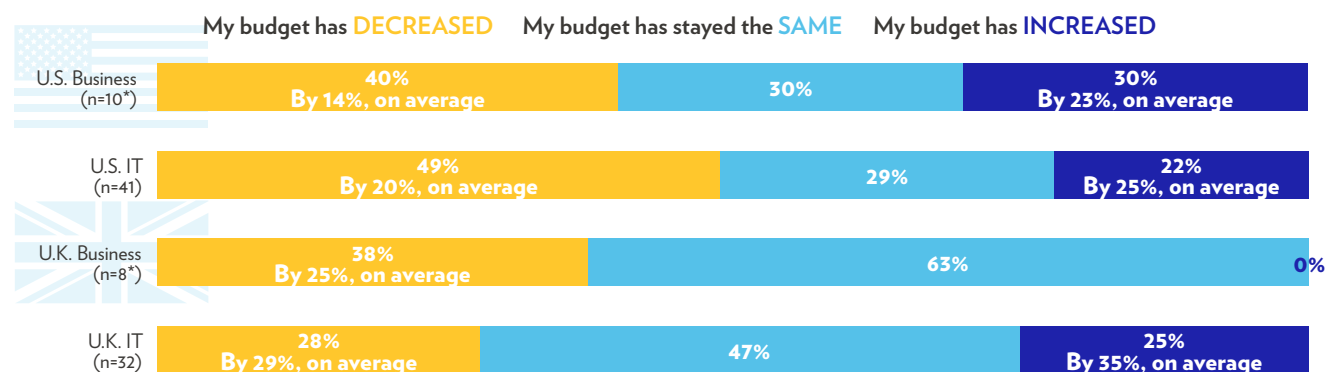
Delivering a quality virtual care experience, in fact, may be one silver lining in the pandemic, according to Patton. Not only do patients get more convenient access to care, streamlining the connections among patients, care teams and their families during times of critical illness, but virtual care can also improve communication – a key factor in healthcare outcomes.

“The focus for healthcare organizations now should be on increasing efficiency and reducing costs – improving clinical workflows, making it easier for doctors to deliver telehealth visits and regulating the use of critical PPE supplies,” she noted.

### A delicate balancing act

When planning operational budgets in the near term, HCOs must weigh current trends against bridging technology gaps. Does the pandemic forecast call for things like temporary facilities and more PPE? How much should they invest in

Figure 1. Impact of the pandemic on IT/operational budgets



### How has the pandemic impacted your [IT / business operations] budget?

At the previous question, you indicated that your [IT / business operations] budget decreased. By how much did it decrease? At the previous question, you indicated that your [IT / business operations] budget increased. By how much did it increase?

\*NOTE: very small base size, please draw only directional insights

Source: HIMSS, October 2020. Healthcare technology: Understanding new priorities, U.S. and U.K. In partnership with Cisco

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Renee Patton

artificial intelligence technologies that improve and personalize triaging patients? What kind of patient care and remote work collaboration tools should be a line item on the budget?

“Providers need to take a holistic approach to answering these questions,” Patton pointed out. “The goal should be to right-size whatever technology investments they might need to support where they are today and where they project that they might be tomorrow. Picking the right partners who have a demonstrated understanding of the healthcare industry and a proven track record should be factors as well.”

As HCOs ride the waves of pandemic uncertainty and put plans in place for future pandemics, healthcare technology investments will remain an operational priority. Undoubtedly, these investments will support quality care and remote workforce needs now. But a greater reliance on technology may also have a positive side effect post-pandemic: a more streamlined patient experience and cost-effective care delivery system.

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\* HIMSS Market Intelligence conducted this research October 2020 on behalf of Cisco. A total of 91 qualified respondents answered the survey, 51 based in the U.S. and 40 based in the U.K.

Qualified respondents are Directors or higher, working in a business role (CEO, COO, CNO, CMO, Operations or Nursing) or IT role (CIO, CTO, CISO, or IT/technology/networking/security) at a hospital or health system in the U.S. or the U.K. Respondents are also decision-makers as a part of their business or IT roles. All items are ranked by the frequency response among IT respondents. Frequency responses are shown for **business respondents**; however, due to very small base size, these frequencies should be taken **only for directional insights**. Cisco was not identified as a sponsor of the research.

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## References

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