

# Predictions 2022: Healthcare

## PREDICTIONS REPORT

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### Summary

The key challenge that will embroil healthcare organizations in 2022 is preservation — preservation of balance sheets strained by delayed procedures and hospital closures, of a workforce dealing with massive flight, and of public trust that is actively eroded by malevolent actors and misinformation. Healthcare leaders must tackle these challenges head-on to provide equitable, culturally competent care. Evolving care modalities and preferences, like hospital at home and virtual mental health, will permanently alter how and when patients receive care. This report explores predictions for healthcare in 2022.

# As Digitization Accelerates, Lack Of Equity, Labor, And Trust Plagues Healthcare

As new variants of the coronavirus emerge, cyberattacks continue, and misinformation spreads, the use of digital technologies swoops across a healthcare industry that's navigating many similar, yet amplified, challenges and opportunities compared with the prior year. In 2022, government programs will provide funding to address inequitable outcomes. Healthcare organizations must manage clinician flight and the inevitable shift to remote modalities of care, like telehealth for behavioral health and hospital at home. This report predicts that:

- **Health disparities will harm rural Americans at twice the rate of urban Americans.** Fifty-seven million people in rural and tribal communities will face increased mortality because of social inequalities, multiple chronic health conditions, high suicide rates, dire physician shortages, and sweeping hospital closures. This will be exacerbated by limited access to broadband internet, clinician licensing challenges, and reimbursement disparities that handicap the exchange of electronic health record (EHR) data, effective healthcare case management, and the delivery of patient engagement solutions.

The federal push to bridge the gap between underserved populations and access to care is underway, but it won't be enough to achieve health equity for all. The Affordable Care Act's Medicaid and Marketplace coverage reform will fail to aid low-to moderate-income individuals in these areas who need it the most. While the Health Resources and Services Administration's \$19 million investment to expand telehealth in rural areas is a step in the right direction, it's merely a drop in the bucket, not a long-term solution. Larger federal investments in virtual care services, license portability, and reimbursement policy updates are necessary to catalyze universal clinician engagement and overcome the digital divide.

- **Workforce shortages will double the medication error rate in healthcare facilities.** Massive clinician turnover, long recruitment cycles, and increasing industry competition for talent are crippling acquisition and retention in the healthcare workforce. These obstacles will be intensified by limited COVID-19 vaccine uptake in certain populations, unrelenting post-traumatic stress, and staff

burnout. Staffing shortages will result in irreversible patient impacts. One of the most critical will be adverse drug events triggered by errors in medication filling and refilling, administrative flaws, failures to execute medication regimens, deviations from clinical advice, and a lack of adherence to follow-up procedures. As a result, the quality of care will plummet, and the risk of morbidity and mortality will rise.

Medication errors can happen at every point of the medication use system. Maintaining vigilance is key. Healthcare organizations should leverage barcode medication administration, intravenous infusion safety systems, and EHR interoperability to intercept adverse drug events. They should reinforce these technologies with robust oversight, medication administration training programs, and standard operating procedures.

- **Healthcare will exit the “trusted category” as misinformation and cyberattacks persist.** The spread of false information, shortcomings in data integrity, and a politicization of science will unseat healthcare from its standing as a trusted industry. While trust in healthcare receded only 1 point, to 66%, in 2021, a continued erosion of trust in healthcare institutions will force more clinics to shutter and threaten population health as patients avoid treatment for their conditions. Misinformation has permeated social media and even platforms built for clinicians. Doximity, a LinkedIn for doctors, is inundated with COVID-19 misinformation, and 12 individuals account for 65% of antivaccine misinformation on major social media platforms. Healthcare is also the sole leader of a dubious triumvirate: the most attacked industry, the highest average cost of a data breach, and the slowest incident response time. Investments in cybersecurity initiatives are expected to total \$125 billion between 2021 and 2025 to fend off a growing population of malevolent actors enticed by weak digital systems to manipulate vaccine-related health data. Until the industry demonstrates an ability to reign in these risks, healthcare will only move backward in measures of trust.
- **Mental health will account for 60% of virtual care visits as it roots its future in digital.** Accessibility, efficacy, destigmatization, and the cost-effectiveness of virtual and hybrid care models will drive increased mental health advocacy and steady treatment volumes. Mental health will be the first area in healthcare to make the long-term switch to virtual and hybrid care at scale. Increased competition in this space and go-to-market routes via partnerships with employers, health insurers, and

providers will lower costs, which will help increase adoption and raise patient engagement.

This report forecasts a decline in overall virtual care visits in 2022 compared with 2021 — an aberrant year due to COVID-19. In July 2021, mental health accounted for an estimated 60% of virtual care visits. In 2022, this will hold steady at 60% despite expected declines in levels of general anxiety and major depressive and adjustment disorders. The mental health crisis won't wane after the pandemic, and the entire healthcare ecosystem, tech, and employers must work to create and roll out programs that leverage our pandemic progress in virtual mental health to build resiliency and support those in dire need.

- **The number of hospitals that deliver care at home will triple.** The pandemic was a catalyst for change that justified shifting acute care into the home. In its first year of implementation, the acute hospital-at-home model proved to be a viable solution for managing an insurmountable influx of patients, the spread of infectious disease, and the safety of staff and patients. There are 77 hospital systems — 177 hospitals in 33 states — approved for Medicare reimbursement at the time of this report's writing. The pace of adoption is a sprint; the Centers for Medicare & Medicaid Services added 29 hospitals in Q3 2021. The CY 2022 Home Health Prospective Payment System proposed rule will accelerate the shift of payment for Medicare home health services from volume- to value-based. Moreover, investments in health firms building hospital-at-home programs and marketing to hospitals, insurers, and physicians will continue to be buoyant in 2022 as these firms look to rapidly scale. Hospitals were facing extreme cost pressures before the pandemic, which COVID-19 has only magnified. Hospitals must reimagine care delivery beyond brick and mortar, and hospital-at-home models are one viable option.