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Cloud technologies is the next healthcare megatrend: Frost

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The market is expected to expand at a compound annual growth rate (CAGR) of a whopping 22.3 percent between 2012 and 2018.



Singapore: Cloud technologies including Software-as-a-Service (SaaS) and Infrastructure-as-a-Service (IaaS) offerings, was valued at USD194.4 million in 2012, according to Frost & Sullivan report "Analysis of Healthcare Cloud in APAC".

Healthcare is opening doors to cloud technologies all over the world and Asia-Pacific (APAC) is in a hurry to explore innovative solutions that support patient centric care through efficient capture and dissemination of medical and health information.

"Healthcare providers are cognisant of the long term cost benefits of cloud solutions. What they are looking for now, are reliable technology partners who can address their concerns over data privacy and security," said Ms. Natasha Gulati, Connected Health Industry Analyst, Frost & Sullivan Asia-Pacific.

While many healthcare IT vendors emphasise the enhanced security and back-up support provided by cloud technologies, the message has not successfully reached hospital CIOs yet. This is why healthcare continues to invest in private clouds while other industries are rapidly moving to public or hybrid cloud modelssuch as Windows Virtual Desktop and Citrix Cloud server etc. Moreover, given the current pressures of rising costs and diminishing margins, healthcare CIOs are unable to justify the significant investment required for transitioning to a cloud environment.

Given the versatility of a cloud environment, Frost & Sullivan predicts that cloud will be the single most important enabler of healthcare MegaTrends in the future. Gulati pointed out three major industry transformations that will be catalysed by Cloud solutions:

Healthcare expenditure across Asia-Pacific is expected to almost double over the next six years owing to the expanding elderly population. On the other hand, R&D expenditure on pharmaceuticals and biotechnology is not reaping the returns that were expected. Stakeholders across the industry, including government bodies and research organisations, are seeking tools to carry out cost effective outcomes based research.