



Rapidly-Growing Remote Home Health Management Market Presents Significant Opportunities, Scientia Advisors Finds

New review concludes that segment needs clinical trials, broader reimbursement, to achieve full potential

BOSTON & SAN FRANCISCO--([BUSINESS WIRE](#))--Remote health management (RHM) is the fastest growing segment of a burgeoning home health management market. However, RHM's full potential will materialize only if health insurers adopt reimbursement practices that encourage greater physician adoption, concludes [Scientia Advisors](#), a global strategy consulting firm, in its review of the worldwide home health management (HHM) market released today.

In this industry review, Scientia Advisors explains why the global home health management market is expanding at a compound annual growth rate (CAGR) of 10% through 2012. "This growth is driven in part by strains in the health care system, high health care costs, insufficient personnel and an aging population with chronic conditions that, in many cases, can be most cost effectively monitored or treated at home," said Harry Glorikian, Scientia Advisors' Managing Partner.

While home health agencies (HHA)— organizations that provide skilled nursing and other therapeutic services in patients' homes — account for the lion's share of the HHM market, 80%, remote health management (RHM) with a 1.4% market share is the smallest, but fastest growing segment. Scientia projects that RHM will double from \$1.8 B in 2007 to \$3.6B in 2012, representing a CAGR of 15%.

Since 2007, other home health segments, including point-of-care diagnostics, infusion and respiratory therapy services, drug delivery, durable medical equipment, and supplies, have exhibited CAGRs ranging from 7 to 10%, Scientia found.

Remote health management includes telehealth services and remote patient monitoring (RPM) products. Telehealth involves the use of telecommunications technologies to support long-distance clinical health management, education, coaching, and assessment. RPM products refer to the tools that patients themselves use to collect medical data (such as blood pressure or glucose level) that is electronically transmitted to nurses and doctors, who determine if further action is required.

“Daily patient self-monitoring and centralized data analysis increase the effectiveness of preventive care, lessen strain created by personnel shortages, allow healthcare professionals to attend to more patients than they otherwise might, and control rising healthcare costs by helping reduce hospital readmissions,” Glorikian said.

Not surprisingly, major electronics and computer companies such as Intel, IBM, Motorola and Philips are partnering with or acquiring companies to produce innovative products for remote health management, according to Glorikian.

However, many physicians are reluctant to embrace RHM because government and private health insurers reimburse only for its use in specific disease states or rural populations.

“While remote monitoring presents great opportunities for improving health care and cutting costs, RHM will not realize its full potential unless it is adopted by practitioners,” Glorikian said. “We believe that large-scale clinical trials, sponsored by government or manufacturers, could demonstrate the value of wider spread remote health monitoring to payers, who, in turn, would change their reimbursement practices. “

Easy-to-use devices and software are also needed, Scientia found.