

Data Monetization in Healthcare

July 2020: Complimentary Abstract / Table of Contents



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- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
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Background

The healthcare industry has experienced an exponential rise in data, following the adoption of smartphones, wearables, and electronic health records, which can revolutionize the healthcare industry. Healthcare organizations are monetizing this data to generate revenue, reduce costs and improve clinical care outcomes. They can either directly sell this data or use it to draw insights to enhance their internal operations. The larger ecosystem, in turn, benefits by the enhanced clinical results derived from this data. In fact, several startups are using data to test their new innovations and deliver better therapies and care.

In this report, we study four key models of data monetization in use presently – bilateral data exchange, open platforms for data exchange, open marketplaces for data exchange, and open marketplaces for patients to sell data. We also analyze current adoption and the scope of scalability of these models. We believe that while the benefits of monetizing data are many, the privacy and security challenges accompanying it cannot be ignored and need to be addressed at the earliest.

Topics in focus :

- Data monetization in healthcare
- Models of data monetization
- Key areas of concern

Scope of this report:



Geography
Global



Industry
Healthcare industry



Services
Healthcare enterprises,
startups and service providers

Overview and abbreviated summary of key messages

This report examines benefits of data monetization for the healthcare ecosystem by understanding the growing uses of data to achieve outcomes. It outlines four key models of data monetization and structures the current adoption, scalability potential, and privacy and legal concerns around each. It also highlights the key challenges faced by the healthcare industry in the monetization of data

Some of the findings in this report, among others, are:

Defining data monetization

Data monetization refers to using an organization's data as an economic asset, to reduce costs and increase revenue. Organizations are now using data as a currency by leveraging it to improve their internal operations or directly selling it or insights derived from it to third parties

Benefits for the ecosystem

Data monetization has benefits for all stakeholders, including enterprises, startups, service providers, and patients. Enterprises can create an additional source of income by selling data; the healthcare industry benefits by collaboration among firms to pool in data and create frameworks to test innovations; and patients receive better healthcare outcomes at lower costs

Models of data monetization

There are four main models of data monetization: bilateral data exchange, open platforms for data exchange, open marketplaces for data exchange, and open marketplaces for patients to sell data

Key challenges

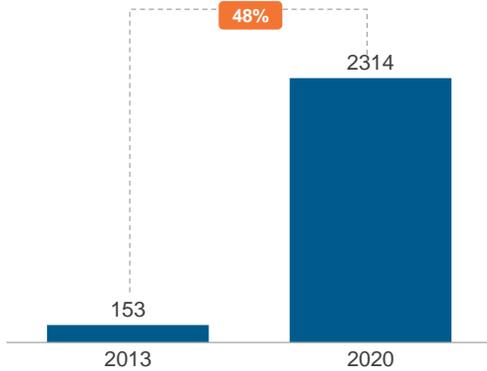
The monetization of data is mired in controversies, as the US Health Insurance Portability and Accountability Act (HIPAA) does not allow the sharing of highly confidential patient data. The fact that organizations can sell and buy data without the consent of patients, who are the true custodians of this data, also raises ethical concerns

This study offers two distinct chapters providing a deep dive into key aspects of healthcare data monetization market; below are four charts to illustrate the depth of the report

Adoption trends for IT, non-voice BPS, and voice-based BPS

Data boom in healthcare
Exabytes

CAGR **XX%**



- The digitalization of healthcare has increased healthcare data, driving the growth of electronic health records and, the use of wearables, sensors, and mobile applications. Earlier, healthcare data was in the form of paper records, and healthcare providers and payers had no means to use it. Digitization has converted healthcare data into electrons, making it very easy to move this data into the cloud and use it when required
- Digital adoption has exponentially increased the use of healthcare data, and organizations have started valuing it as an asset. Insights derived from data can improve treatment options, personalize medicine, and help achieve value-based care

Technology building blocks for consumer banks

	Current market adoption	Scalability	Privacy & security concerns	
Bilateral data exchange Service providers or enterprises sell data that they own directly, to one or multiple parties interested in their data	■ ■ ■ ■ □	■ □ □ □ □	■ ■ ■ ■ □	Although this model has experienced high adoption, the scope for disruption is low, as single entities become owners of data with no industry-wide data-based innovation
Open platforms for data exchange Open platforms for data providers to sell data and organizations to test innovations using the data platform	■ ■ ■ □ □	■ ■ ■ □ □	■ ■ ■ □ □	This model has high potential for disruption, as it facilitates industry-wide collaboration for data transfer and early-phase testing of new products
Open marketplaces for data exchange Open marketplace for data providers to sell data and interested entities to find and access the third-party data	■ ■ ■ □ □	■ ■ ■ □ □	■ ■ ■ □ □	This model has the highest potential for disruption, as it facilitates industry-wide collaboration for the exchange of data assets
Open marketplaces for patients to sell data Open marketplaces where patients can sell their data to any second party	■ ■ □ □ □	■ ■ ■ □ □	■ □ □ □ □	This model is gaining popularity for secure data exchange, and it helps resolve the ownership and privacy concerns with other models

Mix of digital technology leveraged by consumer banks

Model	Key sellers	Key buyers	Third-party involved	Ownership rights
Bilateral data exchange	Healthcare enterprises	Healthcare enterprises, IT companies	No	Transfer of ownership rights from the seller to the buyer
Open platforms for data exchange	Healthcare enterprises	Innovators, researchers, and academic institutions	Platform owner	The platform owner reserves the data ownership rights
Open marketplaces for data exchange	Healthcare enterprises	Healthcare enterprises, IT companies, and governments	Marketplace owner	The ownership remains with the seller, and the buyer gets permission to subscribe to this data
Open marketplaces for patients to sell data	Patients	Healthcare enterprises, innovators, researchers, and academic institutions	Marketplace owner	Transfer of ownership from patients to the buyer

AI elements actively explored by payers

Key players involved	Case study
	<ul style="list-style-type: none"> Mercy Technology Services (MTS), the information technology arm of the US-based Mercyhealth, has launched a Real-world Evidence (RWE) network, which taps into vast amounts of clinical data generated by health systems every year MTS is combining these large data sets with advanced analytics and providing insights for the thousands of medical products that make it to the market every year. The RWE network allows medical products firms to test their products in real-time, and providers to test their clinical decisions to provide better patient care This model facilitates data-sharing among providers, drug makers and device makers, and regulators. It also generates an additional source of revenue for providers to sell their clinical data
	<ul style="list-style-type: none"> In 2015, Highmark Health created the VITAL Innovation Program to test FDA-approved technologies internally. The program had access to claims data of nearly 4.5 million Highmark Health Plan members, as well as clinical data from the company's Allegheny Health Network health system VITAL is now commercialized, and it provides startups real-world evidence to test their technology for a fee. By charging them for this service, it has also created a new revenue stream for the firm

Research calendar

Healthcare IT Services (ITS)

■ Published
 ■ Planned
 ■ Current release

Flagship Healthcare ITS reports

	Release date
Healthcare Payer State of the Market – Key Trends, Service Provider Performance in 2019, and Outlook for 2020	Feb-20
Healthcare Provider State of the Market – Key Trends, Service Provider Performance in 2019, and Outlook for 2020	Mar-20
Provider Digital Services PEAK Matrix® Assessment 2020	June-20
Provider Digital Services – Service Provider Profile Compendium	Q3 2020
Salesforce Health Cloud Services PEAK Matrix® Assessment 2020	Q3 2020
State of the Market – Salesforce Health Cloud services	Q3 2020
Salesforce Health Cloud Services – Service Provider Profile Compendium	Q3 2020
Healthcare Specialists PEAK Matrix® Assessment 2020	Q3 2020
State of the Market – Healthcare Specialists	Q4 2020
Healthcare Specialists – Service Provider Profile Compendium	Q4 2020

Thematic Healthcare reports

	Release date
Big Tech in Healthcare: What it Means for CIOs?	Nov-19
A Platform-based Roadmap for Healthcare Payers	Feb-20
Data Monetization in Healthcare	July 2020
Unpacking the Rise of Telehealth	Q3 2020

Note: For a list of all of our published Healthcare ITS reports, please refer to our [website page](#)



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