

# Healthcare Analytics: Technologies and Global Markets

November 2017 • HLC187B • Neha Maliwal

- The global market for healthcare analytics reached \$6.2 billion in 2016. This market should reach nearly \$7.2 billion in 2017 and \$14.9 billion by 2022 at a compound annual growth rate (CAGR) of 15.8%.
- The financial analytics market segment is projected to grow from \$3.0 billion in 2017 to nearly \$5.3 billion in 2020 at a CAGR of 11.9% for the period 2017-2022.
- The clinical analytics market segment is expected to grow from nearly \$2.8 billion in 2017 to \$6.2 billion by 2022, increasing at a CAGR of 17.7% for the period 2017-2022.



T: 866-285-7215 • [sales@bccresearch.com](mailto:sales@bccresearch.com) • [bccresearch.com](http://bccresearch.com)

© BCC Research LLC 2017

# Chapter 1: Introduction

---

BCC Research's goal in performing this study was to determine the global market and future demand growth for healthcare analytic solutions over the five-year period from 2017 through 2022. Of particular focus was characterizing and quantifying the potential of the market for healthcare analytics by application, end user, geography, mode of delivery and product (i.e., hardware, software and services).

The report also evaluates the three types of applications: clinical, business and others. In addition, opportunities in each type of application have been discussed in detail. Factors that affect each sub-segment such as drivers, restraints, threats and opportunities have been discussed. The key objective was to present a comprehensive discussion of where the state-of-the-art is in healthcare analytics and forecast the future commercial potential for the key market segments.

This discussion provides a basis for companies to make strategic choices about developing new products and markets or deciding which applications are needed in their organizations. The study will benefit healthcare analytic software, hardware and service providers, users of healthcare analytics, governments around the world, healthcare agencies and others.

## *Study Goals and Objectives*

- To sum up the global healthcare analytics market size.
- To estimate the growth rate of the global healthcare analytics market.
- To segment the market in the deepest possible way.
- To provide market numbers and growth rates at the niche level.
- To identify major drivers and restraints.
- To identify opportunities and challenges present in the market.
- To identify key trends and technology updates in the field.

## *Reasons for Doing This Study*

In the 21st century, where every field is impacted by information technology (IT), healthcare is no exception. IT has become an extremely essential part of the healthcare system. Governments worldwide are trying to reduce healthcare costs, and IT is at the center of this objective. IT in healthcare was initially used for record keeping, easy communication across healthcare providers, to improve the visualization of the human anatomy and improved diagnosis. Global healthcare leaders and large healthcare organizations see an expanded role for IT in healthcare analytics.

The global healthcare industry is undergoing a transformation led by the biological and medical sciences. These areas of science are driving the changes and improvements in healthcare outcomes. At the same time, the healthcare industry in developed economies is positioned to become analytics-driven. Analytics is the systematic use of data developed through statistical, quantitative, predictive, cognitive

and emerging models to drive fact-based decision making for planning, management, measurement and learning. Analytics generally uses historical data to model future trends, evaluate decisions and measure performance to improve business processes and outcomes. These analytical tools are at the center of evidence-based medicine.

Over the past several years, there has been an exponential increase in the application of healthcare information technologies and their use by healthcare providers. The trend has been supported by government regulation, especially in the United States, the spread and availability of various applications, the rapidly decreasing costs of acquisition and storage of structured and unstructured health data, and the adoption of interoperability and standards across healthcare organizations.

The market for healthcare analytics is highly fragmented with many large and small players. Major players in the market include Oracle (U.S.), IBM (U.S.), Verisk (U.S.), and others.

## *Scope of Report*

This research report categorizes the healthcare analytics market by type, application, component, end user and delivery model. Applications include financial, clinical, operational and administrative and population health analytics. Components include services, software and hardware. Delivery includes on premise and on demand delivery models. End users include payers, providers and others.

The financial analytics are provided for claims processing; revenue cycle management (RCM); payment integrity and fraud, waste, and abuse (FWA); risk adjustment; and risk assessment. Clinical analytics is provided for quality improvement and clinical benchmarking; clinical decision support; regulatory reporting and compliance; comparative analytics and comparative effectiveness; and performance measurement. Operation and administrative analytics are provided for supply chain analytics, workforce analytics and strategic analytics.

## *Information Sources*

- Public information via annual reports to shareholders as well as other government reports that are available for public review.
- Company marketing information, advertising, company press releases, state and local news sources, and subscription-based information.
- Online research including third-party references.
- Trade associations, directories and publications.
- Telephone interviews with both current customers and prospects.
- Various private industry sources.

## *Methodology*

Research methodology followed in this report is a top-down approach. Various sources were used to arrive at the total market figure, which was broken down into various applications and sub markets based on primary and secondary data. Both a quantitative and qualitative approaches were used to derive the market size and growth rates. Many secondary sources were reviewed and extensive primary

research was conducted with key opinion leaders, marketing managers, product managers and end users.

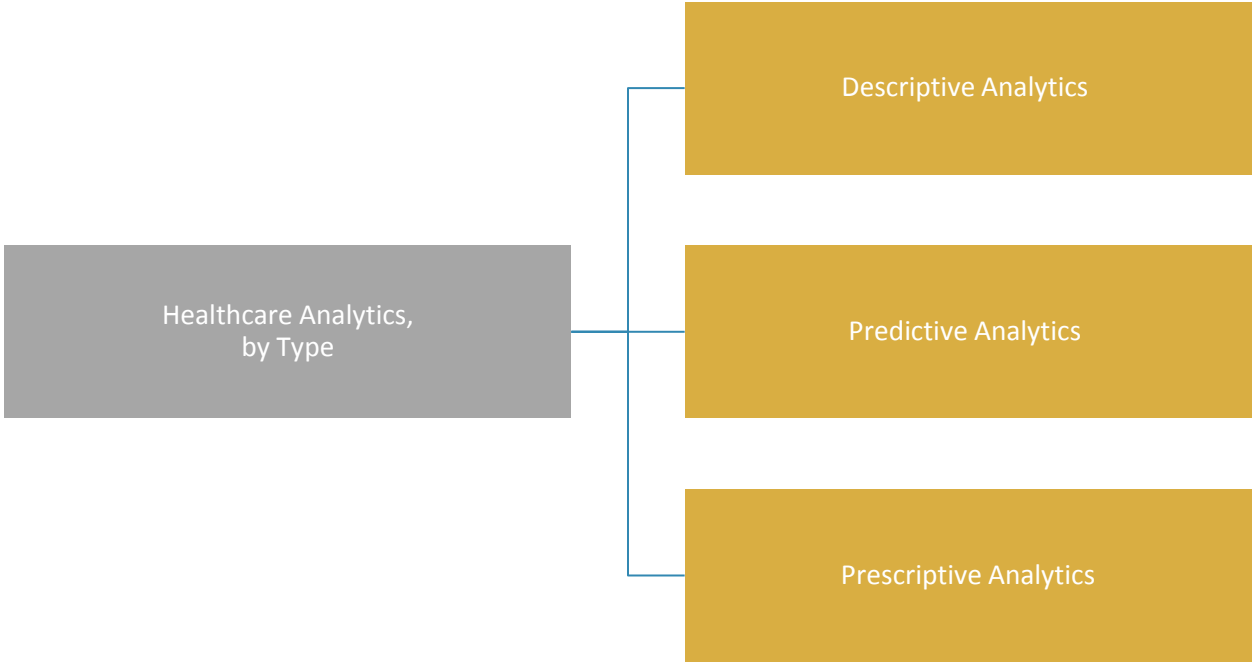
Market numbers have been calculated in constant U.S. dollars.

## *Geographic Breakdown*

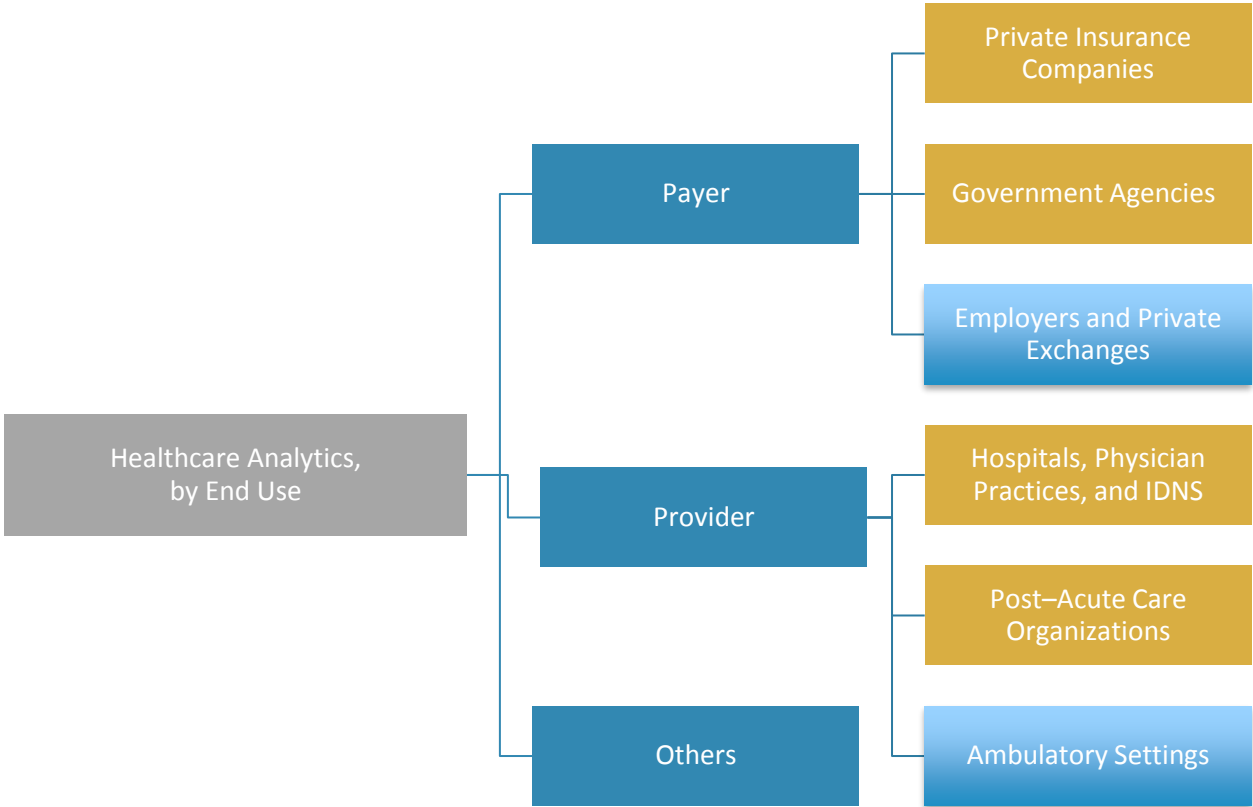
In this report, the geographic regions considered for market analysis include, and only include:

- North America.
- Europe.
- Asia.
- Rest of the World.

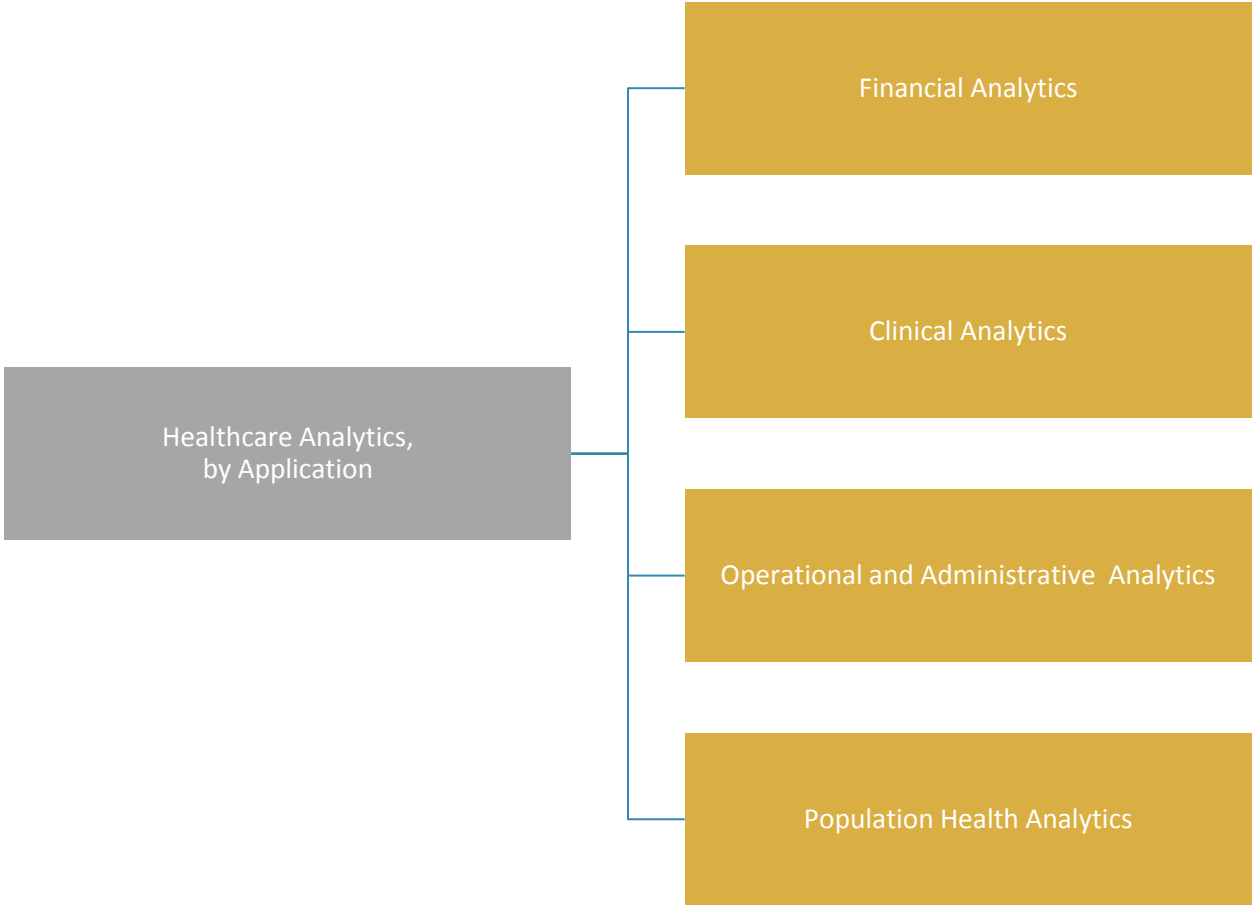
Healthcare Analytics, by Type



Healthcare Analytics, by End Use



Healthcare Analytics, by Application



## *Analyst's Credentials*

Neha Maliwal is a graduate in biotechnology with an MBA in marketing from Pune University in India. With more than five years of experience in market research, she has worked as a business analyst across various industries, such as healthcare IT and the U.S. mortgage industry. She has authored many BCC Research reports, with topics including healthcare analytics, antibiotics and sample preparation.

---

## *Related BCC Research Reports*

- PHM171B *Radiopharmaceuticals: Technologies and Global Markets.*
- HLC035A *Adjunctive Therapies: Photodynamic, Electromagnetic, Radioimmunotherapy and Angiogenesis Inhibitors.*
- HLC027B *Cancer Therapies: Technologies and Global Markets.*
- PHM113B *Prevention and Treatment of Prostate Cancer: Technologies and Global Markets.*
- HLC141A *Therapies and Diagnostics for Cervical Cancer.*
- HLC142A *Therapies and Diagnostics for Uterine Cancer.*
- HLC143A *Therapies and Diagnostics for Ovarian Cancer.*

[Click here for  
Table of Contents](#)



# Chapter 2: Summary and Highlights

---

Global healthcare is currently in a very crucial phase of transformation. There is mounting pressure to reduce costs, improve quality and satisfy customers as it has been moving from a provider-driven model to a consumer-driven model. At the same time, the growing aging populations, increasing chronic conditions and rising awareness about healthcare is steering the demand for consumer-driven healthcare services. These factors are, in turn, generating demand for healthcare analytic tools to meet high expectations. Healthcare analytics is a growing force in the global healthcare IT market and a major sector driving the entire healthcare IT industry.

Healthcare analytics is the next step in following the inception of electronic medical records (EMRs) and electronic health records (EHRs) to facilitate the meaningful use of data. The market for healthcare analytics is estimated to reach a value of nearly \$6.2 billion in 2016 and is expected to grow at a compound annual growth rate (CAGR) of 15.8% to nearly \$14.9 billion by 2022.

The market for healthcare analytics is highly fragmented with many large and small players. Major players in the market are Oracle (U.S.), IBM (U.S.) and Verisk (U.S.), among others. Business analytics accounted for the largest share of the market for healthcare analytics in 2015 at 70%.

The clinical analytics market is expected to reach \$6.2 billion in 2022, at a CAGR of 17.7%. The highest growth is projected to come from clinical analytics as greater emphasis has recently been placed on this segment than in previous years. With the use of predictive analytics, population analytics and clinical analytics are expected to be the driving forces of the market for healthcare analytics.

Other major drivers of the market for healthcare analytics are U.S. government initiatives. The United States is a major market in terms of value and is driving the market for healthcare analytics with the Affordable Care Act (ACA), and reimbursements. In today's world, technology is changing rapidly, while innovations are continually being discovered, and they are having a positive impact on the healthcare analytics market. With margin pressures increasing worldwide, analytics are looked upon as a tool to reduce costs. Payer-provider convergence and rising healthcare costs, along with the other market drivers, are creating many opportunities that are boosting the healthcare analytics market. These factors include EHRs increasing data volumes, the rising importance of value-based medicine due to peer pressure, health information exchange (HIE), easy-to-handle big data, emergency care and preventive care, time and cost savings, data clarity, and transparency and fraud detection.

The market is challenged by restraints such as a lack of uniformity in healthcare data, resistance to an IT-based approach by medical professionals, operational gap between payer and provider front, financial constraints, ensuring patient confidentiality and traditional techniques.

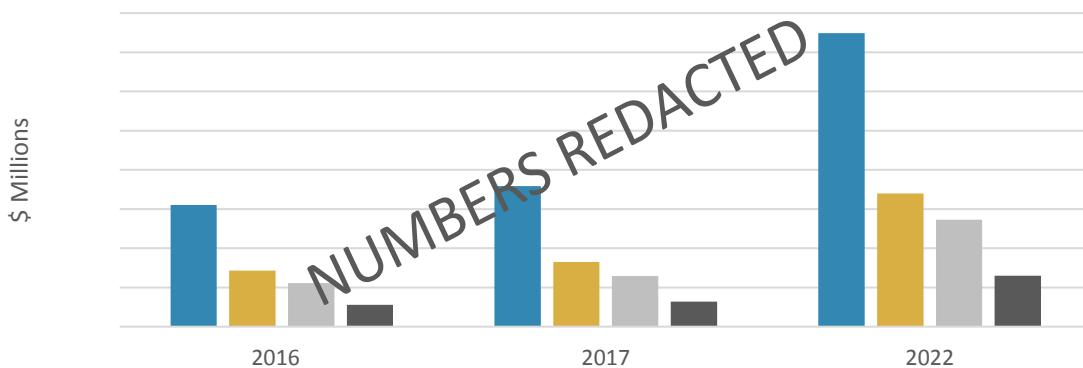
**Summary Table:**  
**Global Market for Healthcare Analytics, by Application, Through 2022**  
 (\$ Millions)

Application	2016	2017	2022	CAGR% 2017-2022
Financial analytics	2,666			
Clinical analytics	2,357			
Operational and administrative	744			
Population health analytics	434			
Total	6,201			

Source: BCC Research

With REDACTED of the market, financial analytics accounts for the largest share in healthcare analytics in 2017. This application market is expected to reach nearly REDACTED in 2022, at a CAGR of REDACTED. The highest growth is projected to come from population health analytics as the healthcare industry has placed greater emphasis on this segment than it has in previous years. With the use of predictive analytics, clinical analytics is expected to be the driving force of the market for healthcare analytics.

**Summary Figure:**  
**Global Market for Healthcare Analytics, by Region, 2016-2022**  
 (\$ Millions)



Source: BCC Research

With REDACTED of the market, North America accounts for the largest share in healthcare analytics and is expected to grow at a CAGR of REDACTED during the forecast period of 2017 through 2022. It is followed by Europe with a REDACTED share and Asia with REDACTED. The ROW accounts for a REDACTED share.

## About BCC Research

With our unparalleled 45-year history, BCC Research provides comprehensive analysis of global market sizing, forecasting and industry intelligence, covering markets where advances in science and technology are improving the quality, standard and sustainability of businesses, economies and lives.

## BCC Membership

From market sizing and forecasts, to opportunity assessments and competitive analyses, our ever-expanding library gives you the data, insights and intelligence required to ensure your project is a success. Members benefit from ongoing, unlimited access to the category or collections of their choice, and most membership packages pay for themselves within two to three reports being accessed.

Did you buy this report? You may qualify to apply your purchase price towards a full membership. Call 866-285-7215 or email [info@bccresearch.com](mailto:info@bccresearch.com) to request a demo.

## BCC Custom Research

Our experts provide custom research projects to those working to identify new markets, introduce new products, validate existing market share, analyze competition and assess the potential for products to impact existing markets. With impressive academic credentials and broad and deep knowledge of global industrial markets, our independent analysts and consultants develop the facts, figures, analysis and assessments to inform the decisions that will move your company ahead. Confidential inquiries to: [custom@bccresearch.com](mailto:custom@bccresearch.com) or 781-205-2429.



Smart Decisions Start Here

T: 866-285-7215

---

[sales@bccresearch.com](mailto:sales@bccresearch.com)

[bccresearch.com](http://bccresearch.com)