Unlocking Medtech’s Future Potential with Connected Devices and Services
Introduction

Connected medical devices and the services built around them can profoundly affect the life sciences industry. Data gathered can be used to help streamline business operations and create new business models, increase clinical effectiveness, improve patient care and outcomes, and demonstrate value to payors.

Medtech is a highly valuable market and will remain critical to population health for decades to come, yet the industry’s long-term growth is at risk because of commoditization of medical devices, a need to demonstrate more value to payors and providers, and competition from ambitious consumer-technology giants.

To remain competitive, medtech companies must be open to innovation and the new growth opportunities that connectivity can bring. Payors are beginning to expand reimbursement for remote monitoring and are encouraging their members to track and monitor their health through wearables and other connected devices. In the United States, a recent executive order will incentivize in-home dialysis rather than in-center dialysis. While this is a bold move, we can expect more treatments to move to the home in the coming years.

This increased drive to reduce costs and improve the patient experience by bringing clinical services into the home can be achieved only by investing in connectivity. Success here will also require the creation of companion services, built around and alongside connected medical devices, to facilitate the delivery of care in homes and to monitor the quality of that care.

With the global market for connected medical devices expected to grow from $55.5 billion in 2019 to $188 billion by 2024, medtech companies must invest in connectivity now or risk being left behind. However, adding connectivity alone is not enough. Several factors play into a connected device’s ultimate success or failure; knowing what these factors are and where to begin can be challenging, especially for medtech companies just starting their journey toward connectivity.

The Growing World of Connected Medical Devices

- **27.6%** growth in the global market is expected from 2019 to 2024.³
- **50 billion** medical devices will connect to clinicians, health systems, patients, and to one another over the next decade.⁴
- **10 to 15** connected medical devices per bed is the average for US hospitals.⁵

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