



L.E.K. Consulting and GRG Health Survey

COVID-19 Impact on Asia-Pacific Hospitals

Edition 1 (Apr 27-May 8, 2020)



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Executive summary: Key insights

A Responses to elective procedures reveal the following insights:

- The **top concerns for many Asia-Pacific hospitals (>40%)** are related to **personal protective equipment (PPE) and medical supply availability**
 - In China, ~60% of respondents indicate that non-COVID-19 medical supply availability is a key concern as hospitals are preparing to resume elective procedures
- ~60% of respondents indicate that **hospitals are still conducting elective and semi-elective procedures at reduced volumes**
 - Hospitals in China and Australia are **cautious in restarting nonessential procedures** to conserve medical supplies for critical/essential cases
- To restart elective procedures, a majority of hospitals (>50%) indicate that **government directives reduction in COVID-19 infection rates and hospitalisation rates are the most important factors** in deciding when to restart elective/semi-elective procedures
 - ~40% of respondents indicate that their facilities are underprepared when it comes to having adequate **non-COVID-19 medical supplies**
- As COVID-19 **infection rates slow down in China, Japan and Thailand**, >90% of hospitals **expect to resume elective procedures by the end of May**
 - Meanwhile, the majority of hospitals (>50%) in India, Indonesia and Philippines **expect to resume elective procedures during or towards the end of Q3 2020** as COVID-19 infection rates have yet to reach their peak

Executive summary: Key insights

- B Insights on COVID-19's impact on hospital morale, preparedness, inpatient capacity and post-COVID-19 planning:**
- The majority of hospitals in Asia-Pacific (~80%) are **feeling prepared to handle COVID-19 and reported strong staff morale**
 - **15%–20% of respondents in the Philippines and Indonesia indicate that they are underprepared**, likely due to an increase in COVID-19 infection rates in the past two weeks
 - COVID-19's **impact on inpatient capacity varies across the Asia-Pacific region**: China hospitals appear to have returned to normal operations while hospitals in other APAC countries are still at or over capacity
 - **COVID-19 is putting a major strain on the overall healthcare system capacity** in India, Indonesia and the Philippines, where infection rates are still increasing
 - As hospitals begin to think about and plan for post-COVID-19, **preparing staff to return to normal shifts, securing adequate medical supplies and resuming elective procedures** are top priority areas for hospitals in APAC
 - In addition, hospitals expect to see several changes to their strategy and operations post-COVID-19, notably:
 - **70%–80% of hospitals expect to see significant investments in infection prevention and maintain PPE conservation practices**
 - **~40% of hospitals expect to increase clinical staffing post-COVID-19**
 - Post-COVID-19, hospitals are looking to manufacturers to **provide assistance in managing supply risk and take greater control over product delivery (e.g., direct distribution)**

Executive summary: Key insights



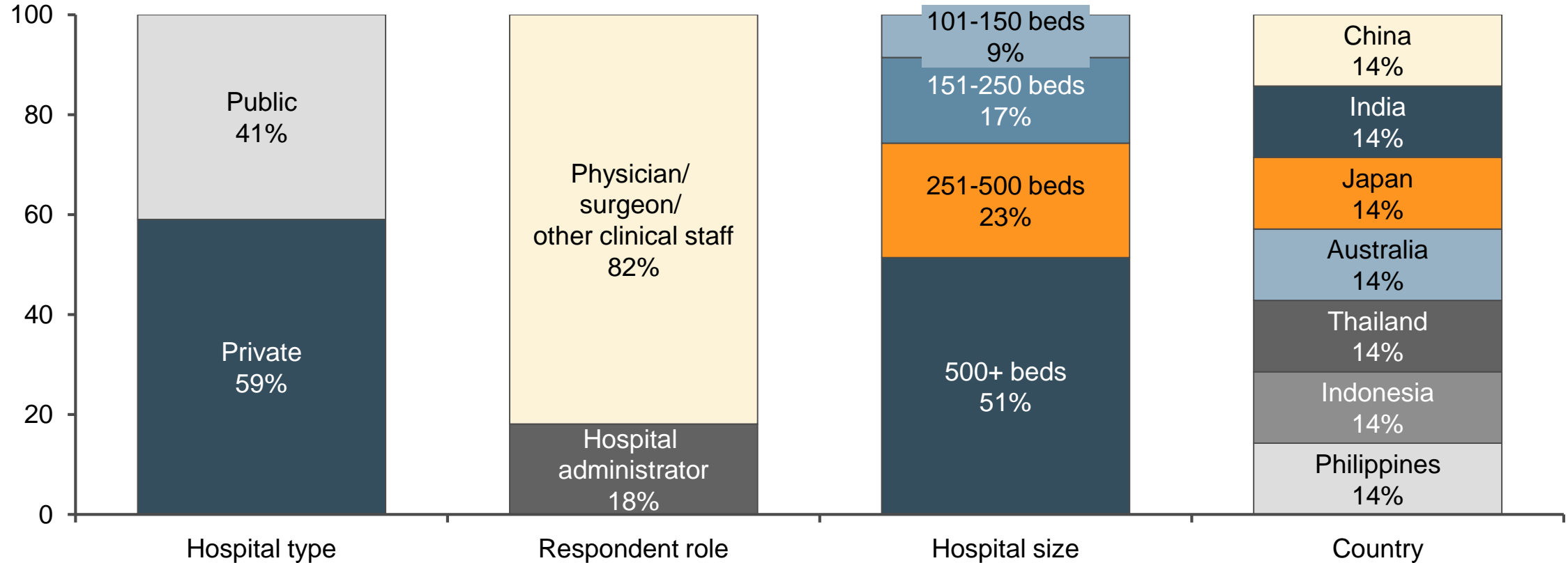
Insights on hospitals' use of telehealth:

- **~40% of hospitals** in the Asia-Pacific region report **leveraging telehealth at levels substantially above pre-COVID-19 levels**
 - **Japan telehealth usage continues to be the lowest** in Asia-Pacific due to strong preference for in-office hospital visits
 - **~60% of hospitals** expect to **continue using increased levels of telehealth post-COVID-19**, particularly in Southeast Asia (SEA), India and Australia
 - **~40% of respondents** expect a decrease in telehealth usage and indicate **preference for in-office visits, inadequate infrastructure and lack of regulatory/reimbursement policy** as the main barriers to growing usage
- Hospitals are expected to **invest in patient and physician education** as well as **partner with telehealth solutions providers** to support the increased use of telehealth

The L.E.K. and GRG Survey on COVID-19 Impact on Asia-Pacific hospitals is being administered biweekly to hospital administrators and clinicians

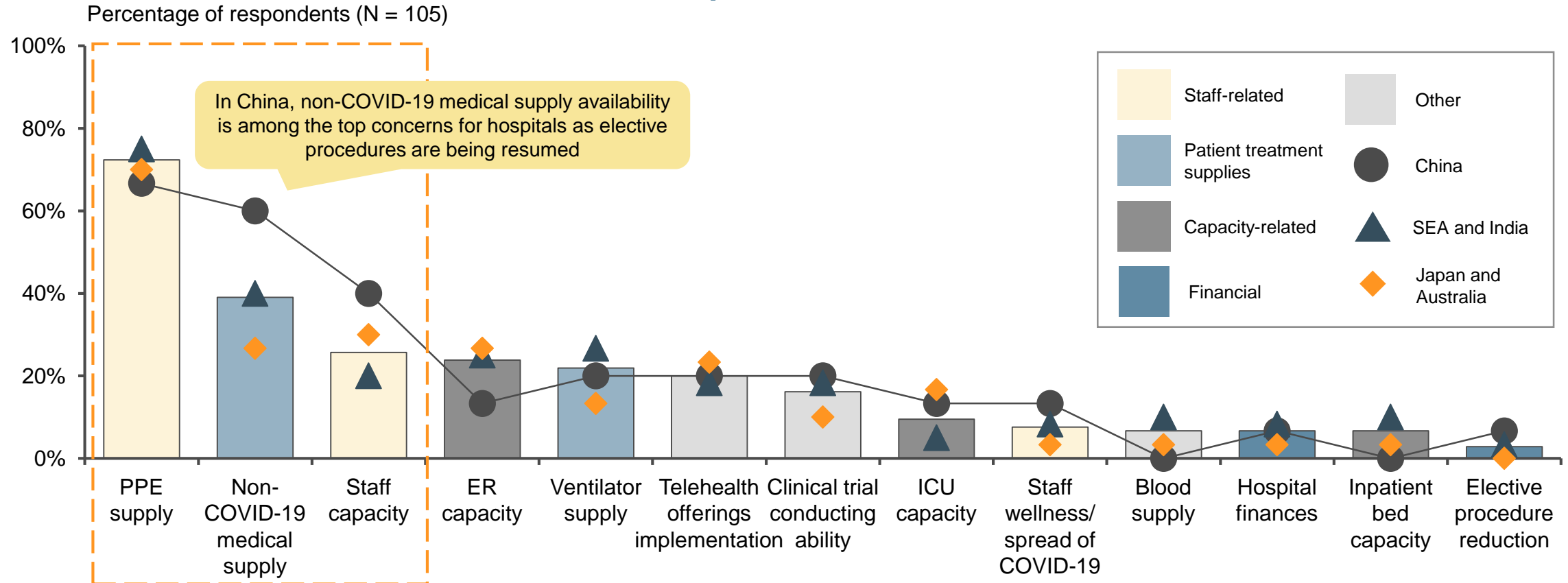
Demographics of Asia-Pacific hospitals COVID-19 survey

Percentage of respondents (N = 105)

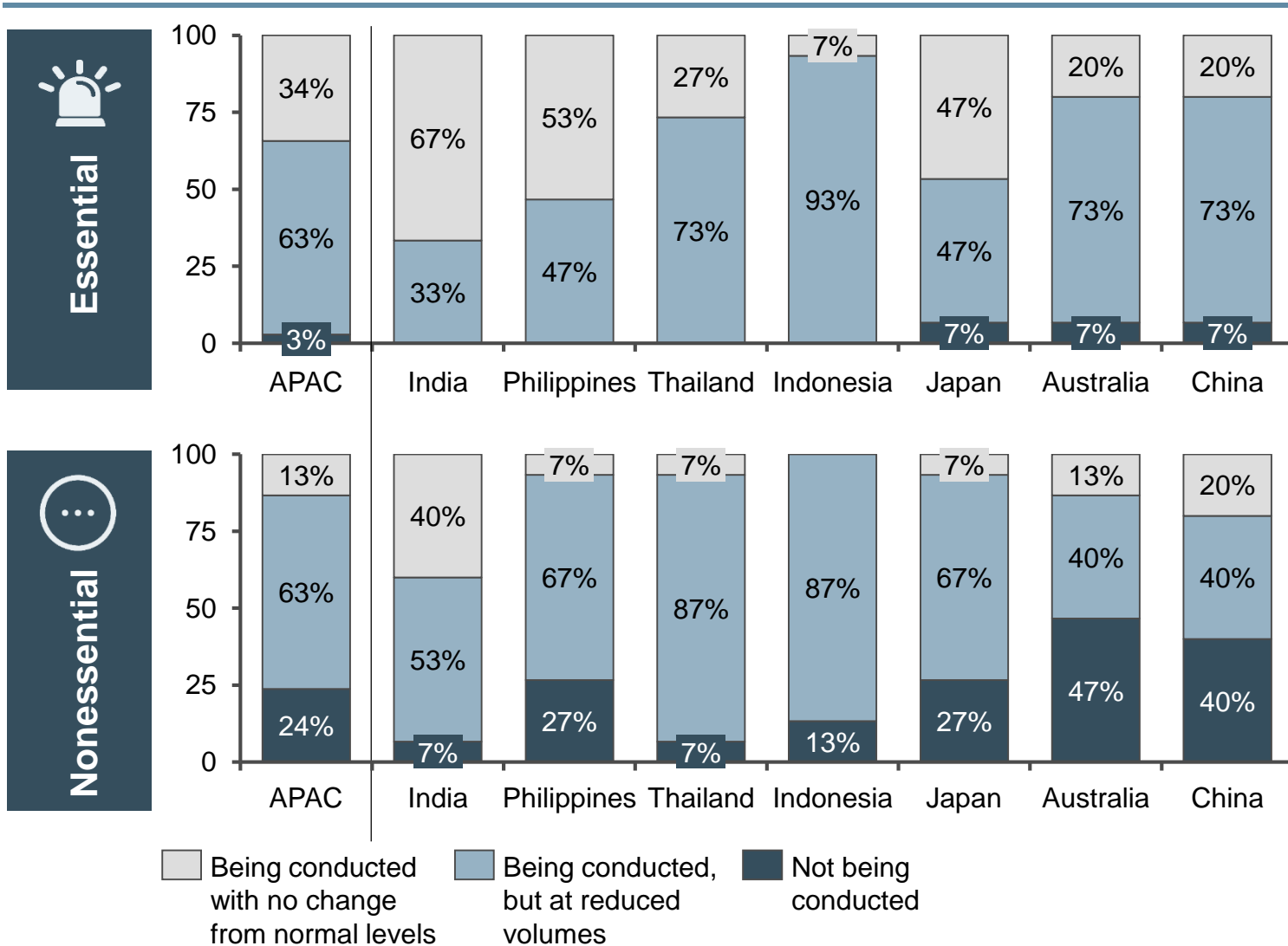


A Which of the following issues are of the highest level of concern to your hospital?

PPE supply, medical supply availability and staff capacity issues are top concerns among hospitals in APAC



A Which describes your current volume of scheduled procedures?

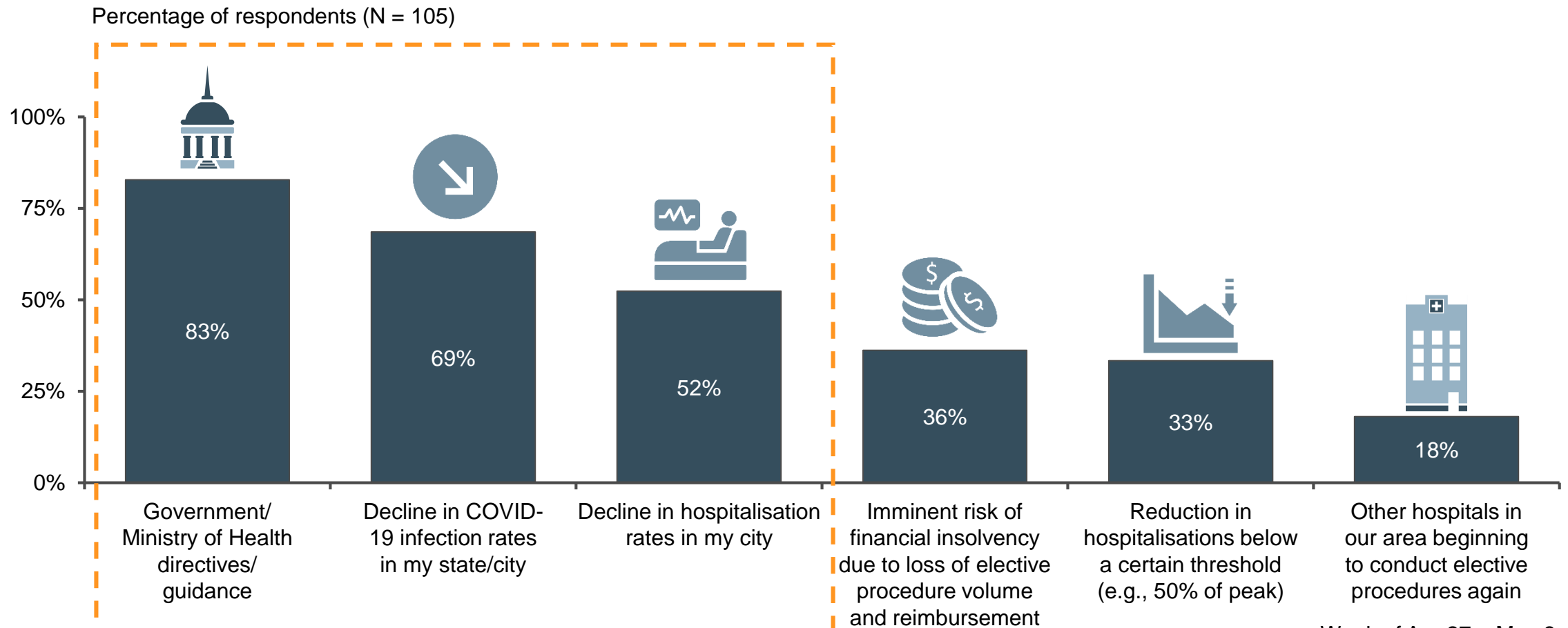


Percentage of respondents (N = 105)

- A vast majority of hospitals (~60%) indicated that essential and nonessential procedures are still being conducted, but at reduced volumes
- >40% of respondents in China and Australia are more cautious in restarting nonessential procedures to conserve medical supplies for critical/essential cases

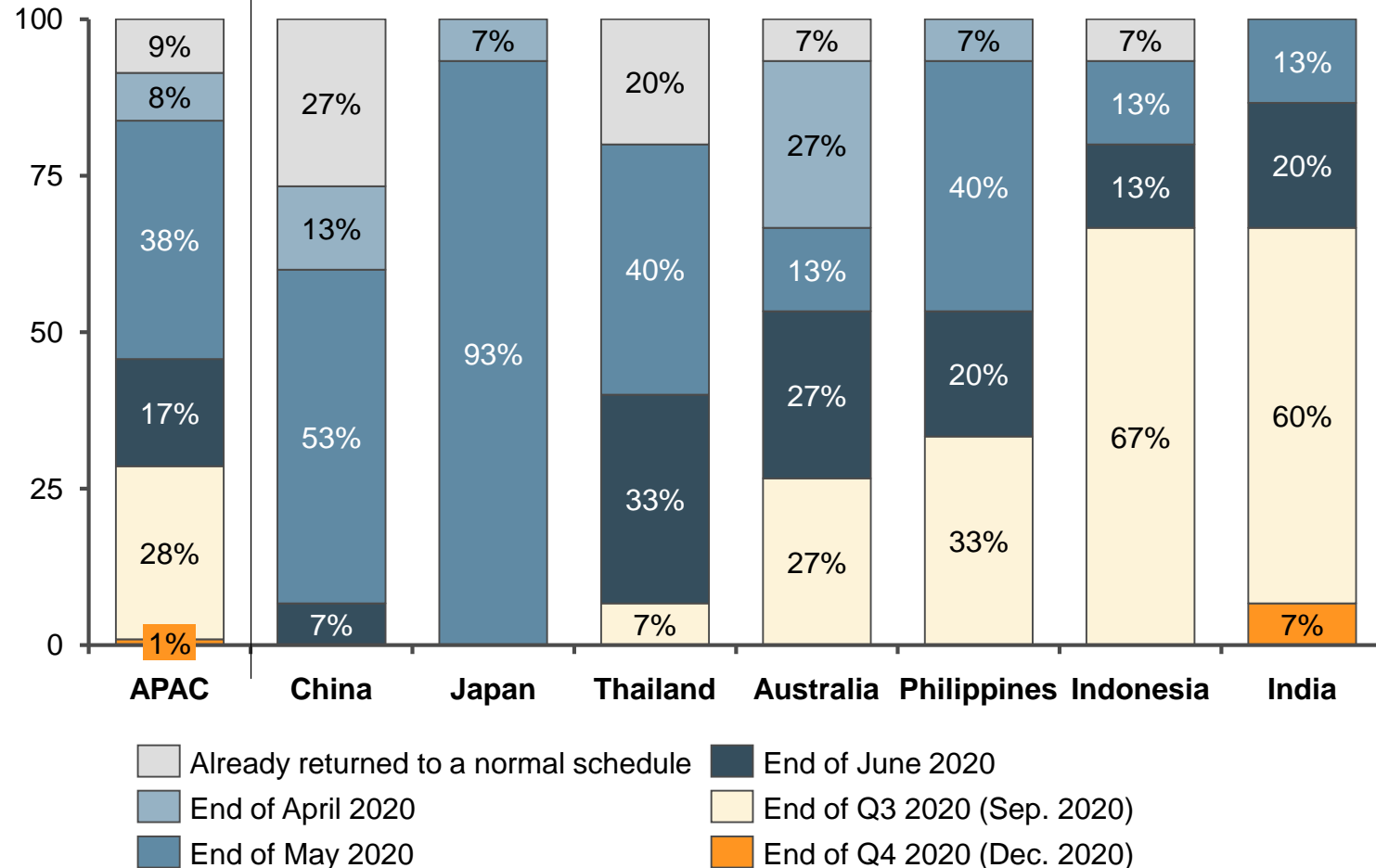
A What key factors will guide your facility to resume elective procedures?

Hospitals are watching for government guidance and decline in COVID-19 infection rates in their state/city as signs that it may be appropriate to resume conducting elective procedures



A When do you expect your facility to begin ramping up elective medical procedures?

Percentage of respondents (N = 105)

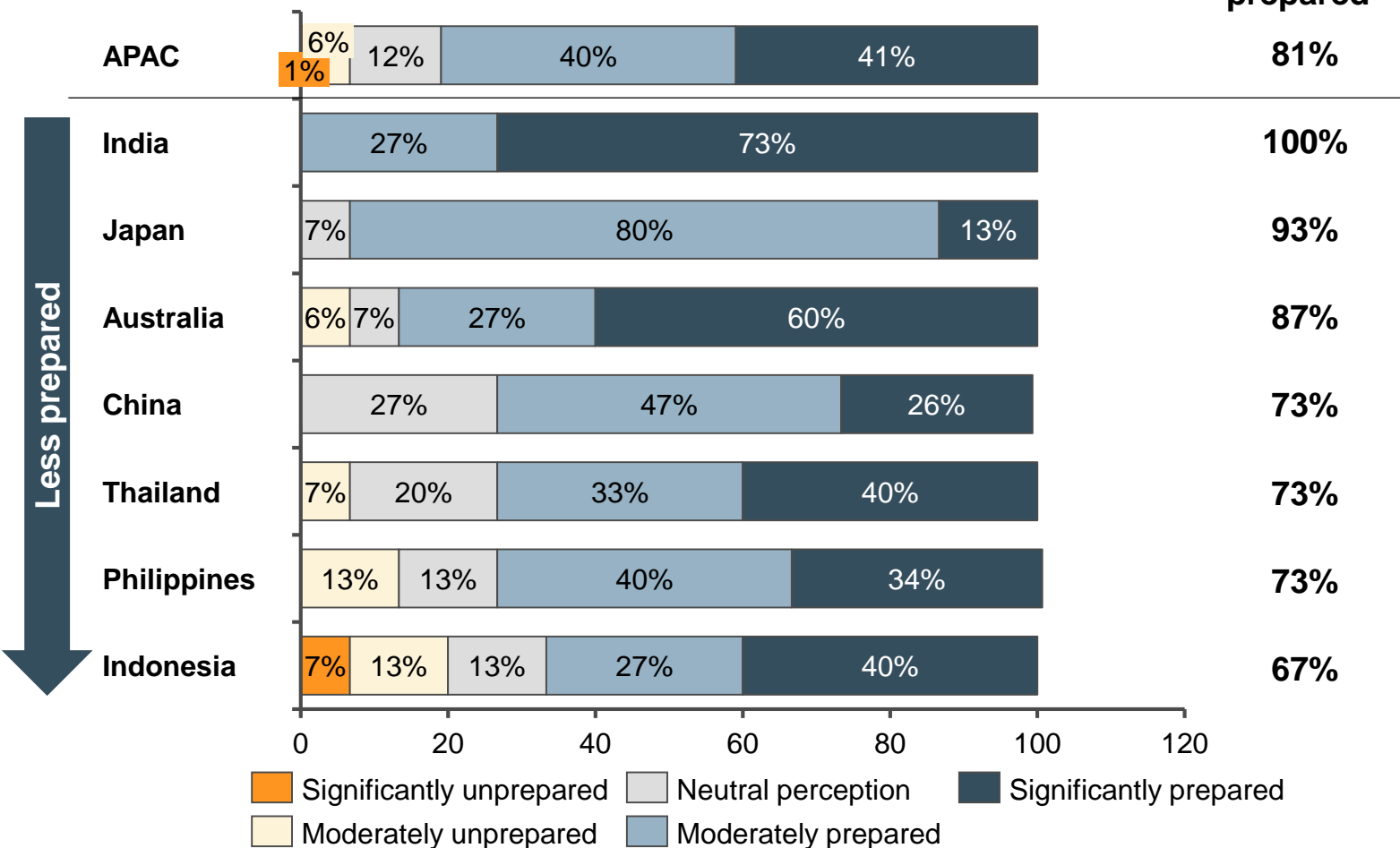


- As COVID-19 infection rates slow down, >90% of hospitals in China, Japan and Thailand are expecting to ramp up elective medical procedures by the end of May 2020
- >50% of hospitals in Australia, Philippines, Indonesia and India are expecting to ramp up during Q3 2020

B Considering COVID-19, how prepared is your healthcare organisation?

Percentage of respondents (N = 105)

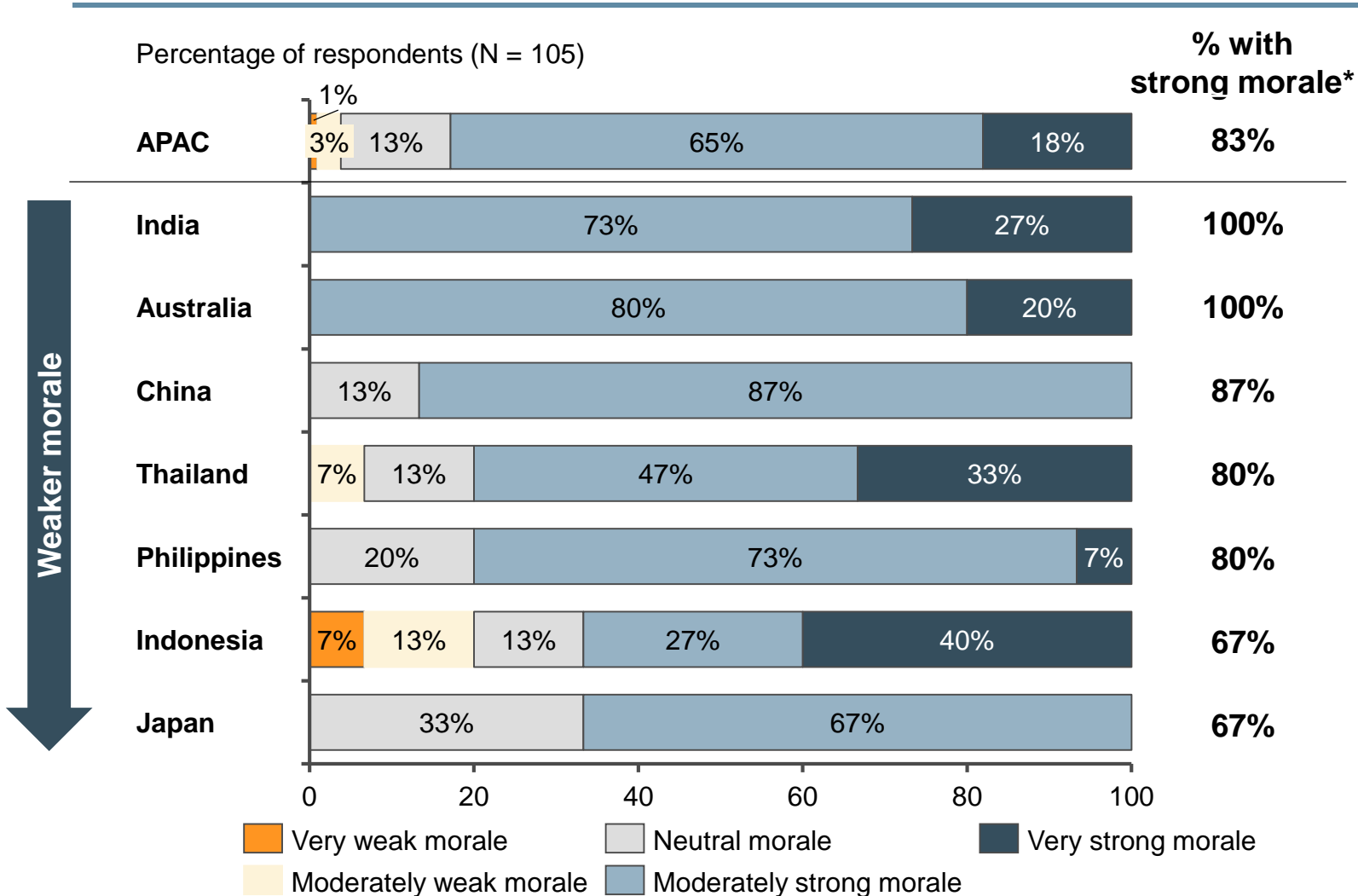
% feeling prepared*



- ~80% of hospitals feel that they are moderately prepared or significantly prepared to handle COVID-19
- In Philippines and Indonesia, 15%–20% of respondents indicate that they are underprepared, likely due to increasing COVID-19 infection rates in the past two weeks

Note: *Sum of moderately and significantly prepared

B How would you rate the morale of your organisation today?



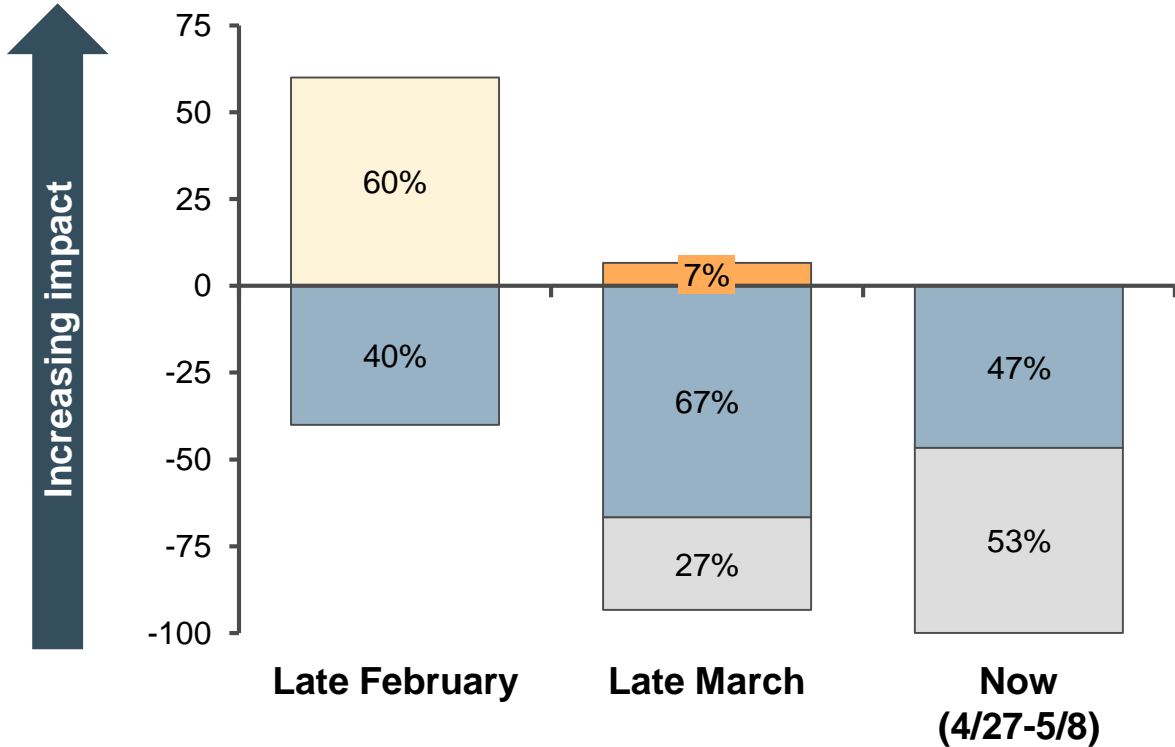
- ~80% of hospitals rate their staff as having moderately strong or very strong morale
- COVID-19 infections and deaths among healthcare workers in Indonesia may have resulted in a higher share of respondents (~20%) with weaker morale

Note: *Sum of moderately and very strong morale

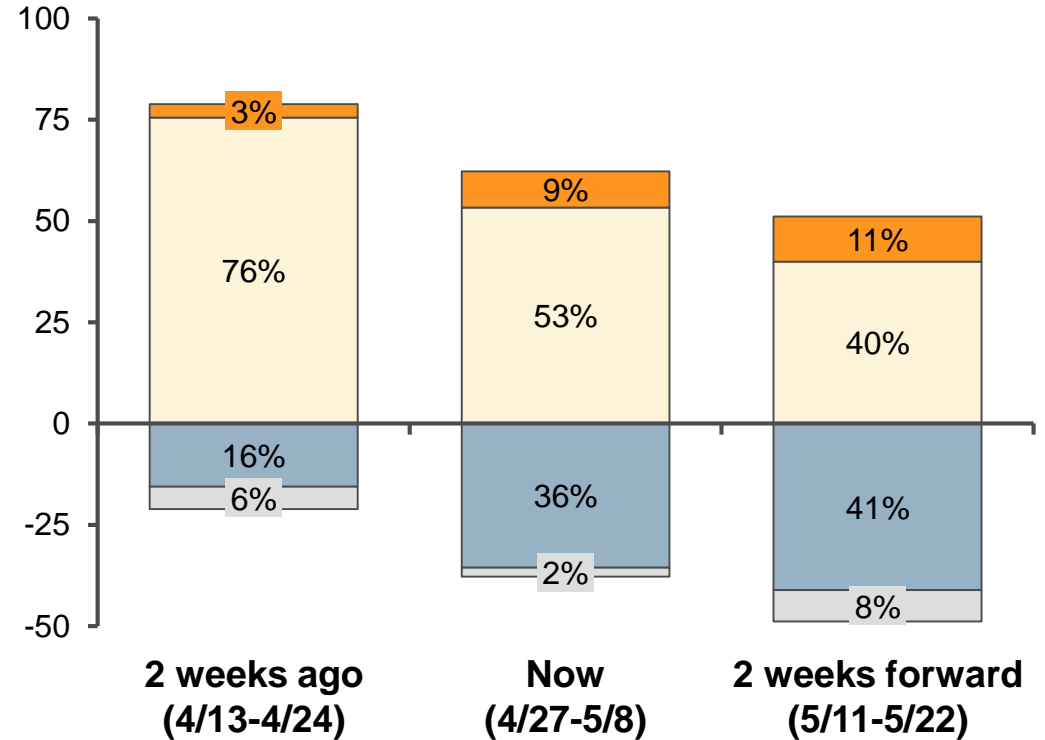
B What is the impact of COVID-19 on your inpatient capacity?

In China, hospital inpatient capacity is currently close to normal operations compared with late February

Percentage of respondents (N = 105)



In other APAC countries, inpatient capacity is significantly affected, but the impact is expected to decrease in the next two weeks



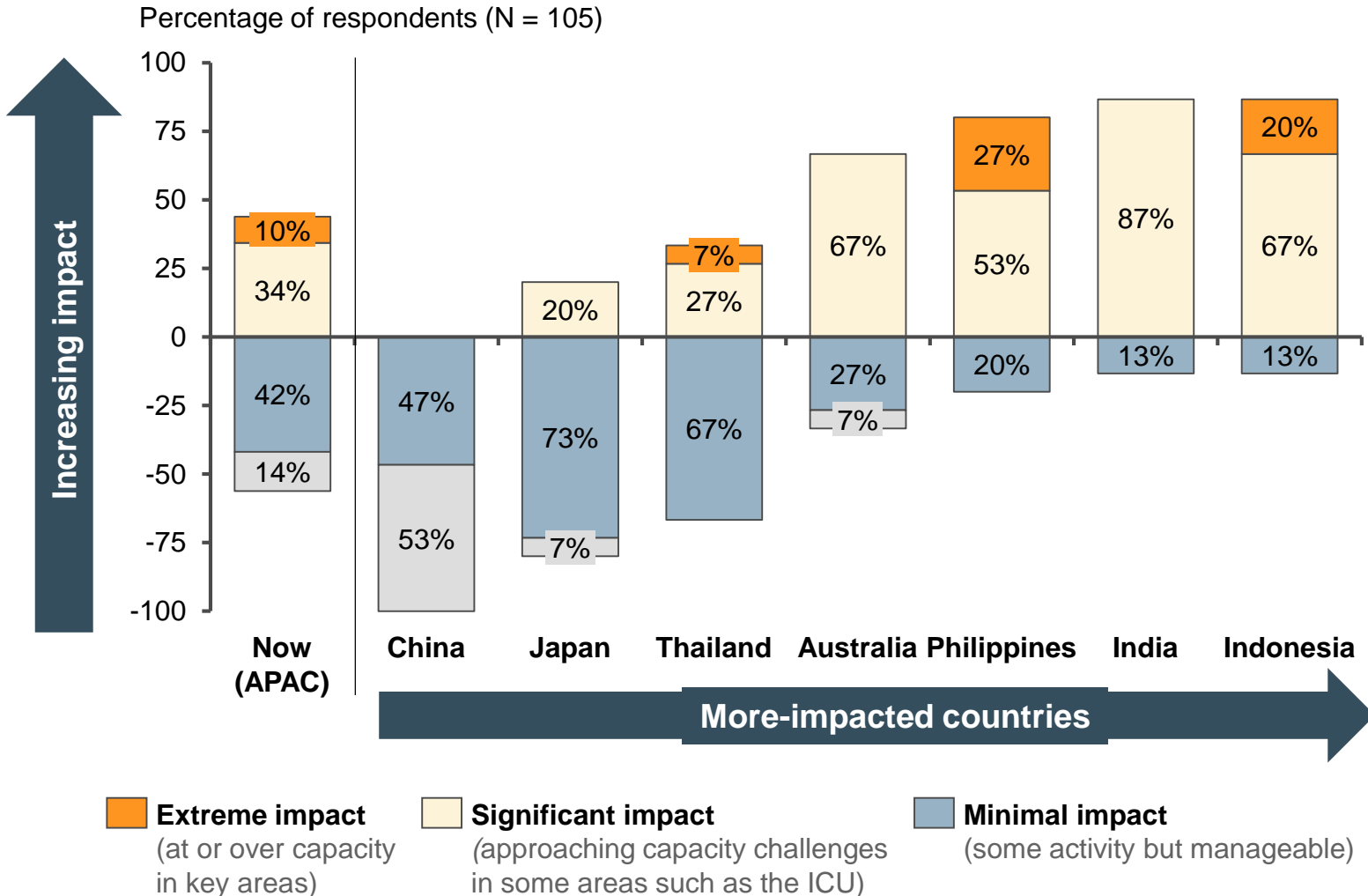
Extreme impact
(at or over capacity in key areas)

Significant impact
(approaching capacity challenges in some areas such as the ICU)

Minimal impact
(some activity but manageable)

No impact

B Current impact of COVID-19 on inpatient capacity by country

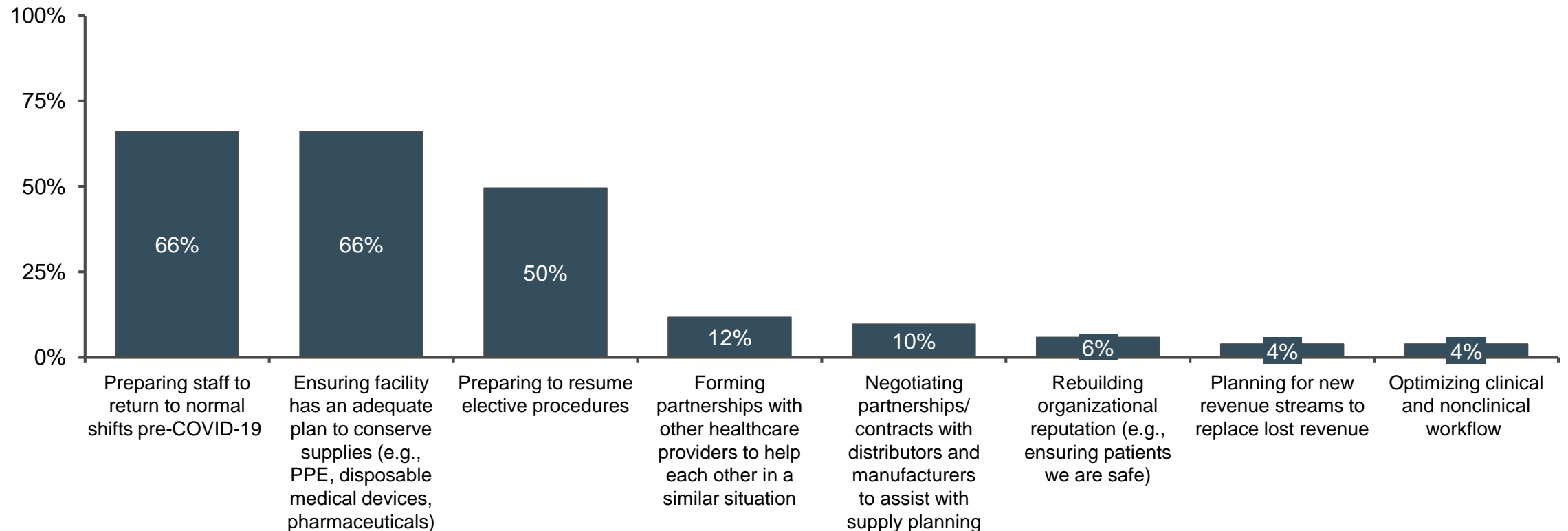


- Hospitals in the Philippines, India and Indonesia currently report the highest impact of COVID-19 on inpatient capacity
- Meanwhile, inpatient capacity issue in China, Japan and Thailand has decreased as infection rates slow down

B What are the top areas that your facility is most concerned with/planning for post-COVID-19?

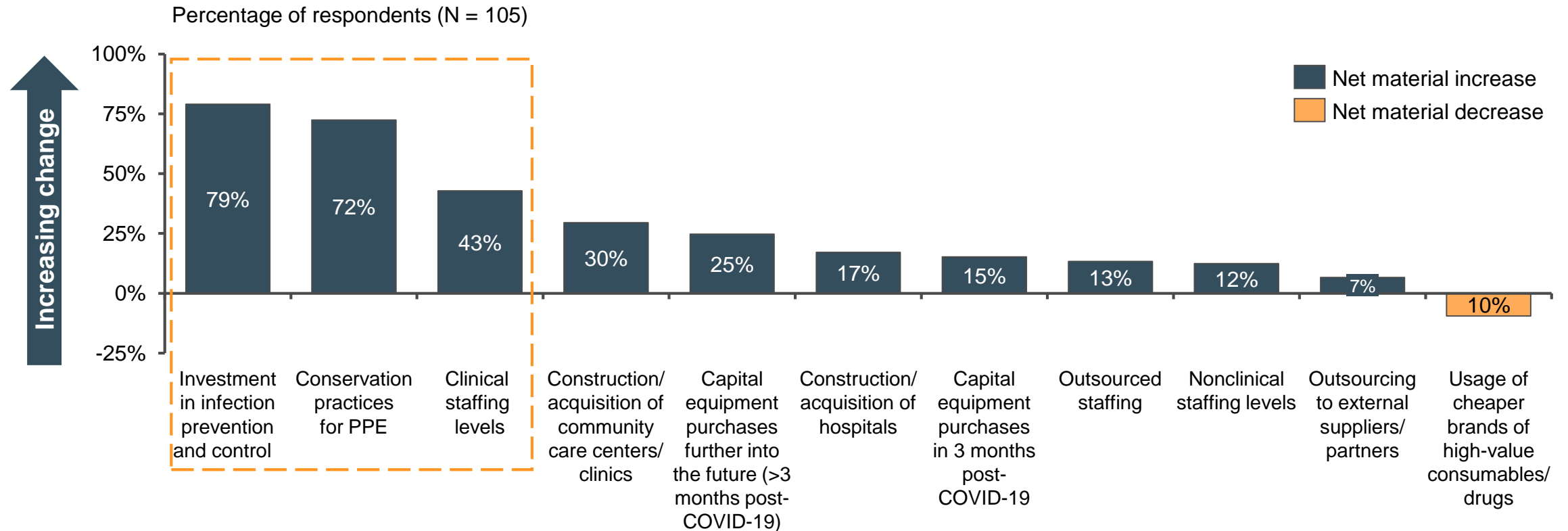
Preparing staff to return to normal shifts, securing adequate medical supplies, and preparing to resume elective procedures are top priority areas for hospitals as they plan for post-COVID-19

Percentage of respondents (N = 103)



B What strategic and operational changes are expected in your hospital post-COVID-19?

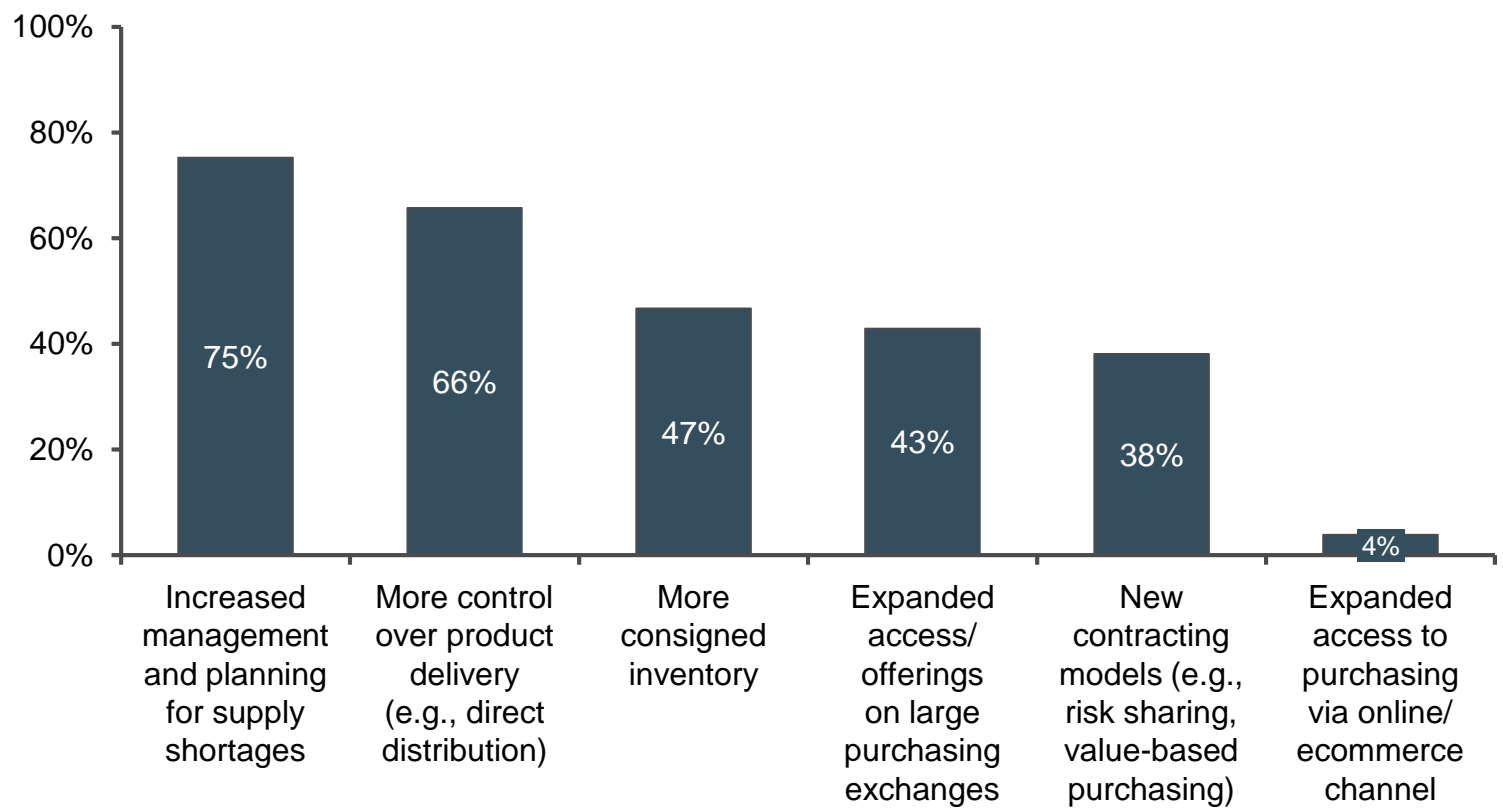
Infection prevention, PPE conservation and clinical staffing levels are key post-COVID-19 priorities, whereas capital and operating expenses may see a transient impact due to the uncertainties from suspension of regular care delivery during COVID-19



B

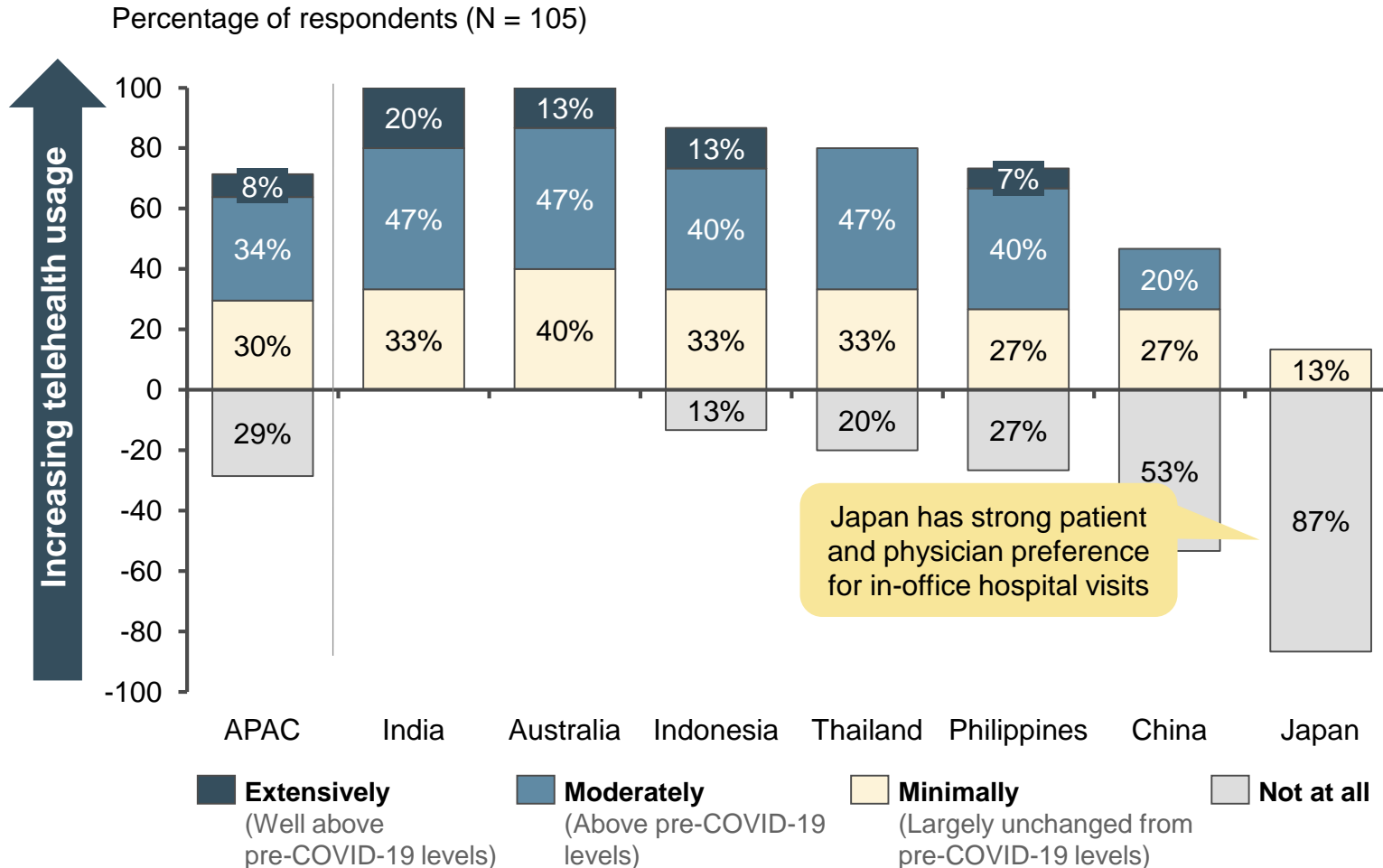
How would you like to see manufacturers evolve how they deliver and contract their products with your organisation post-COVID-19?

Changes hospitals would like manufacturers to make
Percentage of respondents (N = 105)



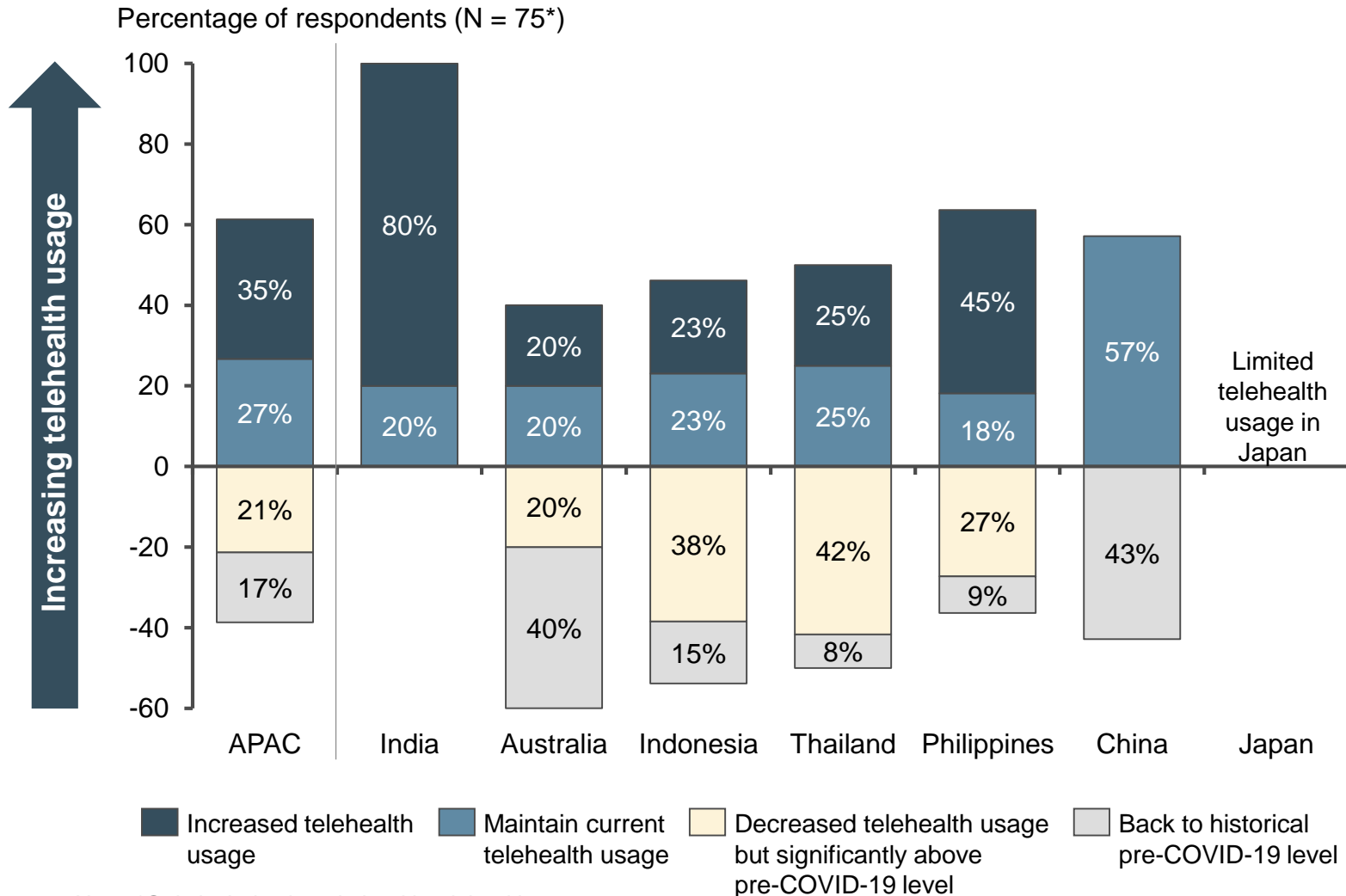
● Assistance with managing supply risk and greater control over product delivery are key hospital expectations for manufacturers post-COVID-19

C To what extent is your hospital currently leveraging telehealth?



- The vast majority of hospitals in India, Australia and SEA are reporting increasing use of telehealth compared with pre-COVID-19 level
- Japan telehealth usage remains the lowest in Asia-Pacific due to strong preference for in-office hospital visits

C How do you expect your telehealth usage to change post-COVID-19?



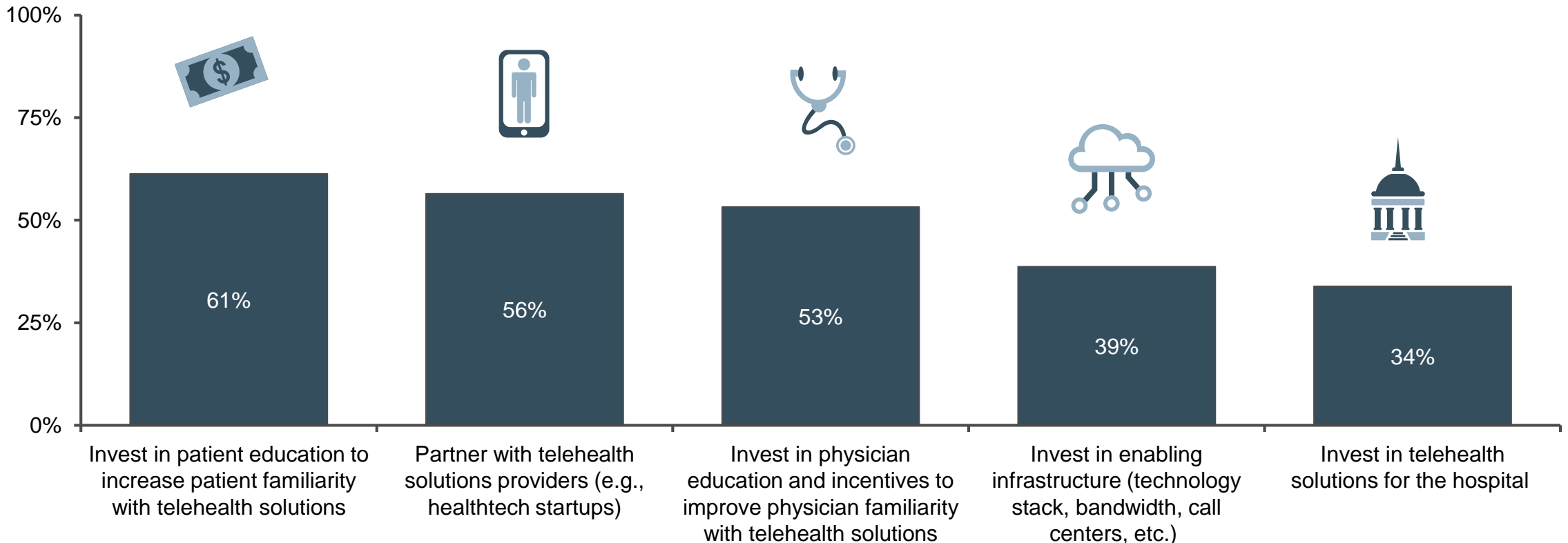
- ~60% of hospitals expect to maintain or increase telehealth usage post-COVID-19
- Among respondents expecting a decrease in telehealth usage, preference for in-office visits, inadequate infrastructure and lack of regulatory/reimbursement policy are highlighted as the main barriers to growing usage

Note: *Only includes hospitals with telehealth usage

C Which actions do you expect to take to help increase telehealth usage?

Most hospitals expect to invest in patient and physician education to increase telehealth usage and partner with telehealth solutions providers

Percentage of respondents (N = 62*)



Note: *Only includes hospitals expecting to increase or maintain telehealth usage above pre-COVID-19 level

Week of Apr 27 – May 8, 2020

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