



L.E.K. Consulting and GRG Health Survey

COVID-19 Impact on Asia-Pacific Hospitals



Edition 2 (May 11-22, 2020)

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Executive summary: Key insights

A Responses to elective/semi-elective procedures reveal the following insights:

- The **top concerns for the majority of hospitals (~40%) have shifted toward ventilator supply and ICU/ER capacity** as hospitalization rates have increased over the past two weeks; **personal protective equipment (PPE) and medical supply availability** are still top concerns for many facilities
- A majority of **hospitals in China and Japan are ramping up elective/semi-elective procedure volumes gradually** and getting closer to normal operations; meanwhile, elective procedures in **other APAC countries are either delayed or conducted at significantly reduced volumes (40%–60% of pre-COVID-19 levels)**
 - Hospitals in China, Japan and Australia expect to reach **elective/semi-elective volumes equal to 60%-70% of pre-COVID-19 levels by the end of Q2 2020**; meanwhile, hospitals in SEA and India expect to reach **~70% of pre-COVID-19 levels during Q4 2020**
- In addition to government directives, reduction in COVID-19 infection rates and hospitalization rates, a majority of hospitals (**60%-70%**) indicate that **protocols and tools for patient intake, PPE supplies, and addressing patients' comfort with hospital care are the most important factors** in deciding when to restart elective/semi-elective procedures
 - However, only **25%-40%** of respondents indicate that their facilities are prepared when it comes to **having developed protocols and tools for patient intake and ensuring adequate PPE supplies**
- A majority of respondents (~**60%**) indicate that **neurosurgery, cardiac/structural heart and spine elective procedures will be the highest priority** for their facilities to restart
- **The severity and urgency of elective/semi-elective procedures, procedure-specific medical supplies availability and hospital finances** are the most important factors that hospitals take into account when deciding which surgery category to prioritize

Executive summary: Key insights

B Insights on COVID-19's impact on hospital inpatient capacity and post-COVID-19 planning:

- **COVID-19's impact on inpatient capacity varies across the Asia-Pacific region**
 - **China hospitals' inpatient capacity has remained stable** over the past two weeks, while **hospitals' inpatient capacity in the Philippines, Indonesia and India continues to deteriorate** with increasing infection rates
 - The **inpatient capacity issue in Japan, Thailand and Australia is expected to ease gradually** over the next two weeks as the number of new infection cases slow down
- 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)**

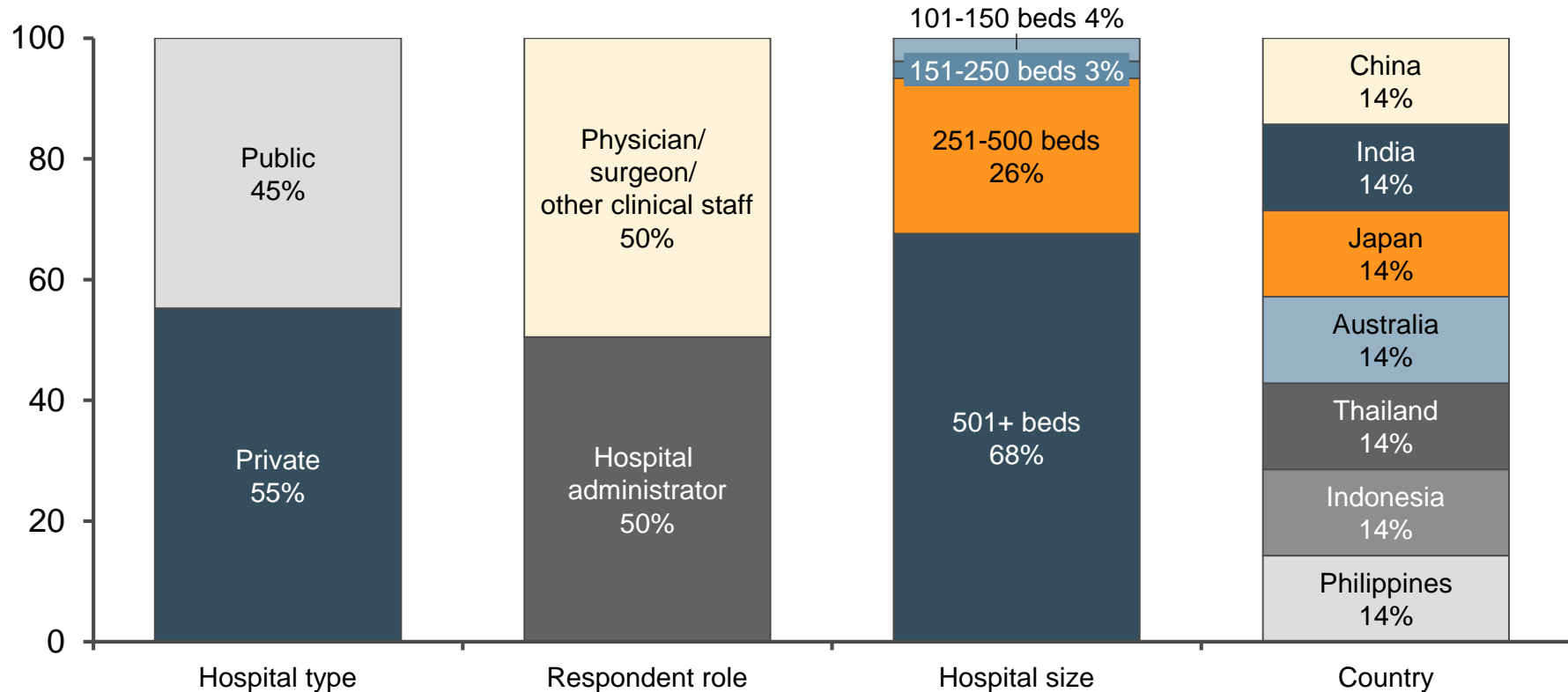
Executive summary: Key insights

C Insights on remote/digital engagement with healthcare professionals (HCPs):

- **Medical reps' hospital access is significantly restricted** during the COVID-19 crisis, and a significant proportion of HCPs (~40%) indicated that they **did not engage with medical reps at all**
 - **~40% of HCPs used digital/remote engagement tools** to engage with medical reps or to complement their in-person interactions
 - Most of the remote/digital users (**80%-90%**) are HCPs who have used the engagement tools moderately or **extensively during their practice**, and most of them **expect to continue using remote/digital tools post-COVID-19**
 - In terms of remote/digital engagement quality, HCPs indicated a **higher satisfaction level with pharma companies than with medical device companies**
- A majority of HCPs (**40%-55%**) indicate the **lack of localized content (breadth and depth), poor platform design and insufficient update frequency as key barriers to increase remote/digital engagement tools usage**

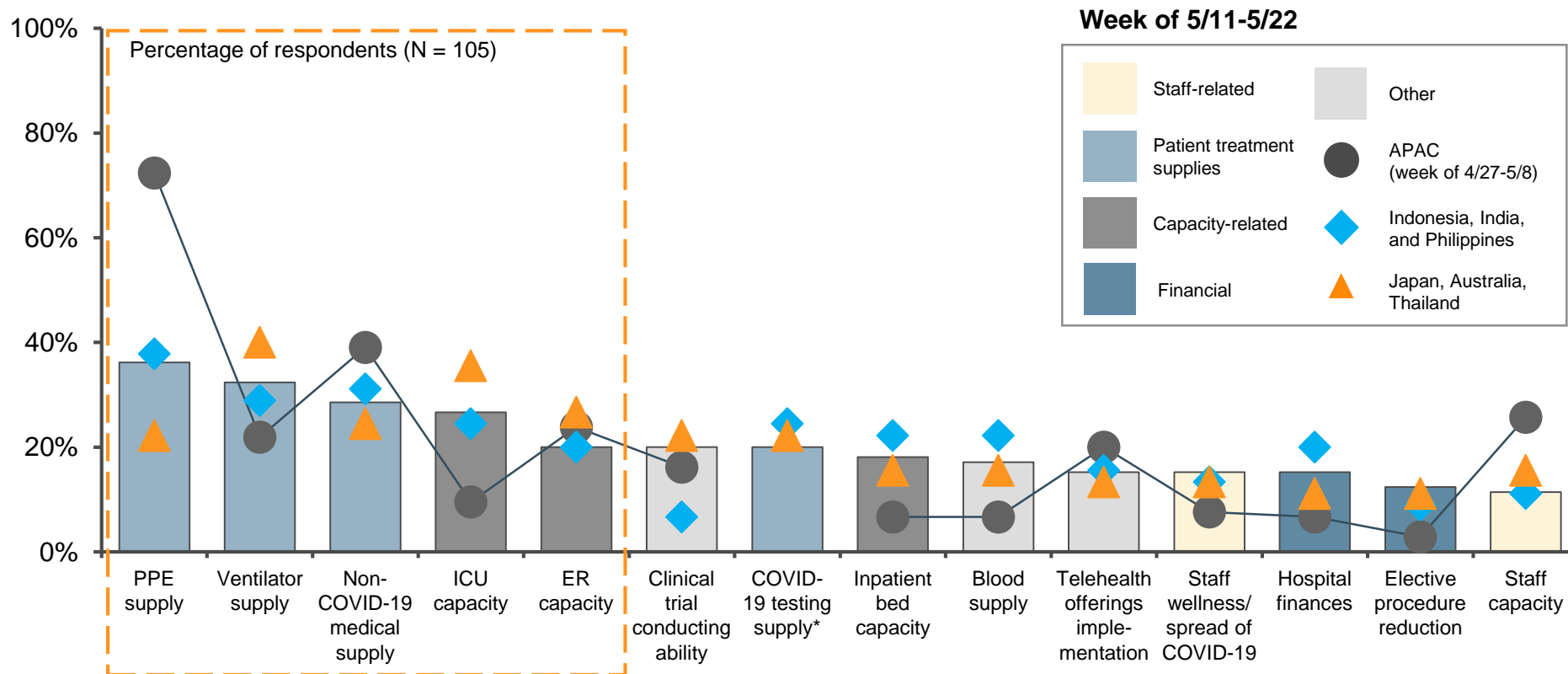
The L.E.K. and GRG survey on COVID-19 impact on Asia-Pacific hospitals is being administered biweekly to hospital administrators and clinicians

Demographics of Asia-Pacific hospitals COVID-19 survey
 Percentage of respondents (N = 105)



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

A Ventilator supply and ICU and ER capacity issues became increasingly larger concerns over the past 2 weeks due to increasing hospitalization rates, while PPE and medical supply availability remain as top concerns among APAC hospitals



Note: *COVID-19 testing supplies was not included as an answer choice in Edition 1 survey (Apr 27-May 8)

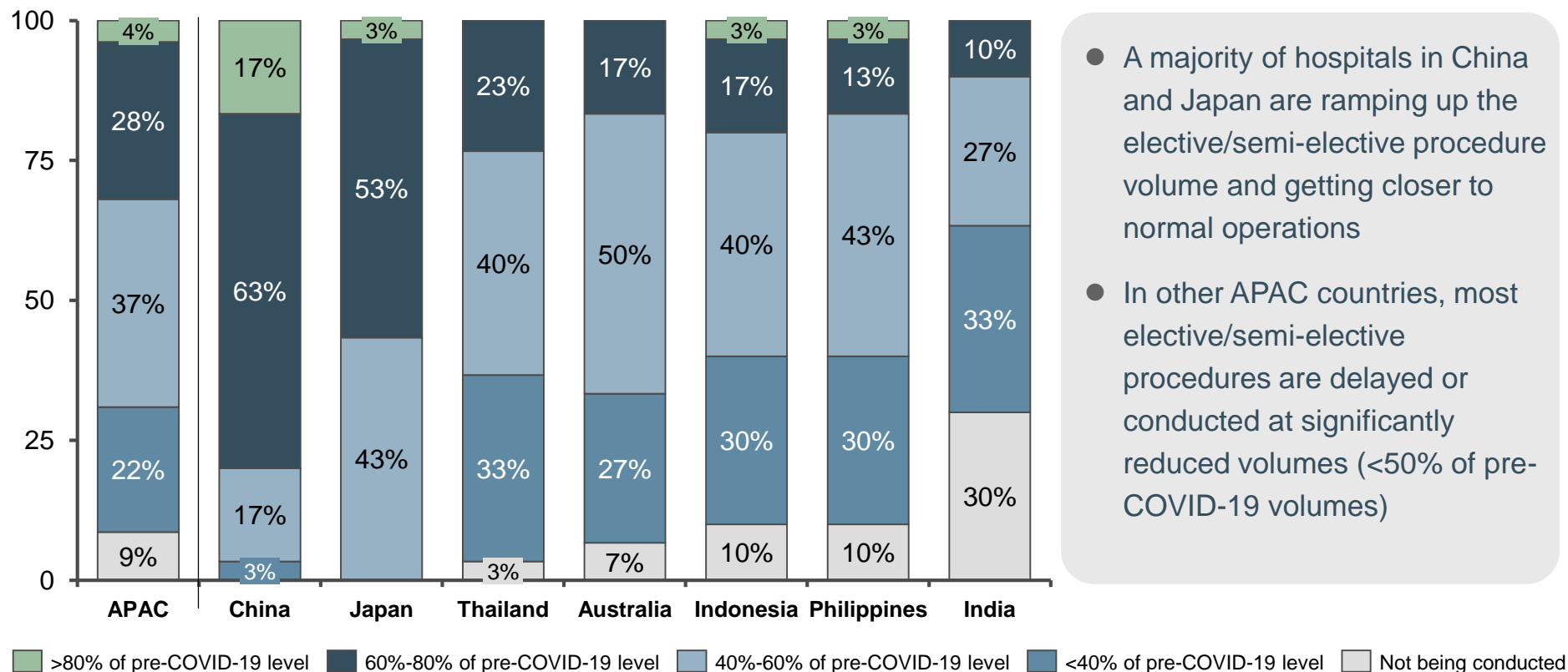
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Which describes your current volume of elective/semi-elective procedures?*

A Volume of elective/semi-elective procedures compared to pre-COVID-19 level

Percentage of respondents (N = 105)



- A majority of hospitals in China and Japan are ramping up the elective/semi-elective procedure volume and getting closer to normal operations
- In other APAC countries, most elective/semi-elective procedures are delayed or conducted at significantly reduced volumes (<50% of pre-COVID-19 volumes)

Note: *Elective/semi-elective procedures are medically necessary but do not need to be performed immediately (e.g., inguinal hernia surgery, colonoscopy, cataract surgery, mastectomy)

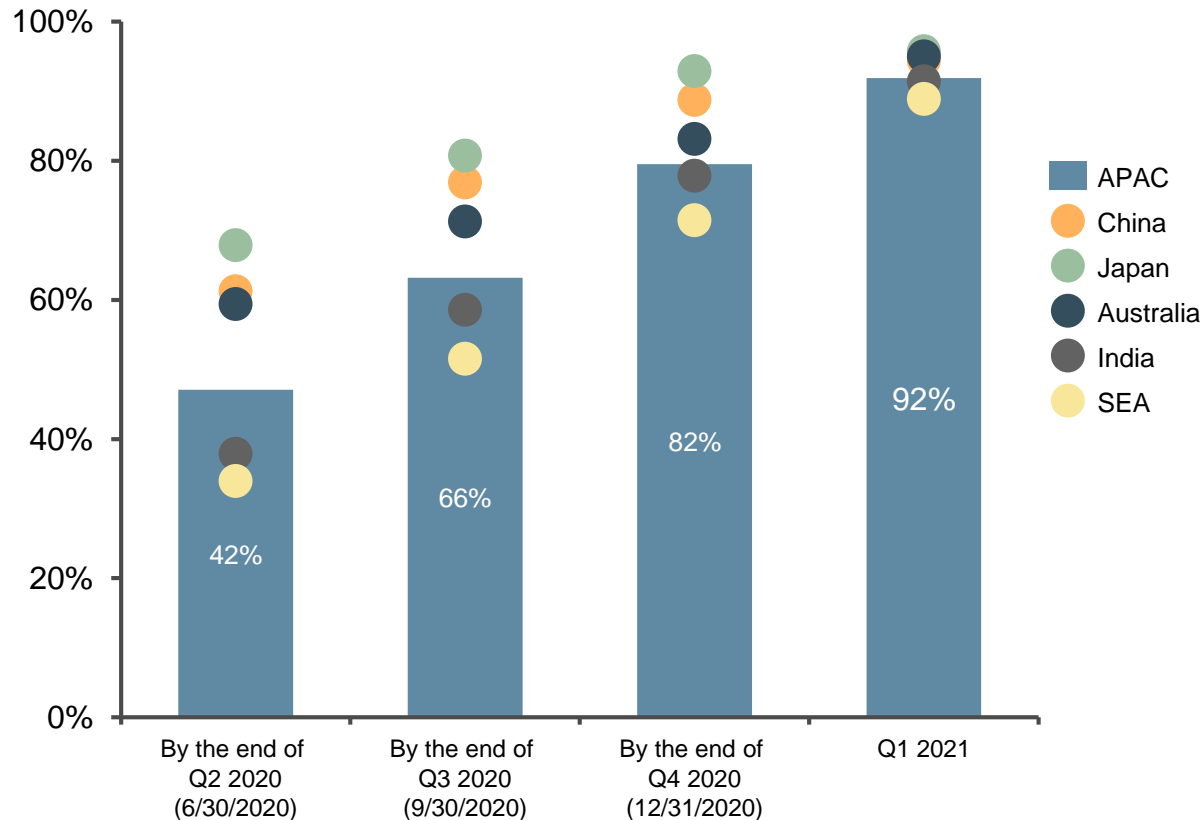
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When and at what percentage of pre-COVID-19 levels will your facility begin ramping up previously paused elective/semi-elective procedures?

A Elective/semi-elective procedure volume ramp-up compared to pre-COVID-19 levels

Average percentage of pre-COVID procedure volumes



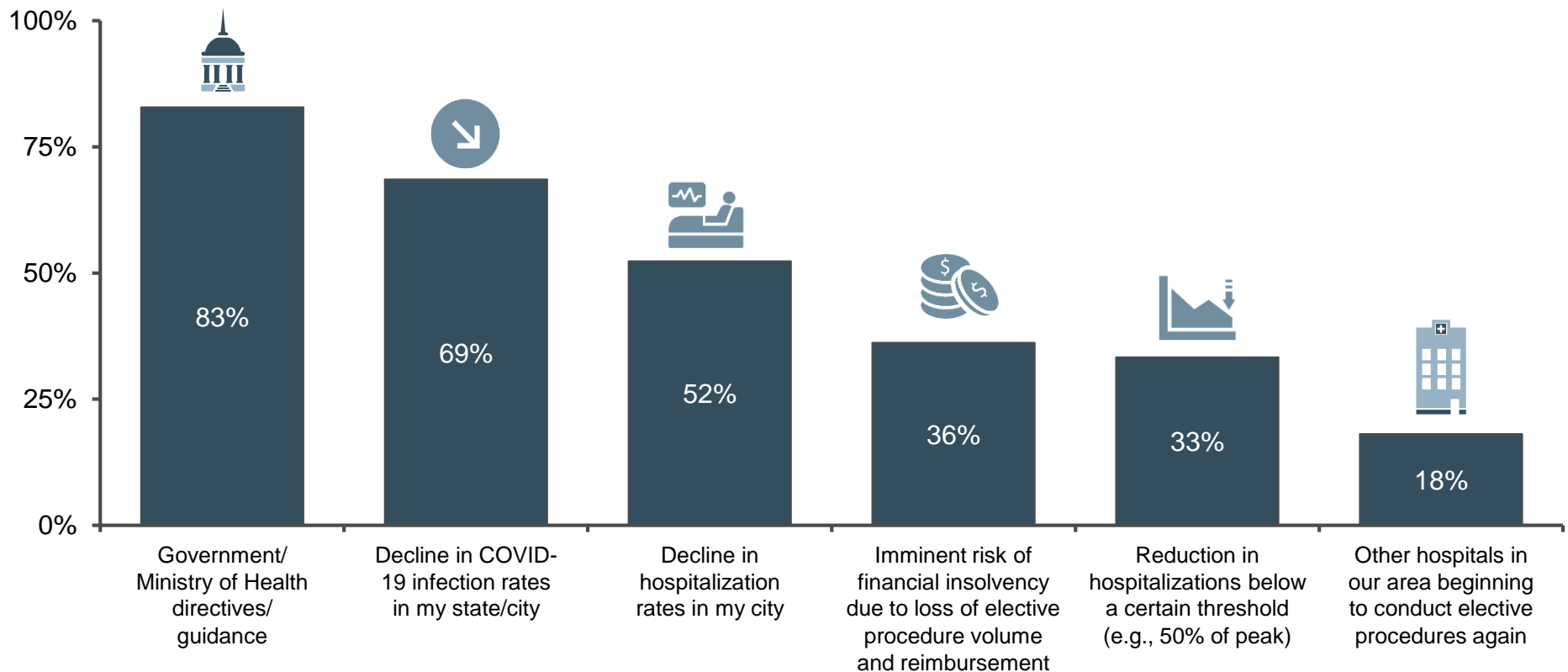
- Hospitals in China, Japan and Australia expect elective/semi-elective procedure volume to be at 60%-70% of pre-COVID-19 levels by the end of Q2 2020
- Meanwhile, hospitals in SEA and India are expecting a slower recovery timeline (around Q3-Q4 2020) to reach ~70% of pre-COVID-19 volumes

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

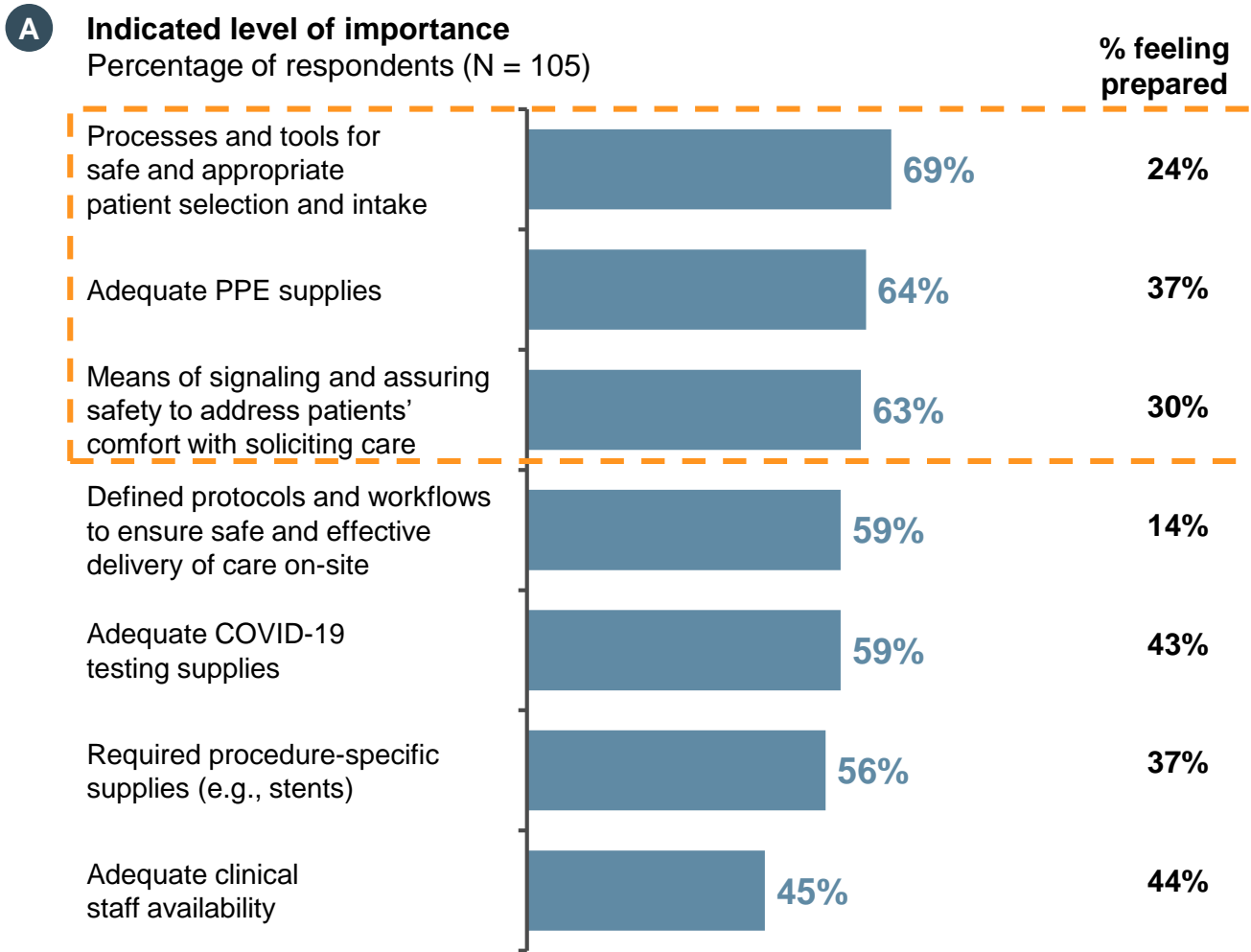
A

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

Percentage of respondents (N = 105)



What key factors are important and how prepared is your organization for them as your facility seeks to resume elective/semi-elective procedures?

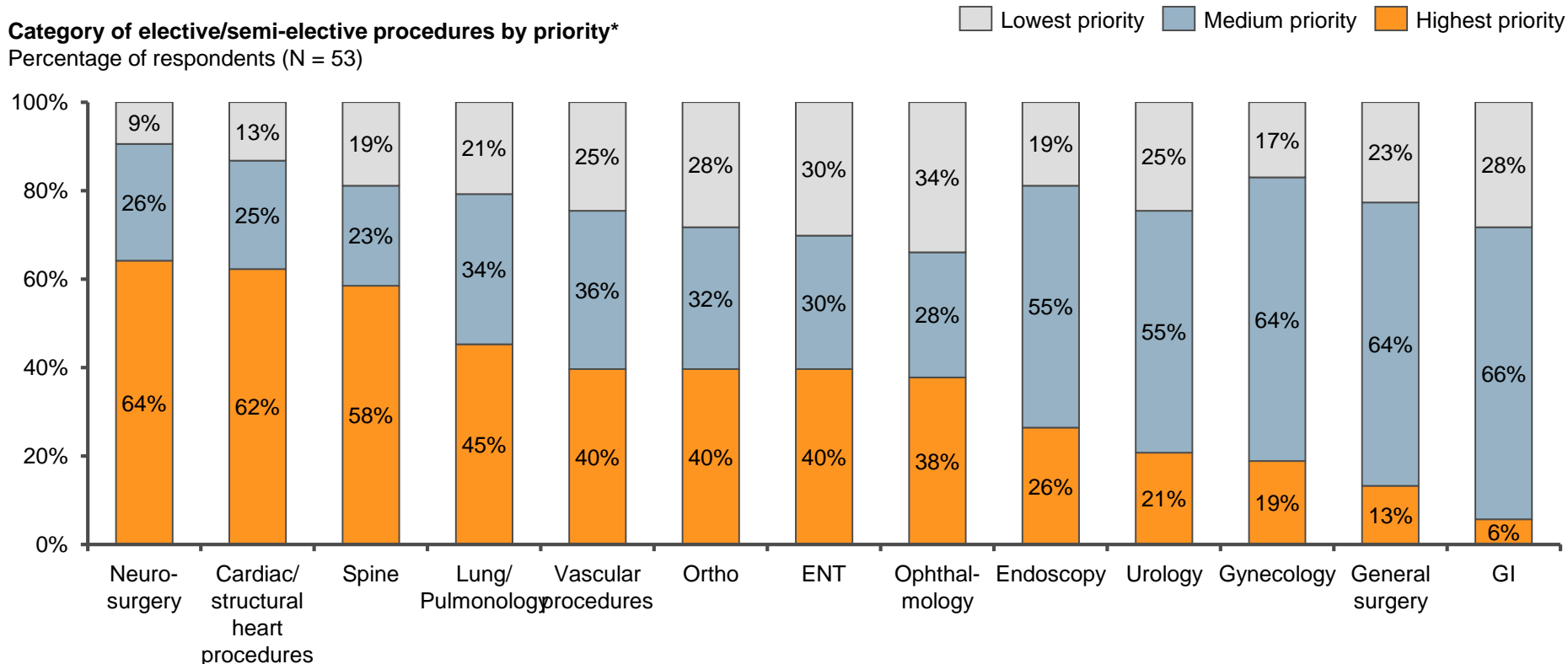


- Established processes and tools for patient intake, PPE supplies, and addressing patients' comfort with hospital care are the most important factors in evaluating when to restart elective procedures; however, most hospitals indicate that they are relatively underprepared in these areas

Which elective/semi-elective procedural categories do you believe your facility will prioritize to restart first?

A

A majority of respondents (~60%) indicate that neurosurgery, cardiac/structural heart and spine elective/semi-elective procedures will be the highest priority for hospitals



Note: *General surgery (e.g., gallbladder/cholecystectomy, hernia), vascular procedures (e.g., stents, angioplasty), GI (e.g., colonoscopy), spine (e.g., spine hardware and implants)

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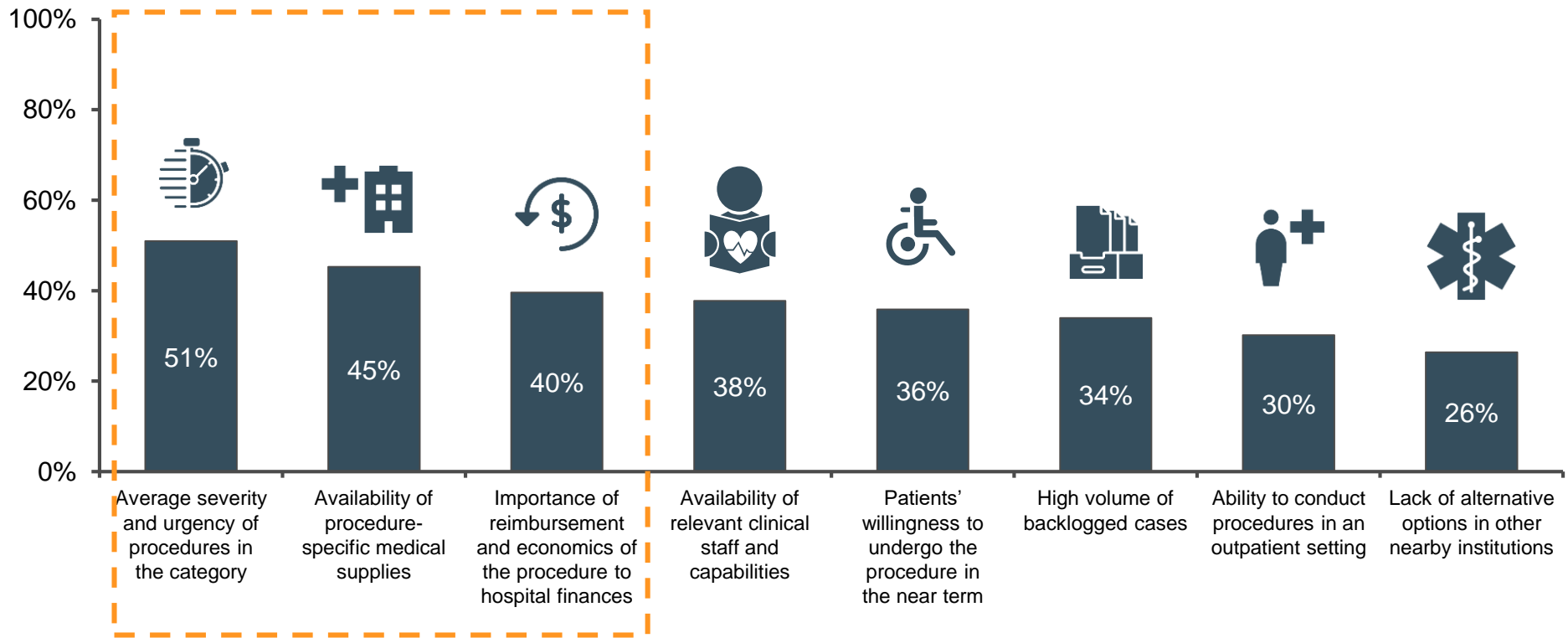
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What are the primary factor(s) that determine the relative priority of a given category of elective/semi-elective procedures for resumption post-COVID-19?

A The severity and urgency of elective procedures, procedure-specific medical supplies availability and hospital finances are the most important factors in prioritizing the category of elective/semi-elective procedures for resumption

Primary factors for determining the relative priority of elective/semi-elective procedures

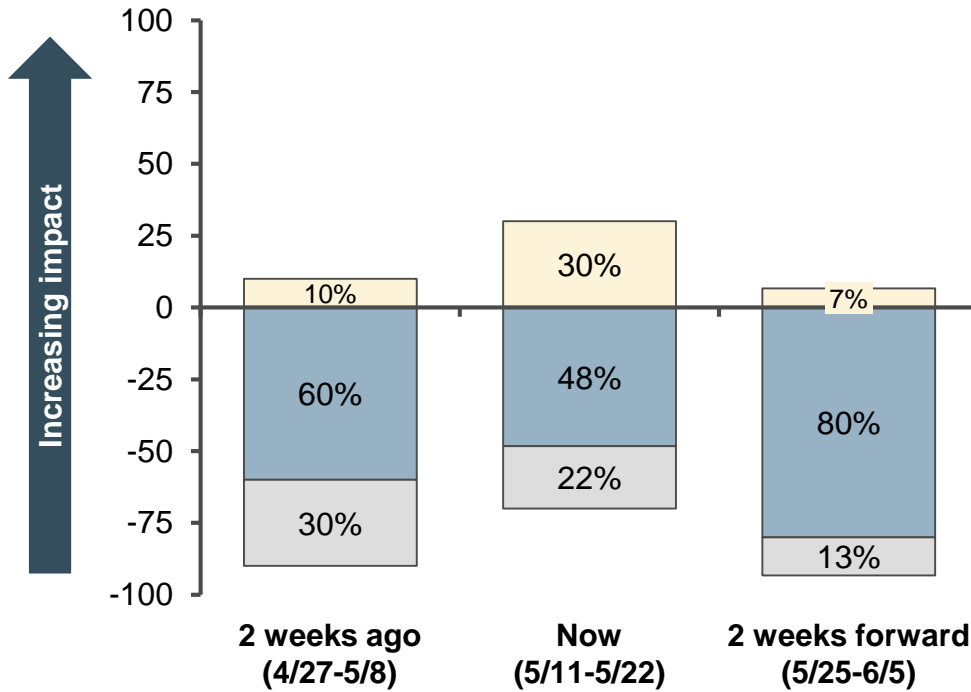
Percentage of respondents (N = 53)



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

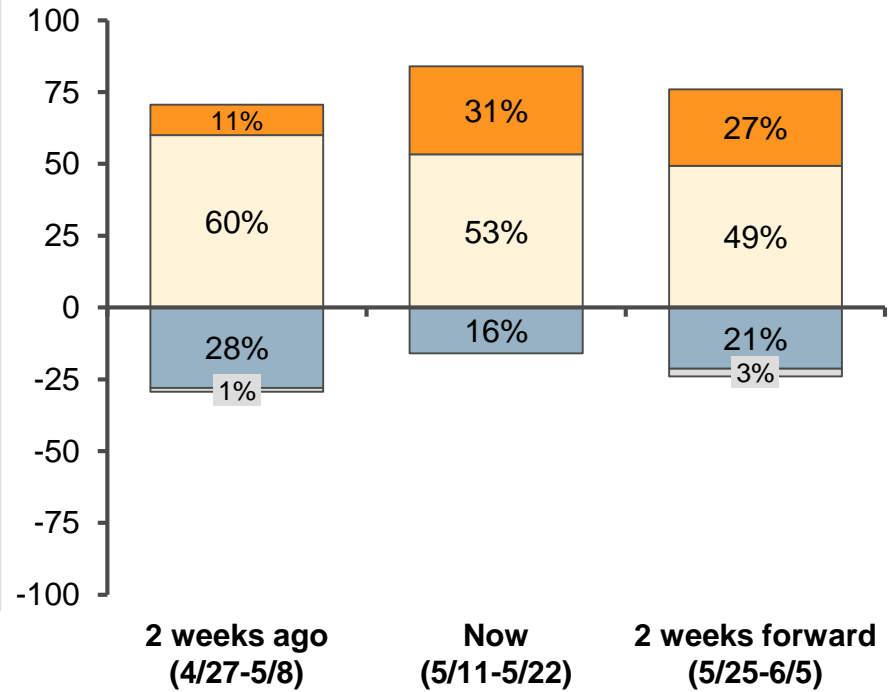
B In China and Japan, hospital inpatient capacity is minimally impacted as the number of new COVID-19 infections remained low

Percentage of respondents (N = 30)



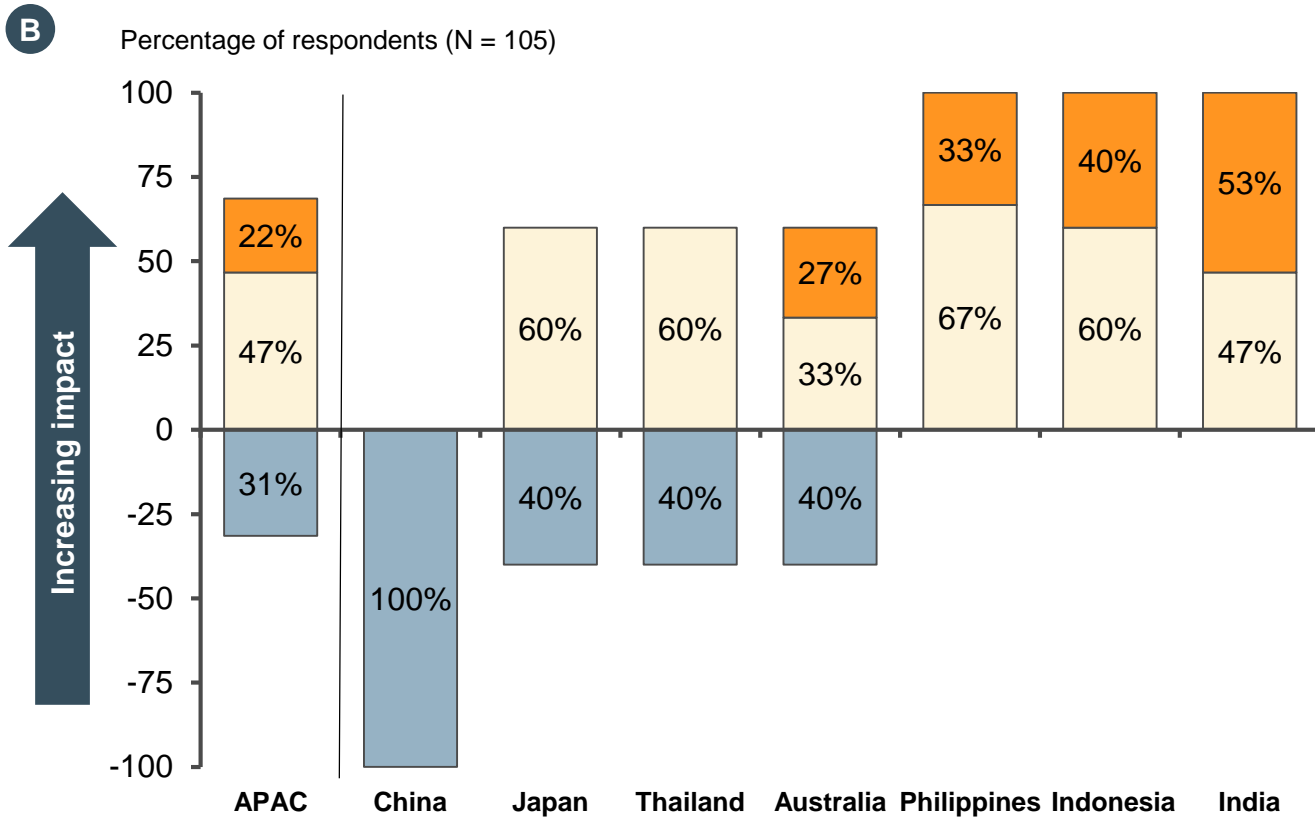
In other APAC countries, inpatient capacity is significantly affected, particularly in Indonesia, India and the Philippines, where infection rates are rising

Percentage of respondents (N = 75)



■ **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**

Current impact of COVID-19 on inpatient capacity by country



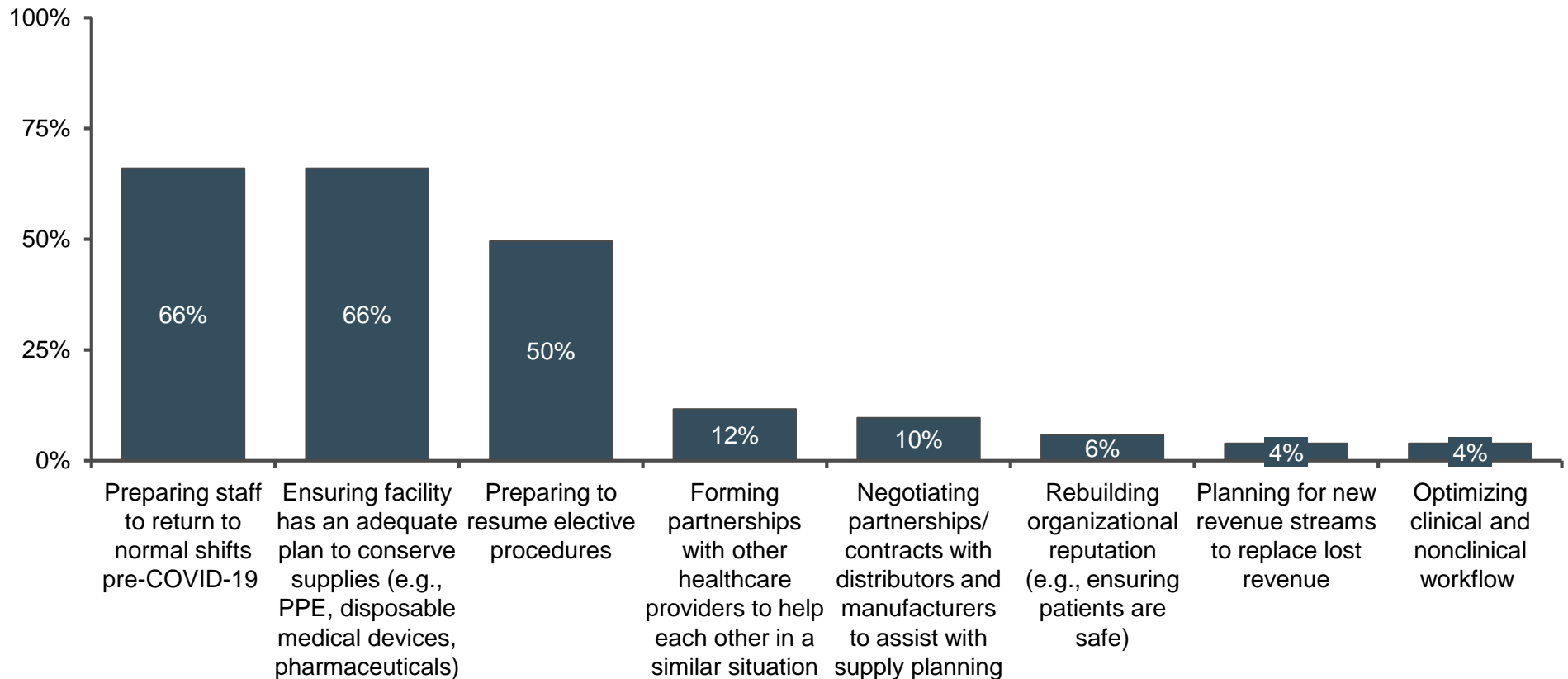
- Hospitals in the Philippines, India and Indonesia report the highest impact of COVID-19 on inpatient capacity and expect the situation will remain the same or worsen over the next 2 weeks
- Meanwhile, inpatient capacity in China, Japan, Thailand and Australia is expected to improve as the number of new infection cases slow down

■ **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)

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

B 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)

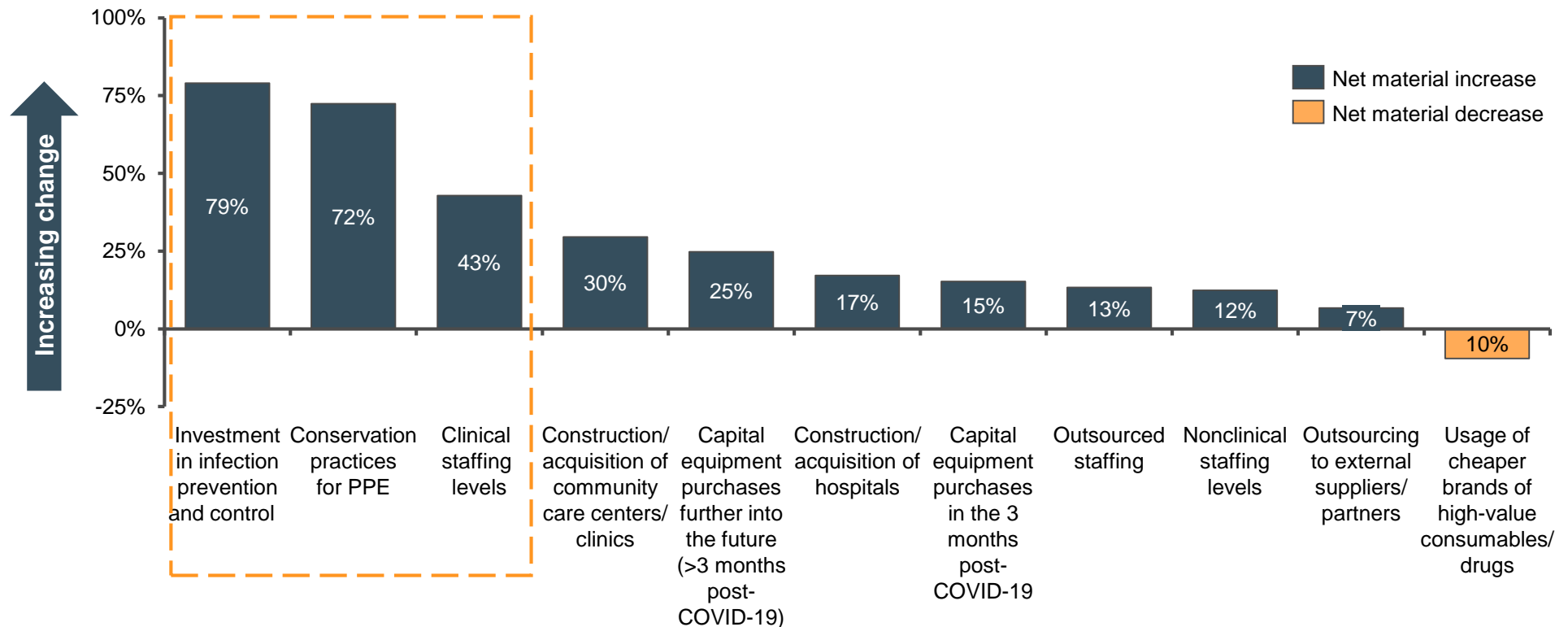


What strategic and operational changes are expected in your hospital post-COVID-19?

B

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

Percentage of respondents (N = 105)

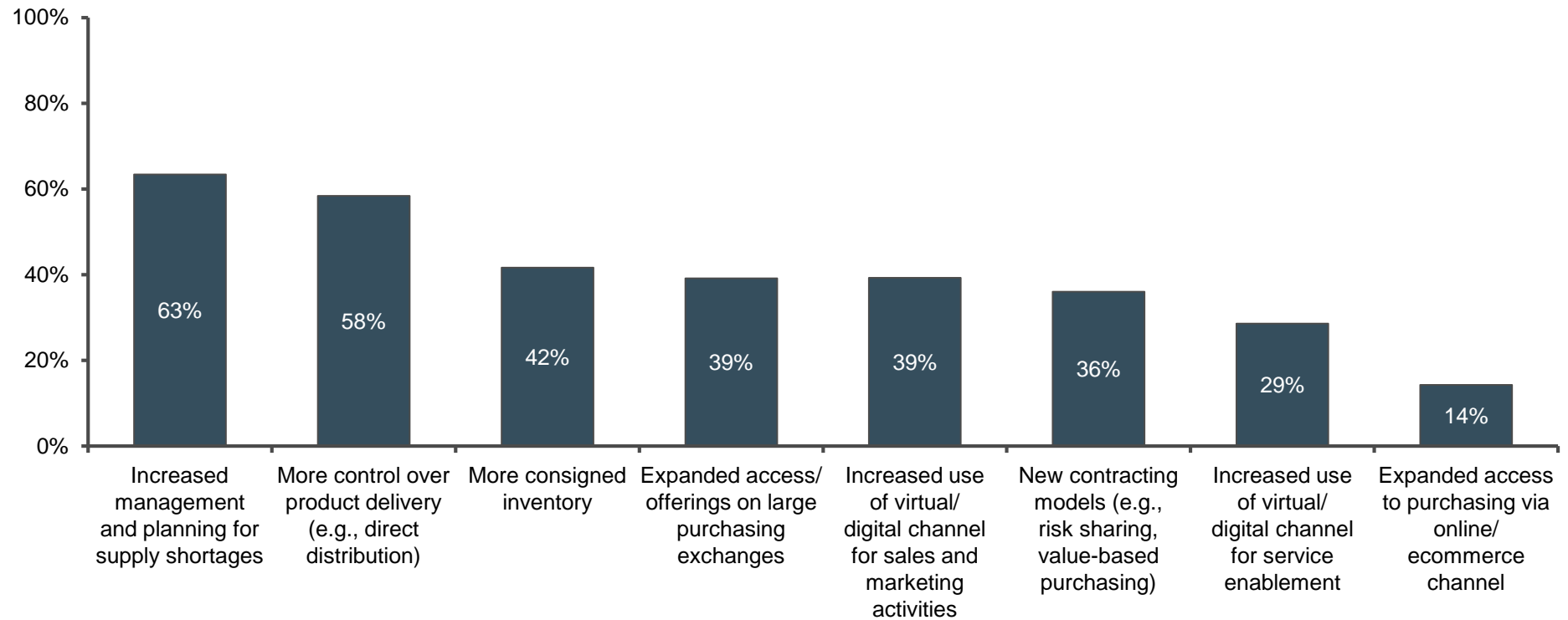


How would you like to see manufacturers evolve how they deliver and contract their products with your organization post-COVID-19?

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

Changes hospitals would like manufacturers to make

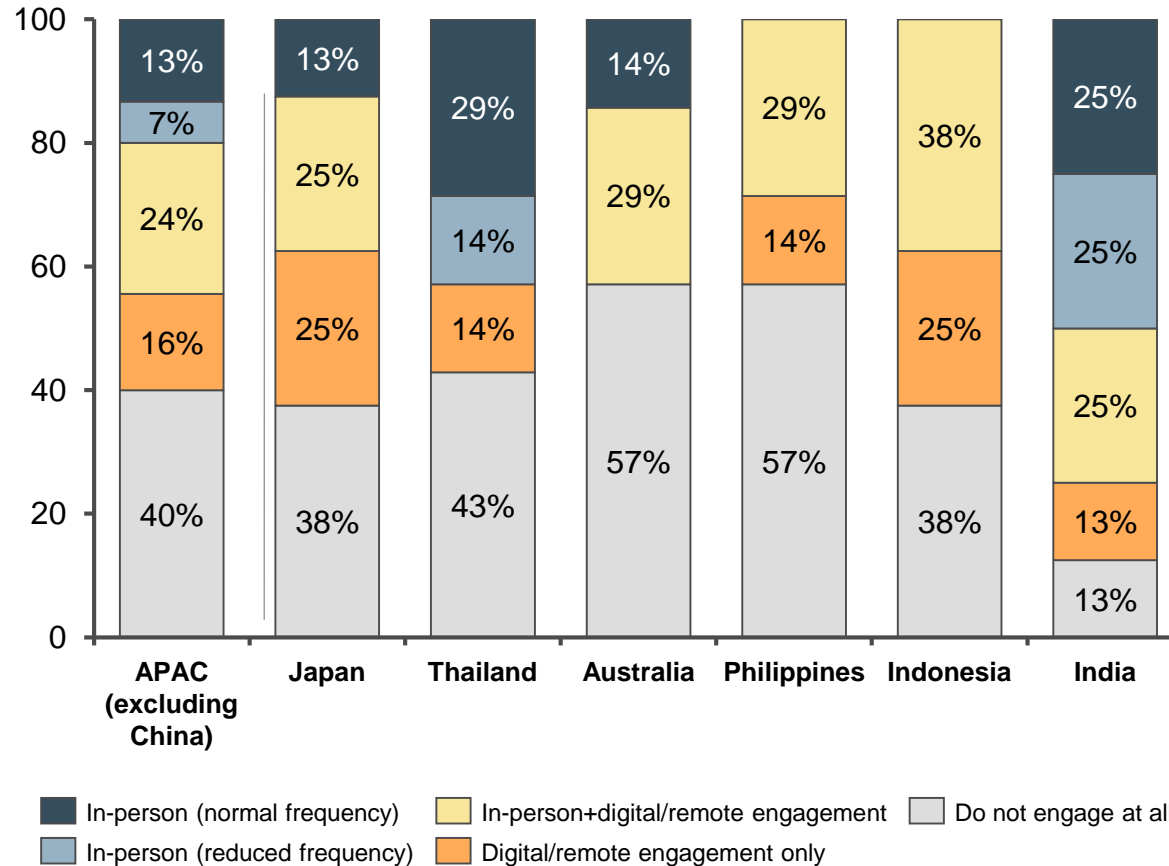
Percentage of respondents (N = 158)



How does the HCP engage with medical reps during the COVID-19 crisis?

C HCP engagement model with medical reps during the COVID-19 crisis

Percentage of respondents (N = 47)

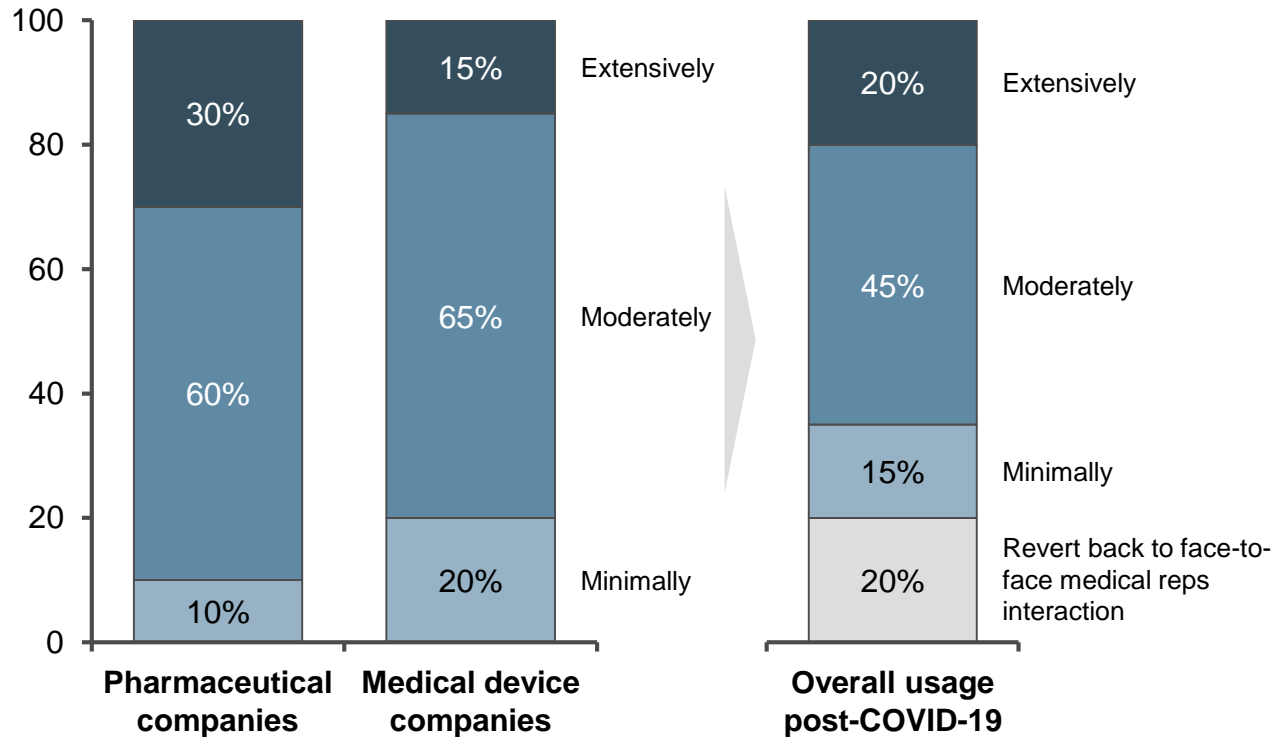


- Medical reps' hospital access is significantly restricted during COVID-19 crisis and ~40% of HCPs indicated that they did not engage with reps at all
- About 40% of HCPs used digital/remote engagement tools to engage with medical reps or to complement their in-person interactions

To what extent do you use digital engagement tools during the COVID-19 crisis, how satisfied are you with the tools and how do you expect usage to change?

C HCP remote/digital engagement tools degree of usage

Percentage of respondents (N = 20*)



% feeling satisfied

75%

45%

- ~60% of HCPs are not using remote/digital tools at all
- Most of the remote/digital tool users are HCPs with moderate or extensive usage in their daily practice, and the degree of remote/digital tools usage will continue post-COVID-19
- In terms of remote/digital engagement quality, HCPs indicated a higher satisfaction level with pharma companies than with medical device companies

Note: *Only includes respondents using remote/digital engagement tools

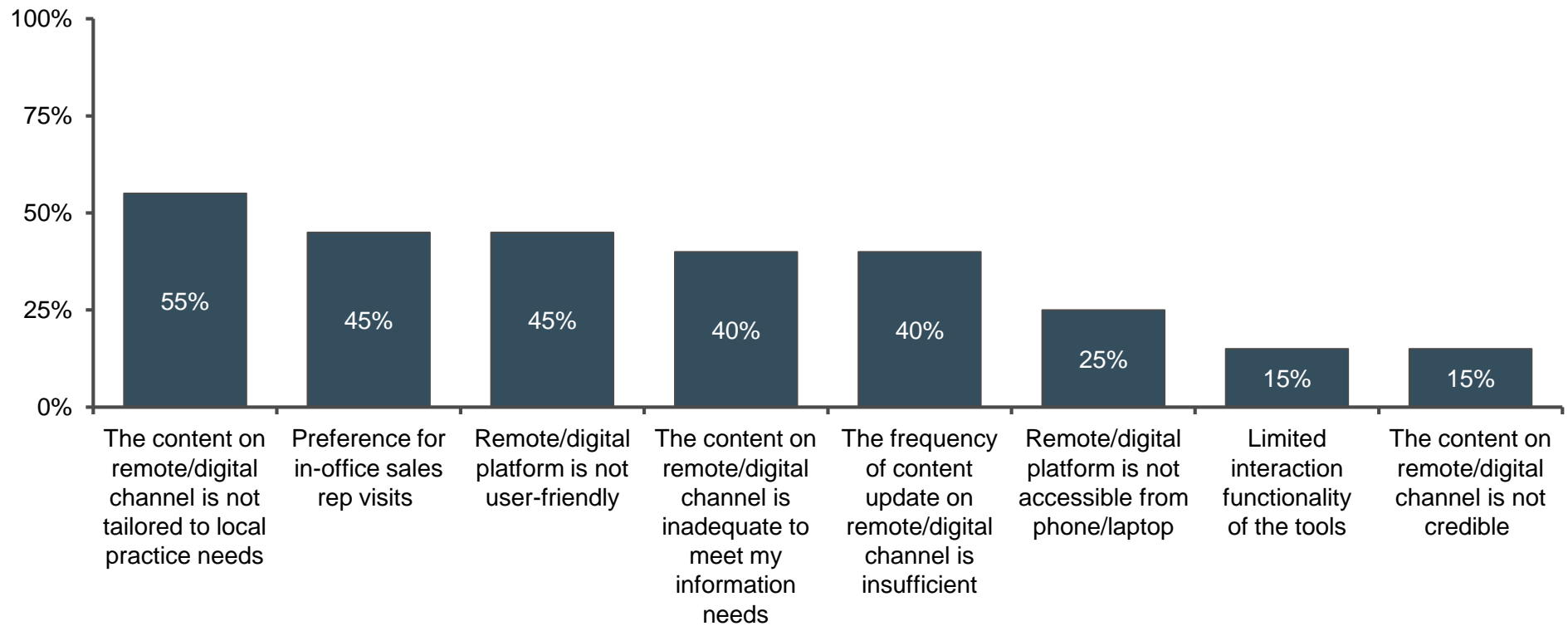
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Why do you think remote/digital engagement tools usage among HCPs will continue to be limited?

C Apart from preference for F2F visits, most HCPs indicate the lack of localized content (breadth and depth), poor platform design and insufficient update frequency as key barriers to increase remote/digital engagement tools usage

Percentage of respondents (N = 20*)



Note: *Only includes respondents using remote/digital engagement tools

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