

Healthcare IT Market Growing at 13.4% CAGR to 2020

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The healthcare industry is undergoing a major transformation due to the challenge of providing more cost-effective personalized care. The push towards predictable outcomes and higher quality of care is leading to convergence of information technologies. Healthcare IT systems are emerging as powerful tools to create and maintain electronic health records (EHRs) for maintaining the workflows in the entire healthcare organization.

Majority of the demand for healthcare IT solutions is driven by the growing need to reduce healthcare costs while adhering to the regulatory requirements set by government organizations for ensuring safety, security, and confidentiality of patient information. The growing adoption of health information exchanges (HIEs) and EHR systems and improved quality of care and clinical outcomes are some other factors driving growth of the global healthcare IT market. In addition to the demand for information technology solutions from healthcare providers, the growing need of healthcare insurance providers to efficiently manage an in-depth record of claims and reimbursements is also expected to contribute to the growth of the global healthcare IT market during the forecast years.

Developed geographies like North America and Europe are likely to grow at a lower CAGR as compared to the Asia-Pacific market, which is expected to grow at the highest CAGR of 15.4 percent during the forecast period. Growth in the Asia-Pacific region is largely driven by the increasing government initiatives for eHealth, rising medical tourism, and growing demand for quality healthcare in this region. In addition, factors such as increasing per capita incomes in emerging countries such as China and India are driving the growth of the Asia-Pacific healthcare IT market.

Segment-wise, the healthcare providers segment is poised to reach \$157 billion by 2020, growing at a CAGR of 16.4 percent during the forecast period. The healthcare provider solutions segment is further segmented into clinical solutions and non-clinical solutions.

The clinical solutions segment is expected to grow at the highest CAGR of 19.8 percent during the forecast period, owing to

the increasing demand for improved patient safety and patient care, stringent regulations regarding healthcare provider solutions, and the need for integrated healthcare systems.