A significant catalyst for change is an engaged and participatory patient or consumer who acts as an equal partner in their care experience.

In the next decade, the context of care will change profoundly – demanding a very different way of thinking. EY’s whitepaper, Health reimagined: a new participatory health paradigm suggests the future of health will be driven by digital technology, social media 2.0 and a maturing healthcare consumerism. As these forces become part of the core business of healthcare; new ways of thinking and transformative business models will become paramount.

What this means for the aged care industry

Simply put, more Australian’s are living longer and, in better health. While episodic and facility-based care will always play a vital role, a generational shift is underway. Consumer demand and preferences are embracing an extended life expectancy, and a purposeful ‘second half’ of life. Traditional models may lack agility in a rapidly changing environment. Untethered by mobile technologies and a different way of thinking about care, the epicentre for health and aged care is extending to include the home and community. This brings with it an opportunity to focus business models and seize first-mover advantage.
To benefit from this new normal aged-care industry stakeholders could:

- **Redefine the experience of ageing**: Recognise the need to revitalise and redefine the experience of ageing and alternative ways of organising care.

- **Embrace the customer, and their carers**: the consumer becomes the primary customer and younger generations who interact with the aged care system on behalf of family.

- **Prepare to challenge current business models**: broadening current ‘bricks and mortar’ model to incorporate care in the home and community, supported by technology-enabled solutions.

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**Participatory health foreshadows a disruptive change in the aged care landscape with new avenues for industry players. There will be winners and losers, however no matter where the strategic decisions lie, doing nothing is not an option.**

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**Start the conversation with EY**

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**How EY can help**

**It is time to begin the conversation about a radically different future. Here are five ways you can prepare your business:**

1. **Strategy** — opportunities arise at the intersection of the consumer, technology and markets for those willing to explore beyond their boundaries. This means weighing up where to play:
   - to undertake radical changes and pursue innovation, or
   - to move adjacent to core ‘bricks and mortar’ business extending up- and downstream across the continuum of care (up the chain from palliative care or down the chain to home care and social supports).

2. **Business model reorientation** — incorporate a passion for consumer engagement and unwavering customer focus. Shift the value proposition from reactive delivery of care packages to proactively guiding customers to wellbeing and independence. Delivering consumer-directed care and achieving a productive and purposeful ‘second half’ of life will be critical to success.

3. **Commercial transformation** — incubate new models and test innovations that may capture value. Weigh-up how to partner — whether as a leader or as a collaborator and look for opportunities with non-traditional players (retailers, telecommunications and technology companies, venture investors and digital start-ups).

4. **Future-proof through investment** — explore new business models and align assets with services customers want. This will require access to capital, and the systematisation of efficient care delivery systems and processes. All require a focus on IT systems, back office systems, cybersecurity, governance, customer-organisation interfaces and human capital.

5. **Deeply understand the customer of the future** — consumer choice, aspirations and decision-making drive future core value propositions around guiding/supporting people to positive outcomes. Brand and quality are differentiators as consumers seek transparency (information, price), choice and digital tools that simplify/enhance their experiences. Pay attention to consumers’ expectations through data analytics and developing clear and simple messages and communication channels.
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