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2014 — Year in Preview

FROM THE ACA TO SOCIAL MEDIA, INDUSTRY EXECUTIVES ARE PROVIDING THEIR PREDICTIONS ON WHAT'S HOT FOR 2014.

For this special annual issue of PharmaVOICE, we invited dozens of industry experts to provide their predictions on the emerging and current trends they expect to impact the life-sciences industry in the near future. We are excited to share their insights with you in this Year in Preview issue.



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Throughout this issue, which we have broken down into three main sections — corporate, R&D, and commercialization — our experts representing all types of companies and disciplines discuss the shifts that are taking place throughout the industry, including the shift to a patient-centric ecosystem, R&D trends, and the factors that are impacting commercialization from a three-pronged perspective: patients, payers, and physicians.

To kick off this special issue, thanks to our friends at PwC's Health Research Institute, here are some key drivers to watch for in 2014. According to its annual report, Medical Cost Trend: Behind the Numbers:

- Healthcare inflation in the United States is projected to dip to 6.5% in 2014. The ongoing slowdown in the healthcare growth rate defies historical post-recession patterns and is likely to be sustained even as the Affordable Care Act (ACA) adds millions more newly insured Americans to the health system next year.

- The decline in spending growth is a signal of progress in the quest to bend the cost curve. At the same time, the slowdown presents financial challenges for the industry as it attempts to navigate in a rapidly changing environment. According to HRI, structural changes within the industry are helping to contain costs and deliver care more efficiently. Consumers, meanwhile, who are paying a greater share of the cost, are making spending adjustments. Many are delaying care, using fewer services, and choosing less expensive options such as retail clinics, urgent care centers, and mobile health devices.

- Health organizations that already have been hurt by a squeeze on reimbursement and a recession hangover should brace for additional financial pressure. Uncertainty about the impact of ACA implementation and what to expect from a largely unknown, newly insured population are manifested in seemingly contradicting themes: a declining medical cost trend and rising insurance premiums, particularly in the individual market.

- Major employers are beginning to contract directly with big-name health systems to tackle expensive and complex procedures for employees, such as heart surgery and spinal fusion. According to PwC's Touchstone Survey, 33% of businesses are considering high-performance networks over the next year. Early data suggest this could mean as much as a 25% reduction in costs.

Wishing all a healthy and happy 2014! We look forward to hearing from all of you in the coming year with your thoughts and insights.

Regards,

Taren Grom
Editor

tgrom@pharmavoic.com

Their Word...

DENISE MYSHKO
Managing Editor



New types of partnerships will be required to address the industry's innovation gap. Alliances, collaborations, and consortia will continue to drive new therapies in the future.

ROBIN ROBINSON
Senior Editor



In 2014, the industry will collaborate with all stakeholders across the healthcare spectrum as well as focus its commercialization process toward better meeting patients' needs.

KIM RIBBINK
Features Editor



Signs point to continued global expansion in pharma, and ensuring quality and compliance in less established markets must be a priority.

COMING in January 2014

- > Innovation
- > Gaming
- > Public-Private Partnerships
- > Risk-Based Monitoring
- > Affordable Care Act
- > Breakthrough Therapy Designation
- > C-Suite: Clinical Services
- > Commercialization
- > Beyond BRIC
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