

EXCERPT

AnyWare Group Featured as One of IDC's "10 Canadian Healthcare Solutions to Watch"

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IDC OPINION

Symptom: The healthcare industry has been in poor condition for some time, suffering from doctor and nurse shortages, limited doctor-patient face time, medical errors, hospital-acquired infections, and growing volumes of data that need to be managed, stored, and acted upon. The severity of the situation has escalated as factors such as aging baby boomers and outbreaks like H1N1 (swine flu) place additional pressure on the system. **Diagnosis:** Poor business practices and lack of information and communications technology (ICT) infrastructure to support an increasingly complex system. **Prescription:** A renewed approach to healthcare that focuses on productivity, efficiency, and patient well-being, while making strategic investments in technology to achieve this vision.

While there has traditionally been a stark contrast between healthcare and other industries in Canada regarding technology adoption, that is starting to change. Government investments and new mandates are now driving the development of solutions to replace antiquated technologies, while success stories from early adopters are demonstrating the value that new ICT solutions can deliver. The ubiquity of wireless devices is also enabling real-time data capture and sharing, and Web 2.0 tools let patients play a more active role in their health. At a time when many industries are scaling back, healthcare is pushing forward with investments in some key areas.

For many small ICT vendors, this is a golden opportunity to launch solutions that improve how healthcare is delivered, managed, and experienced in Canada and abroad. In IDC's recent report, *10 Canadian Healthcare Solutions to Watch* (IDC #CA1TIW9), AnyWare Group was identified as one of the ten companies positioned to have an impact on the healthcare market. AnyWare Group was selected for its success attracting customers across North America to date, its expertise and focus on remote solutions tailored for healthcare, and its strategic alignment with key healthcare initiatives in Canada, including reducing waiting times and improving physician efficiency. With the need for integration, improved efficiency, and access to information, hospitals stand to benefit from cost-effective, healthcare-specific, remote access solutions such as ROAM from AnyWare Group.

IN THIS EXCERPT

This excerpt, sponsored by AnyWare Group, provides a glimpse into IDC's insights from the study *10 Canadian Healthcare Solutions to Watch* (IDC #CA1TIW9), which profiled 10 promising companies delivering solutions for the healthcare industry, including AnyWare Group. The excerpt will highlight some of the key findings from the study, and will provide an analysis of AnyWare Group's solution.

SITUATION OVERVIEW

In May 2009, IDC published a report, *10 Canadian Healthcare Solutions to Watch*, providing a snapshot of Canadian entrepreneurial solutions being designed for the healthcare industry. The ten companies featured in the report (in alphabetical order) include:

- AnyWare Group (Saint John, New Brunswick)
- Calgary Scientific Inc. (Calgary, Alberta)
- Infonaut (Toronto, Ontario)
- MedSenses, Inc. (Moncton, New Brunswick)
- Medshare (Cambridge, Ontario)
- Mensante Corporation (Toronto, Ontario)
- Myca Health (Quebec, Quebec)
- Quanser Consulting Inc. (Markham, Ontario)
- Well.ca (Guleph, Ontario)
- Wolf Medical Systems (Vancouver, British Columbia)

Highlights

Canada's healthcare industry is a large and complex system that has revenue of more than \$100 billion, which would rank it number 10 on the Fortune 500. The system involves a web of 400,000 physicians, nurses, pharmacists, healthcare professionals, and specialists; 700 hospitals and 1,600 long-term care facilities. Despite this complexity, the healthcare sector has traditionally underinvested in ICT to streamline processes and improve efficiency. Until recently, many of the processes that occurred within and among these groups were manual, with employees relying on faxes, phones, paper, and pen. According to the Canadian Medical Association's findings from a 2007 national physician survey, 58% of physicians across Canada still use paper charts, and only 10% have completely switched to electronic records (*2008 Status Report, Canadian Medical Association*). Needless to say, managing healthcare with these antiquated practices has been a challenge.

While there is a need for continued education, development, and investment in infrastructure that can support the solutions needed to improve patient care in Canada, this is easier said than done. Some of the barriers include:

- ☒ Security concerns around broad stakeholder involvement in the delivery of care to their patients and the location and transfer of sensitive data.
- ☒ Technology resistance — even doctors that are amenable to new technologies may use manual processes when joining existing practices.

- ☒ Limited proven case studies to illustrate the impact of these technologies.
- ☒ Solution costs, including implementation and change management.
- ☒ Lack of solutions that address specific user needs.

While traditionally these barriers have limited technology adoption in the healthcare sector, that is starting to change. Government investments and new mandates are now driving the development of solutions to replace antiquated technologies. Provinces are spearheading their own initiatives, with British Columbia and Alberta creating data banks to track prescription drugs, and Ontario announcing a diabetes database for patients with the disease and doctors treating these patients. More importantly, success stories from early adopters are demonstrating the value that new ICT solutions can deliver. Industry leaders and technology giants are driving major initiatives as well. The Victorian Order of Nurses for Canada (VON) has signed a two-year deal worth more than \$10 million with IBM to help the organization transform how home and community healthcare is delivered in Canada. Google is planning an initiative that will allow Google Health, a site where users can store and track information about their medical history, to connect to and stream data from medical devices.

All of this activity and the emerging success stories from early adopters is helping to validate and drive the growth of new ICT solutions in healthcare, including ROAM from AnyWare Group.

Analysis

AnyWare Group

Based in Saint John, New Brunswick, with a sales and marketing presence in Toronto, AnyWare Group is a remote access solution provider with expertise in the healthcare sector. The company's solution, ROAM (Role Oriented Access Management), is designed to provide healthcare professionals such as doctors, nurses and administrators with secure, role-based access to enterprise applications housed in healthcare facilities or across a healthcare region. ROAM requires no end user software or client, making applications readily accessible for remote users. AnyWare Group was founded in 1999, and has 30 employees (see Table 1).

Market Problem

Employees, including healthcare professionals, are becoming increasingly mobile, and need the ability to access information on a timely basis from any location and from any device. In a healthcare setting, access to information directly affects wait times and patient outcomes. Physicians in particular work from many locations including their homes, offices, clinics, and hospitals. The IT leadership of healthcare is challenged to balance the security concerns associated with providing remote access, the need for end user simplicity, and the growing requirement for more integration with partner organizations. Finding the correct balance of security, simplicity, and improved integration with limited budgets is no easy task. While there is a variety of established remote access vendors providing general solutions to these

challenges, they are often expensive. Remote access often requires that software clients be installed and managed on the end user's PC, generating support costs.

Solution

Designed primarily for use in healthcare, AnyWare Group's ROAM platform provides clientless remote access to IT systems from a single hospital or across a healthcare jurisdiction. ROAM extends the accessibility of human resources, technology, and information to authorized caregivers, allowing the timely delivery of patient information at the point of care.

With ROAM, healthcare workers can access PACS imaging systems, write and sign off reports, monitor patients and order services, using any computer, browser and operating system. The platform contains a security framework to create the secure connection, an identity management framework to ensure only authorized users are granted access, a set of integration tools to allow access to applications, a reporting engine to track user activity, a role-based portal to provide an intuitive interface, and a variety of integrated business services to increase productivity.

AnyWare Group's platform is designed to integrate and securely deliver Web, legacy, client/server, and other custom applications to a PC or MAC. Since healthcare organizations specifically require access to a variety of applications including EMR applications, PACs, email and internal file systems, AnyWare has prepackaged integration to all major healthcare applications.

The identity management framework reduces support and user management costs by integrating with existing corporate directories and providing single sign on (SSO) capabilities for applications being delivered through ROAM.

The portal includes the organization's branding and presents applications using role-based logic, allowing applications to be rolled out quickly and only to the authorized users. The portal also offers business services to improve productivity, including: news channels, bookmark channels, remote desktop PC access, video conferencing and collaboration; live remote support and PC configuration troubleshooting.

ROAM is a managed service designed to minimize the financial and technology risks associated with selecting and implementing a remote access solution. With no hardware or software to purchase, install, maintain and support, ROAM reduces operating costs and lowers the total cost of ownership.

TABLE 1**AnyWare Group at a Glance**

Category	Description
Technology: solution differentiation	ROAM is positioned as having three key differentiators: it is clientless or "touchless," reducing the cost of deploying and supporting remote users; it is scalable across organizations, allowing an organization or jurisdiction to share systems and information quickly and securely; and it is delivered as a managed solution, reducing capital, technology and staffing costs associated with purchasing and integrating products or building internal solutions.
Marketing: go-to-market strategy	AnyWare Group leverages a platform as a service business model to deliver ROAM. The company charges a one-time installation fee, plus an annual recurring fee that includes system updates. Payment is based on the number of user accounts. The average number of users according to the company is in the 300–500 range for hospitals and over 10,000 for larger health networks such as provinces or states. AnyWare Group sold direct previously but is now building out its channel partner program. Healthcare organizations (such as hospitals) represent about 90% of AnyWare Group's customers, while legal and insurance firms as well as municipal governments represent the remaining 10%. ROAM is operating in over 100 facilities across North America. About 70% of its customers are located in Canada and 30% in the U.S.
Corporate: key partners and alliances	AnyWare Group is expanding its roster of partners and has made inroads into Sun Microsystems, IBM, and XWave. AnyWare Group values regional partners with healthcare expertise, and is actively recruiting in this area. Regional partnerships include Prudential Consulting Inc. (PCI), a leading provider of software-as-a-service (SaaS) and outsourced transcription services. AnyWare Group is building partnerships with application providers in the healthcare space, system integrators, and regional partners focused on healthcare.
Support: leadership and funding	Robert Lalonde (chief executive officer) has demonstrated execution skills, an ability to lead companies through growth periods, and a track record for driving shareholder value at other growth-oriented technology companies, including Hummingbird Communications, Delano Technology, Fusepoint Managed Services, and Pano Logic. The company has secured more than \$12 million from venture capital and strategic investors, including the New Brunswick Innovation Foundation (NBIF), GrowthWorks, BDC Venture Capital, and EDC.
Success to date: customers/awards	ROAM is currently used by 100 hospitals in North America, and provincially in New Brunswick as a single point of entry for healthcare information including iEHR, Diagnostic Imaging, and hospital systems. In 2007 and 2008, AnyWare Group received the KIRA (Knowledge Industry Recognition and Achievement) Award for Technological Advancement and Innovation.

Source: IDC, 2009

FUTURE OUTLOOK

The Canadian healthcare IT market is expected to increase moderately over the next five years at a CAGR of 3.3%, which is healthy considering Canada's overall 2009 IT spending forecast, estimated to be somewhere between 1.7% and -2.1%, based on upside and downside economic scenarios (see *Canadian ICT 2009 Top 10 Predictions*, IDC #CA1ICTE9, March 2009). Growth drivers in the healthcare sector will continue to include cost savings, improved productivity, and safety. More specifically, many of the investments being made are addressing five key priorities identified by Canada Health Infoway as having the potential to make significant progress over the next 10 years. These include EHRs, decision support and

communication across the care continuum, public visibility into wait times, patient self-care and empowerment, and improved wait times and chronic disease management.

Through careful examination of the Canadian healthcare market, IDC observes the following key market trends:

- ☒ **Emerging healthcare solution providers need a whole lot more than just development funding.** Canadian start-ups that recognize and take advantage of niche funding initiatives by aligning with key issues in the Canadian healthcare industry, have the opportunity to get their technologies tested and develop early success stories faster and more cost effectively than their competitors. **AnyWare Group** has positioned its remote access solution as a tool that addresses key initiatives identified by Canada Health Infoway, including: "improved decision support and communication across the care continuum."

While these funds are valued for the development and testing of new technologies, some emerging companies have indicated their frustration in attracting government support to help drive the commercialization of their technologies and really impact Canadian healthcare. Provincial programs, such as Alberta's Physician Office System Program (POSP), that partially cover costs for customers to acquire and use ICT solutions can help drive their initial adoption and acceptance in the market.

- ☒ **Technology agnostic solution vendors are positioned to win in healthcare.** With fragmentation in the healthcare system and the technologies that have been implemented to date, emerging solutions must be agnostic to provide seamless communication and patient care across the healthcare spectrum. The companies in this report have designed and developed their solutions with this in mind.
- ☒ **Health 2.0 and patient self-care can't come fast enough.** Emerging Health 2.0 solutions are beginning to demonstrate the efficient improvement of patient knowledge, education, and treatment. Many of these solutions are still in the early majority stage, but gaining attention fast as consumers familiar with Web 2.0 tools such as social networking and online communities seek a proactive role in their health. Self-care solutions are starting to offer convenience and faster patient service as well. The value of this multichannel health approach promises to reduce costs and deliver better patient care in Canada.

ESSENTIAL GUIDANCE

Emerging Canadian companies with solutions for the healthcare market must:

- ☒ **Provide educational campaigns and case studies to drive mass adoption.** Many healthcare ICT solutions such as patient portals are still in the early stages of adoption. Greater awareness of these solutions, demonstrated ROI and proven case studies are needed to overcome technology resistance and security concerns, and promote change in the healthcare sector.
- ☒ **Deliver interoperable solutions to address multiple silos.** Integration will be key in a system that is interrelated and dependent on all of its parts

communicating with one another. With fragmentation in the healthcare system and in the technologies that have been implemented to date, emerging solutions must be agnostic to provide seamless communication and patient care across the healthcare spectrum.

- ☒ **Align with national objectives and allotted funds to drive initial growth.** By positioning their solutions to address key healthcare initiatives that are receiving funding, Canadian companies are finding that their solutions and messaging are resonating with prospects and partners, leading to funding for development and early customer success stories they can leverage to drive continued growth.

LEARN MORE

Related Research

10 Canadian Healthcare Solutions to Watch (IDC #CA1TIW9, May 2009)

Methodology

The vendors selected for IDC's *10 Canadian Healthcare Solutions to Watch* report were chosen from a pool of Canadian candidates tracked by IDC. In addition to considering the market opportunity, IDC evaluated them based on five criteria:

- ☒ **Technology strategy:** Strength of IP and R&D
- ☒ **Marketing strategy:** Clarity of vision, differentiation, and positioning
- ☒ **Corporate strategy:** Partner ecosystems, competitive environment approach
- ☒ **Support/funding:** Funding and community of thought leaders
- ☒ **Success to date:** Customer/user base, prospects, recognition, visibility

The report is one of the documents that IDC publishes as part of the *Canadian Technology Innovation Watch* report series, which tracks small Canadian ICT companies including software, hardware, services, and communications companies from across Canada. The series examines their solutions, why they have been successful, and the trends and opportunities in the market for other small companies.

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