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LONDON, UK (GlobalData), 25 August 2015 - The global market value for prosthetics will rise slowly from just over $1 billion in 2014 to approximately $1.21 billion by 2021, with reimbursement difficulties remaining the largest obstacle to growth in this medical device segment, according to research and consulting firm GlobalData.

The company's report* states that this increase, which will occur across the 10 major markets of the US, France, Germany, Italy, Spain, the UK, Japan, India, China, and Brazil, represents a tepid Compound Annual Growth Rate (CAGR) of 2.6%.

However, Jennifer Ryan, GlobalData's Analyst covering Medical Devices, says incredible emerging technological advancements in prostheses that improve user comfort and functionality, including devices wired into the user's nervous system, offer an exciting frontier for market growth during the forecast period, providing reimbursement issues can be resolved.

Ryan explains: "Recent trends in prosthetics focus on socket design for improved user comfort, as well as enhanced device functionality with less user energy expenditure. Particular attention has been paid to upper extremity device improvements, due in part to the number of amputees returning from global conflicts.

"The increased usage of computer aided design and 3D printing in prosthetic production opens the market to the possibility of not only more streamlined production, but also innovative and customized designs."

The analyst adds that procedures integrating prostheses into the user's nervous system for optimal device control, including targeted muscle reinnervation and targeted sensory reinnervation, have the potential to drive growth in the prosthetics market.

However, as reimbursement is generally capped for prosthetics, there is limited access to the most innovative devices, with the majority of patients only receiving a simple prosthesis.

Ryan continues: “Tightening healthcare budgets, combined with the extremely high cost of the newest technology, creates complications for payers. As a result, both public and private insurers are increasingly emphasizing the requirement for strong clinical evidence before granting reimbursement for newly-approved, advanced prosthetic devices.

“However, the combination of an aging global population, growing amputation numbers due to trauma in emerging markets, and diabetic or vascular complications worldwide, as well as an increased awareness of prosthetic users’ needs, will continue to drive the market,” the analyst concludes.