



# The principles for financing eHealth projects in Denmark

## **Innovative approaches to financing eHealth solutions**

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# Agenda



- Who is paying for what?
- It takes Two to Tango
- Catch-22
- How to select a winner?
- The future

# Who is paying for what



- Hospitals, municipalities, GPs, pharmacies cover their own IT investment - so it is a market based environment
- National coordination and solutions like MedCom, eJournal and Sundhed.dk (the national eHealth Portal) are financed as a “get together”. The partners behind them are:
  - The Ministry of Health, Danish Regions, Pharmacy Association, Local Government Denmark, etc.
- National services like the central drug register, SNOMED, accreditation register, etc. are financed by the national governments.

# It takes Two to Tango

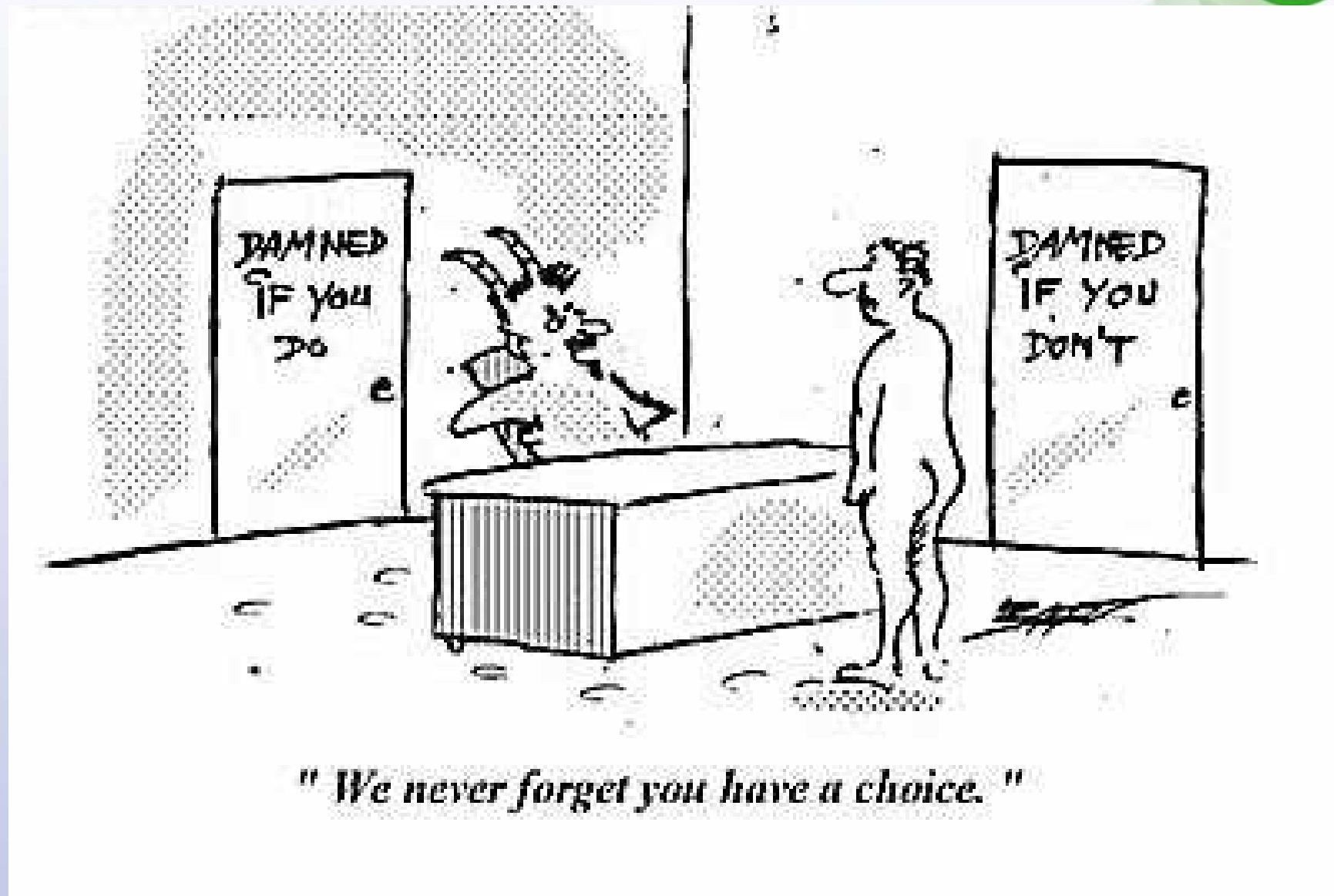


- The problem with a market-based solution for electronic communication is that the receiver gets all the benefits and the sender is stuck with the costs.
- In the MedCom project, both sender and receiver have been combined so that they both have an incentive to buy and implement communicational projects at the same time (e.g. referrals from GPs and discharge letters from hospitals).

# Catch-22



- The problem is that the providers will not develop any solutions before they are sure that there is a market – and the customers do not want to buy before the solution has been developed.
- The consequence has been that the providers have been reluctant to develop new solutions.



*" We never forget you have a choice. "*

# Catch-22



- In order to avoid this, national coordination have been done through MedCom.
- MedCom have through projects created a standard to help a solution being implemented nationally.
- Contracts with all participants have been made so that the providers agree to have the solution ready at a given time and the customers (hospitals, GPs, pharmacies, etc.) promise to **buy** and implement it before a given date.
- Those who do not fulfil their obligations in the contracts will be exposed publicly.

# How to pick a winner



- Selecting national projects...
  - Large volume
  - Mature technology
  - Significant improvement of quality or service for the patients
  - **Consensus**, clinically and politically
  - Implementation possible in large scale within 2 – 3 years

# The future



- With the structural reform in Denmark there will be some changes:
  - Internal investments is still the responsibility of the different organisations
  - A national infrastructure (network and standards) financed by the users and based on the benefit they get (the more you use it, the more you pay)
  - National funding will be prioritised by the new national organisation, SDSD, according to a new national strategy



**"Nobody uses crystal balls anymore!"**





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