



European Commission
Information Society and Media



Financing eHealth

Procuring for health benefits:
critical factors for beneficial deployment of innovative
eHealth and telemedicine services

Policy background, objectives, and issues

Slides prepared by an empirica team, Bonn, Germany

Statements are only their responsibility, and do not necessarily reflect EC opinion

Workshop by invitation only
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Objective of these slides

- § To provide a framework for a productive and focused workshop discussion
- § To illustrate selective issues
- § To provoke ideas, thoughts and suggestions

Contents

- § Policy Background
- § Defining Telemedicine
- § Who Procures?
- § Examples of Procuring for Telemedicine:
 - 1) NHS Telecare National Framework Agreement
 - 2) Remote Telemonitoring in Northern Ireland
- § Integrating Procurement and Benefits
- § Discussion Points

Policy Background

Discussions should build on the framework of Commission Communications:

- eHealth Action Plan, COM (2004) 356
http://ec.europa.eu/information_society/doc/qualif/health/COM_2004_0356_F_EN_ACTE.pdf
- i2010 Initiative, COM (2005) 0229
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2005:0229:FIN:EN:PDF>
- **Lead Market Initiative (LMI)**, COM (2007) 860
http://ec.europa.eu/enterprise/leadmarket/doc/com_07_en.pdf



An LMI consultation document by DG Enterprise and Industry, May 2008

(http://ec.europa.eu/enterprise/leadmarket/doc/lmi_consultation_final22may2008.pdf)

identifying as a goal **Establishing Public Procurement Networks:**

§ Public procurement as main policy instrument to implement the EU lead market initiative (Cross-member state networks)

§ Later perhaps **large scale pilot on telemedicine** (discussed for call by DG Information Society, context: **CIP-PSP**) to accelerate sustained implementations as well as a network of procurers of telemedicine services on a larger scale

Objectives: supporting procuring authorities in addressing market fragmentation and encouraging the development of competitive procuring processes and solutions

Procuring for Telemedicine

Definition of Telemedicine

- § The provision of healthcare services facilitated by ICT
- a) when health professional and patient, or
 - b) two health professionals are at different locations to overcome challenges of distance, time and access

Is the Telemedicine Market different?

- § What differentiates procuring for telemedicine from procuring for other eHealth services and technologies?
- § Are medical practice and workflows modified more radically than with other eHealth solutions?
- § Are **benefits** more difficult to assess, thus investments slower and procuring more uncertain?

What role for standardisation and certification?

- § Will industry standardisation like by *Continua Health Alliance* ("connected personal health products and services") facilitate procurement of monitoring and other devices?

Who Procures?

Anybody with the authority to undertake and supervise formal procurement processes:

National Level

- § National authorities, centres or specialised agencies procuring for infrastructure components and applications (e.g. NHS Connecting for Health)
- § Competent authorities mandating technical frameworks and standards (e.g. the German *gematik*)

Regional and Local Level

- § Regional trusts/foundations or local/regional governments
- § Public and private healthcare providers (individuals & organisations)
- § Third parties (e.g. insurers)

Intermediaries: Outsourcing (including financing ?) by HCP to

- § Large technology company as general agent for all technical devices/services
- § Neutral agent/engineering consultancy (specialised market knowledge)

Example 1

UK: The Telecare National Framework Agreement NHS Purchasing and Supply Agency

- § National framework agreement (NFA) based on overarching calls for tender for telecare and telehealth equipment & services
- § NHS bodies use NFA for commissioning without having to tender (again), saving time and resources
- § Prices are negotiated nationally; as well as commercial assessment of suppliers

Market Watch Mechanism:

Annual reviews of Agreement by expert boards with suppliers to:

- § introduce new products/services and upgrade existing equipment
- § introduce new sub-contractors, third parties to help develop range of services available
- § removal of services/sub-contractors/partners
- § price review

Example 2

Remote Telemonitoring Northern Ireland

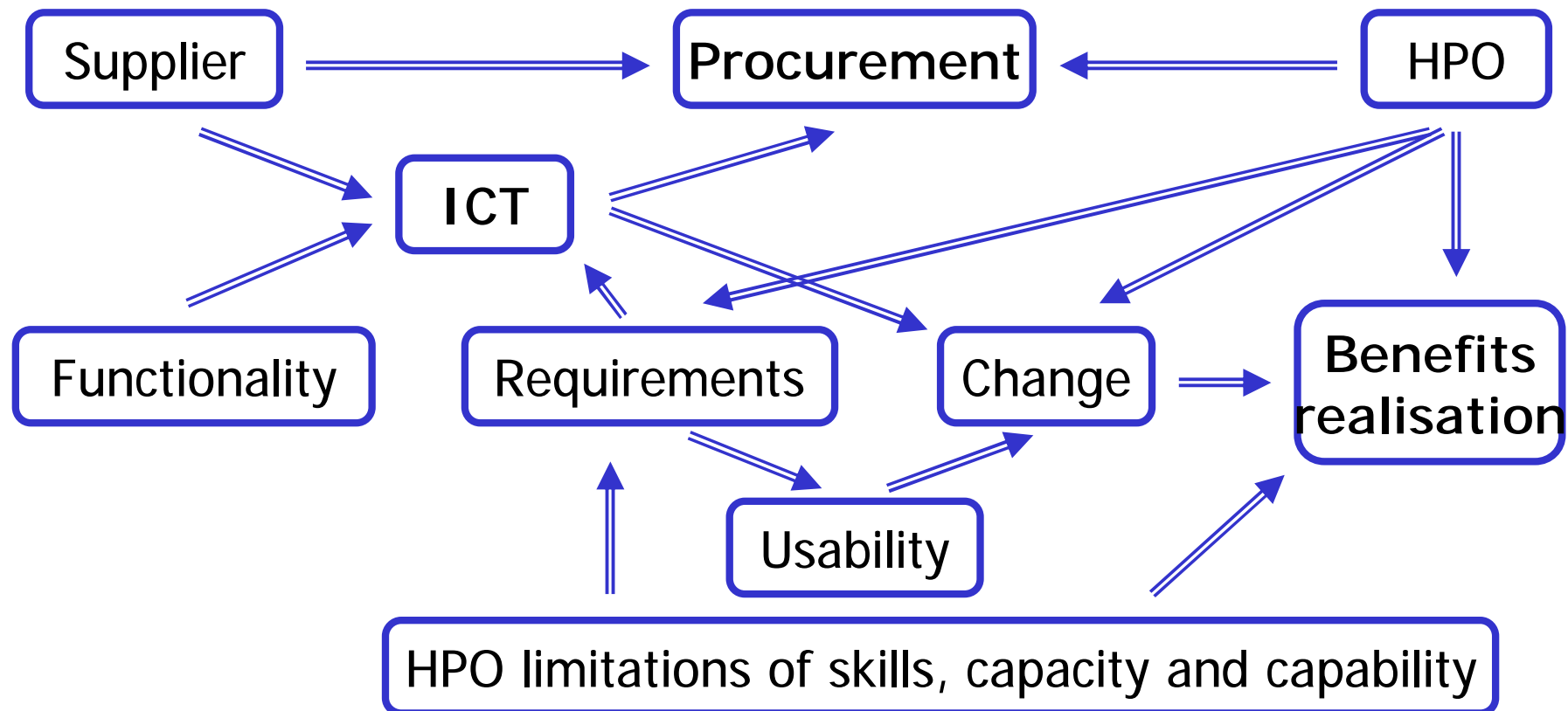
- § To be procured: system of remote monitoring universally available throughout the country; tender published 08/2008
- § The newly established *European Centre for Connected Health* (ECCH), Belfast, leads procurement on behalf of Northern Ireland Health & Social Care Trusts/Health and Social Services Boards

Tender Approach

- § Competitive dialogue with potential providers, to specify Output Based Specification (OBS)
- § Initial focus on monitoring Heart Failure, COPD and Diabetes
- § Contract term is max. 4-6 years
- § Volume of patients/clients: 5.000 by 2011
- § Must be "future proofed": service concept to be applicable also to patients with other chronic conditions

Integrating procurement and benefits

How can the activities be connected when so many variables are between procurement and benefits?



Aims of this Workshop - 1

To discuss how efficient procurement processes can speed up the beneficial deployment of eHealth and telemedicine services in EU member states:

- § Identify and share valuable **recommendations** for beneficial deployment of larger scale (e.g. regional) eHealth and telemedicine services
- § Why and when do **health professionals** support investment in eHealth and telemedicine solutions?
- § How does this translate into **investment decision-making** and procurement processes of their organisations?
- § How can cross border common tendering and procurement foster the development of a single **European eHealth market**?
- § How can good practices and lessons learnt improve strategic decision making and **(large-scale) procurement** of telemedicine services across the Union?

Aims of this Workshop - 2

Can there be a role for:

§ Pre-Commercial Procurement?

(EC: approach to procure R&D *services* before the commercialisation phase and where the benefits do not accrue exclusively to the contracting authority (COM (2007) 799))

§ ICT companies / external agents / outsourcing?

§ Public Private Partnerships (PPP)? Can they disperse – or increase - investment risks, and for whom?

AND:

§ What is the role of healthcare *reimbursement* systems?

Final questions:

§ What are the three top wishes of procurers?

– ...

– ...

– ...

§ What are their three top concerns?

– ...

– ...

– ...