



5 Key Messages from the EPP e-Health CoL Visits

Community of Learning (CoL) Visit Report(s) Annex

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1 INTRODUCTION

EPP eHealth (<http://www.innovationhospitals.com/index.html>) is an EU-funded H2020 project (2015-2017) aimed at transforming the market for eHealth solutions through the wider use of pro-innovation procurement methodologies.

The project will make progress towards this aim by creating a network of procuring organisations, which understand the opportunities that eHealth can offer and have competence in innovation procurement and the capacity to pioneer new approaches to collaborative procurement. As well as stimulating demand for eHealth goods and services and creating a robust framework for practical procurement¹ within the period of the project, it will also serve as a leading procurers group for the wider population of some 15,000 hospitals in Europe.

EPP-eHealth will create a critical mass of procurers to create a coherent demand for eHealth solutions.

It will do this by:

- Providing a solid and informed base for dialogue between stakeholders by determining a coherent picture of the state of the eHealth sector based on practical experience of customers and suppliers.
- Enabling a genuine and credible dialogue between the supply-chain, customers, research and innovation community and other key stakeholders to determine the practical policy and procurement actions required to transform the market for eHealth.
- Creating a European wide network of procurers that both understand the opportunities that eHealth offers to address challenges within the healthcare sector and how to mobilise these opportunities via effective PPI and PCP actions.
- Creating a sustainable platform for future collaboration by defining joint statements of unmet needs, communicating these to stakeholders and initiating a mobilisation plan for specific procurement projects that address short to long-term needs.

This annex is a supplementary document to the individual CoL Reports (available at <http://innovationhospitals.com/>) and summarises the lessons learned and key messages from the CoL visits undertaken during the EPP-eHealth project period.

¹ Public procurement of innovation (PPI) and pre-commercial procurement (PCP)

2 COMMUNITY OF LEARNING (CoL)

A CoL is an environment to nurture creative thinking and presents an opportunity for people to continually learn together and share experiences and best practice. A CoL has the following characteristics:

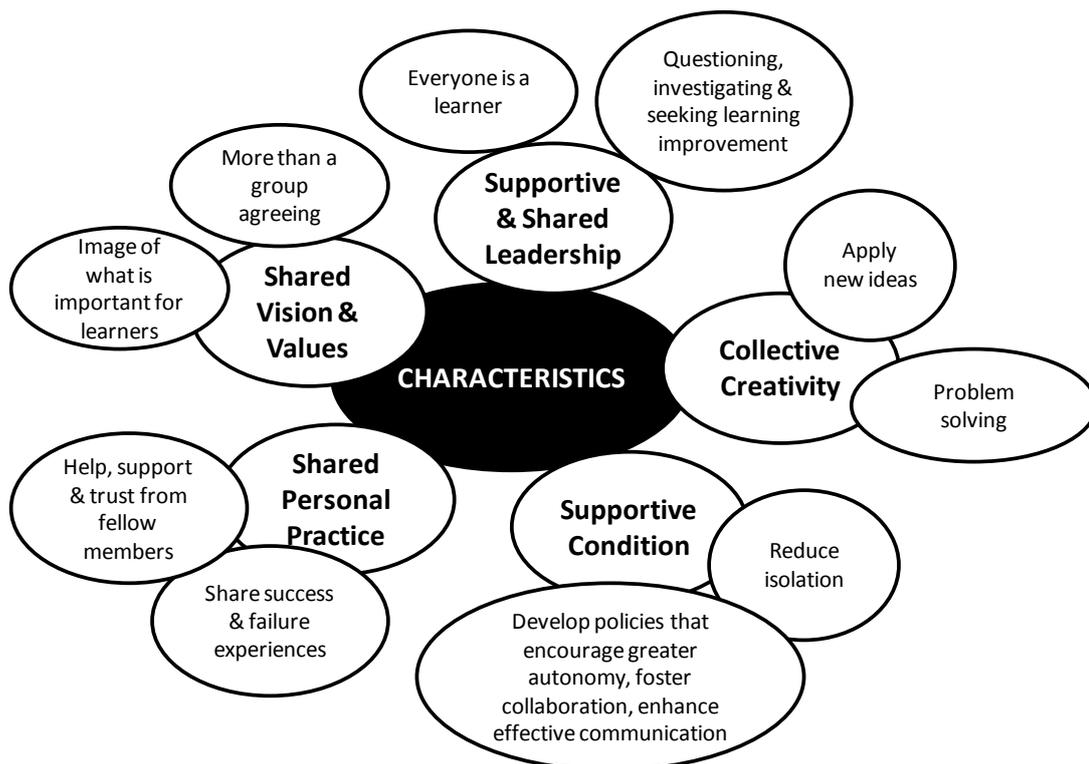


Figure 1: CoL Characteristics²

Experience from previous PPI projects in the healthcare and other sectors have clearly demonstrated the value of learning visits to gain first-hand understanding of good practice. These learning journeys provide a variety of lessons on what is possible and how to overcome the barriers to good innovation procurement practice from peers in other countries. It also fosters creative debate within the consortium.

² Ashley Shafii Stewart (2014) Development of a Framework for the Sustainability of Professional CoPs in Education, Health and Industry: A Multiple Discovery Led Case Study Approach

During the project period three CoL visits were arranged and individual reports produced:

1. University Hospital Krakow, Poland – see CoL Krakow Report, June 2015
2. ERASMUS Medical Centre (MC), Rotterdam – see D2.3 CoL Report, January 2016
3. Alder Hey Children’s Hospital, Liverpool – see D2.11 CoL Report, November 2016

The reports are available to download: <http://innovationinhospitals.com/>.

3 KEY MESSAGES FROM THE EPP-eHealth CoL VISITS

1. Identify and understand unmet needs - engage clinicians and patients to inform unmet needs

Unmet needs identification involves identifying opportunities within the organisation that require innovation and then engaging and consulting with the relevant stakeholders (clinicians, patients and such like) and seeking management co-operation to embed the project within the organisation. The following key questions³ should be considered when identifying unmet needs:

- What is the current situation?
- How would we like it to be different?
- What are the outcomes that we need?
- Would we buy a product or service if it delivered these outcomes (in a cost effective way)?
- Do other healthcare providers share this need?
- Can we present a credible demand to the market?

An unmet need is a problem, bottleneck or desire of functionality with no current good solution in the market or at an affordable price. It is a market gap that could be exploited to start a profitable business around it.

Stakeholder consultation, including the engagement of clinicians and patients is vital to successfully identify accurate and credible unmet needs. Stakeholders can aid the understanding of the current situation, the unmet need and required outcomes. Consultation and engagement with stakeholders can be formal or informal. For example, this engagement may involve meetings, focus groups or 'walking and talking' tours.

Once unmet needs have been identified they should be translated into outcome requirements as this focuses on the desired outcomes that the product or service needs to deliver, rather than a detailed technical specification. Additionally, specifying outcomes rather than a solution allows room for innovation as it enables providers (suppliers) to propose innovative solutions that might not have occurred to the procurement team.

“The end point of the identification stage is a genuine, credible unmet need expressed as an outcome based requirement. All the actions undertaken in the identification stage are to achieve this result” Gaynor Whyles, JERA Consulting

³ Gaynor Whyles (2016) PPI Training Workshop 2 – Rotterdam

2. Communicate needs to the supply chain – engage the market

The unmet needs must then be communicated to the market in a way that stimulates the market and encourages suppliers to respond. Communicating unmet needs also provides advance information to suppliers about forthcoming procurements and enables procurers to test the reaction of the market to the proposed requirement.

There are a range of tools and methods that can be used by contracting authorities to communicate with the market, including:

- Prior Information Notice (PIN) – are notices that are published in the Official Journal of the European Community (OJEU) and provide advanced warning of future procurements and unmet needs to a European audience. PINs are also a useful way to announce market sounding.
- Market Sounding Prospectus (MSP) – outlines the unmet needs and requirements to suppliers and are used to get feedback from the supply chain.
- Market consultation workshops/meetings – are events that bring together the supply chain actors and the procurers to develop the dialogue, discuss the unmet needs and potential solutions and highlight any barriers. It is also an opportunity for the supply chain to identify collaborative opportunities with fellow suppliers.
- Technical dialogue - the process of seeking guidance and advice on tender documents before formally launching the tendering process

“The market engagement is about convincing the supply-chain you are a serious and credible customer” Jeroen Veenendaal, Former Strategic Procurement Manager, ERAMUS MC

During the CoL visit to ERASMUS MC, the team explained that a range of market engagement activities had been undertaken including press coverage and market consultation meetings, as illustrated below.



Figure 2: ERASMUS MC Market Engagement

“Play the media....get the story told and sols” Joram Nauta, Senior Project Manager, TNO

ERASMUS MC also highlighted that although market engagement was new to them, the market consultation meeting was invaluable as it enabled them to discuss their needs, understand market capabilities, competencies and gaps in skills or techniques. Open communication and collaboration was encouraged on the day to ensure the best possible innovative ideas were generated to respond to the unmet needs.

“Engaging with procurers (potential customers) is vital, as without it makes it difficult to understand the needs of the customer, therefore it is more difficult to understand how we can help to meet their unmet needs” eHealth supplier, CoL Visit at Alder Hey Children’s Hospital



3. Facilitate innovation – stimulate the supply chain and provide support and guidance/access to funding (prototype development)

Innovation procurement should seek to stimulate and encourage innovation. Consequently, the procurement process should provide a level playing field for innovative solutions, new suppliers and SMEs which should exist all the way through to the specification and tender phase.

A pro-innovation procurement strategy provides a sound basis for the procurement process as it provides an opportunity for suppliers to bring their innovative solutions and ideas to the table. This approach enables supplier to showcase their products and services with the focus being on service, functionality and design rather than price alone.

A pro-innovation strategy has the following key features:

- Outcome based specification
- Pro-innovation specifications
- Competitive Dialogue
- Emphasis on innovation maintained
- Demanding and committed customers
- Forward commitment
- Balanced evaluation criteria
- Whole-life costing / TCO
- Stimulating wider demand

The CoL visit to ERASMUS MC highlighted the importance of supporting suppliers, as indicated previously, the team deliberately encouraged collaboration and discussion during the market engagement workshops as they believed this openness would encourage and stimulate innovative ideas, cross fertilisation between supply chains and allow new solutions to emerge.

“Innovate the procurement process itself. Less legal, more storytelling / customer journey” Jeroen Veenendaal, Former Strategic Procurement Manager, ERAMUS MC

“Create the circumstances for the market to come up with the best solution” Jeroen Veenendaal, Former Strategic Procurement Manager, ERAMUS MC



“Stimulate Supply Chain to combine knowledge and expertise to stimulate the formation of consortiums” Jeroen Veenendaal, Former Strategic Procurement Manager, ERAMUS MC

“Tenders still seem Procurement Driven in the fact that the first questions tend to be “3 years accounts required” – which will omit most SME’s” eHealth supplier, CoL Visit at Alder Hey Children’s Hospital

“Guidance on accessing funding – it is always an issue, but we need funding in order to develop the prototypes to demonstrate our innovative products and services” eHealth supplier, CoL Visit at Alder Hey Children’s Hospital

4. Collaborate with supply chain – develop strong and trusting relationships

Following on from key message number 3, it is vital to develop collaborative relationships with suppliers as these strong and trusting relationships will lead to successful and mutually beneficial procurements. The importance of building two-way dialogue was illustrated during our visit to ERASMUS MC, as both the supplier and procurer indicated that ensuring clear lines of communication were open and that both were committed to finding a good solution impacted on the success of the procurement process.

“Building trust and having a strong relationship were key to the success of the procurement project” Eva de Boer, IMS Innovations, supplier of the ERASMUS MC robotic bed-washing facility

“Look at the process from the supplier’s point of view” Jeroen Veenendaal, Former Strategic Procurement Manager, ERASMUS MC

“Good project management and discussions throughout; always refer back to the unmet need” Eva de Boer, IMS Innovations, supplier of the ERASMUS MC robotic bed-washing facility



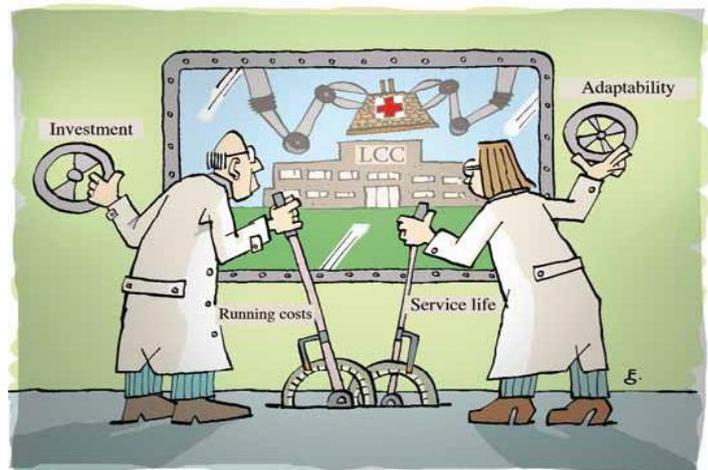
**Aim for a win-win
between customer and
supplier**

5. Understand true costs - Total Cost of Ownership

The cost of goods and services is only one part of the overall costs in terms of operation and ownership; there are hidden costs for the customer associated with operation, maintenance, end of life disposal and so on. Taking these costs into account ensures the customer understands the true costs of goods and services.

The evaluation criteria of the procurement process should also recognize value; evaluating offerings on factors other than price on which the customer places a value, such as reducing carbon emissions and environmental impact.

The optimum is a balance between investment and operational costs, as illustrated.



During our visit to ERASMUS MC we heard about how the team developed the evaluation criterion of the innovation procurement of the robotic bed washing facility. Joram Nauta, Senior Project Manager at TNO explained that ERASMUS MC considered the points following when developing the evaluation criteria:

- Do we really care about how beds are cleaned or do we care about the outcome?
- Quality is non-negotiable – we need an auditable solution
- Provide us with a positive business case and we will support you
- We must be able to handle the solution

These aspects then shaped the award criteria, as follows:

- Total cost of ownership /service of the solution
- Carbon footprint
- Impact for the organisation

“The goal was that instead of deciding on the basis of lowest price to decide based on total cost of ownership” Joram Nauta, Senior Project Manager, TNO

The results of this evaluation approach were summarized as follows:

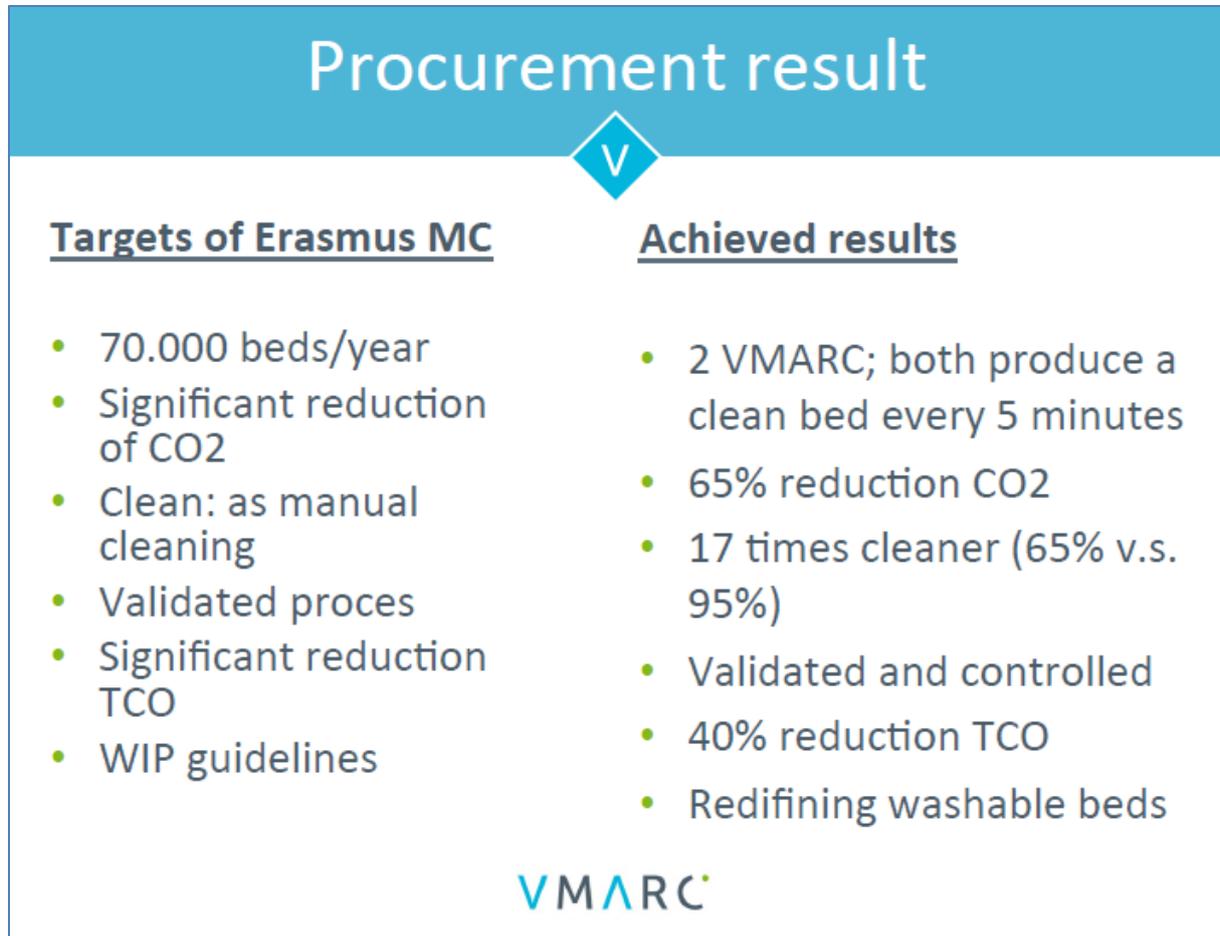


Figure 3: ERASMUS MC Results



4 ACKNOWLEDGEMENTS

This annex draws on the experience of the CoL Visits to ERASMUS MC and Alder Hey Children's Hospital and the PPI Training workshops completed during the EPP-eHealth project period. Individual CoL Visit Reports are available on the website: <http://innovationhospitals.com>.

Many thanks to our project partners, CoL participants and invited speakers for your cooperation and for sharing your knowledge and experience during the CoL visits.

Special thanks should be given to ERASMUS Medical Centre, Rotterdam and Alder Hey Children's Hospital and the Innovation Hub, Liverpool for hosting our CoL visits, without which the CoL visits would not have been possible.