



eHealth as an object of investment

Strategic decision making, socio-economic, and financial implications illustrated by the example of HUG

Alexander Dobrev, empirica

Tom Jones, TanJent

Christian Lovis, HUG

Karl A. Stroetmann, empirica

Veli N. Stroetmann, empirica

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Overview

1. Financing eHealth & EHR IMPACT
2. Strategic planning & eHealth
3. Conditions for sustainability
4. Towards financial sustainability of eHealth
5. Economic sustainability
6. Lessons learnt

The Financing eHealth study

Assessment of financing opportunities available to Member States to **support and boost investment in eHealth**

- Overview of sources of financing
- Analysis of investments in eHealth across Europe and beyond
 - investment decisions
 - financing solutions
- Closing the gap between supply of and demand for eHealth financing

www.financing-ehealth.eu

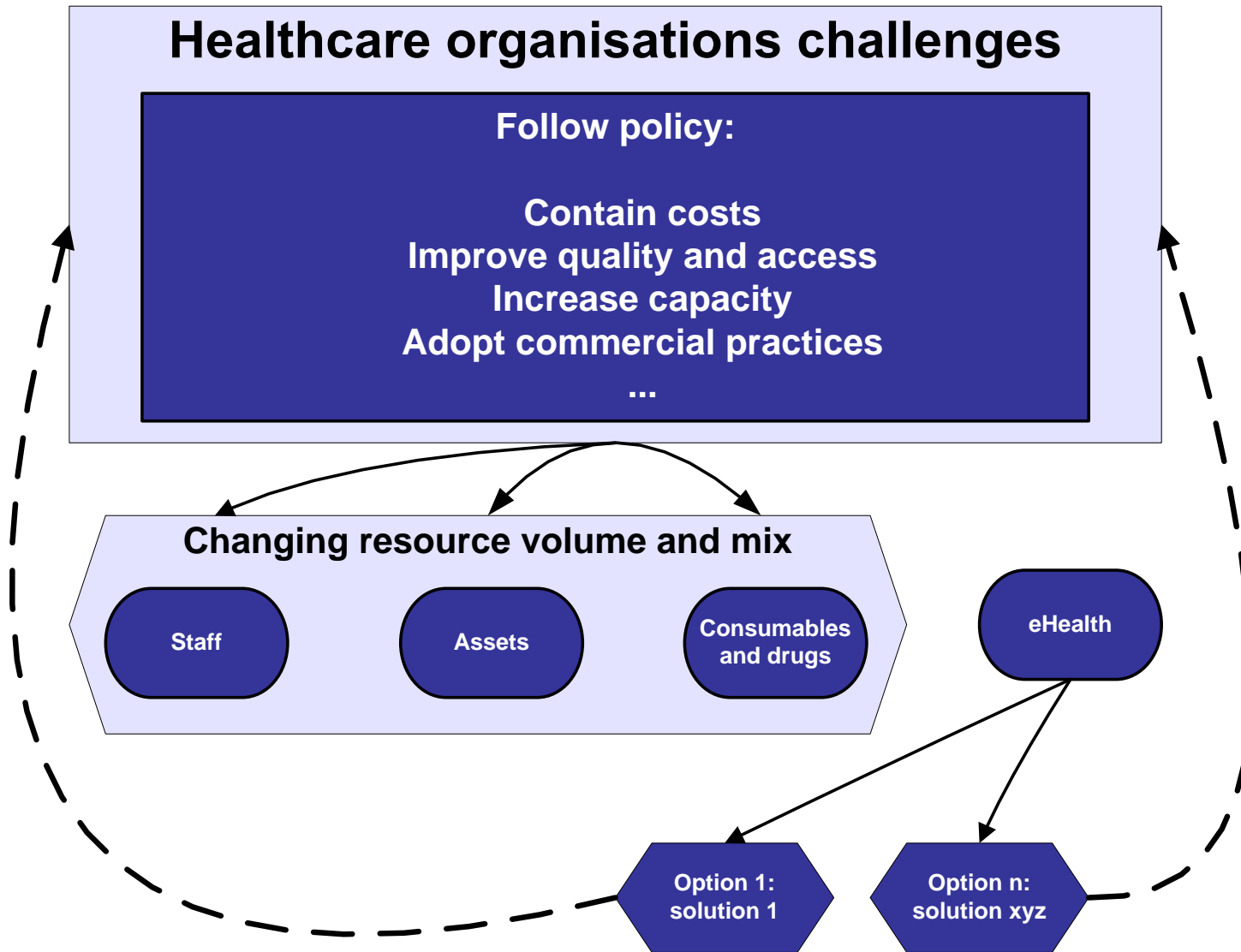
The EHR IMPACT study

Study on the **socio-economic impact** of interoperable electronic health record (EHR) and ePrescription systems in Europe

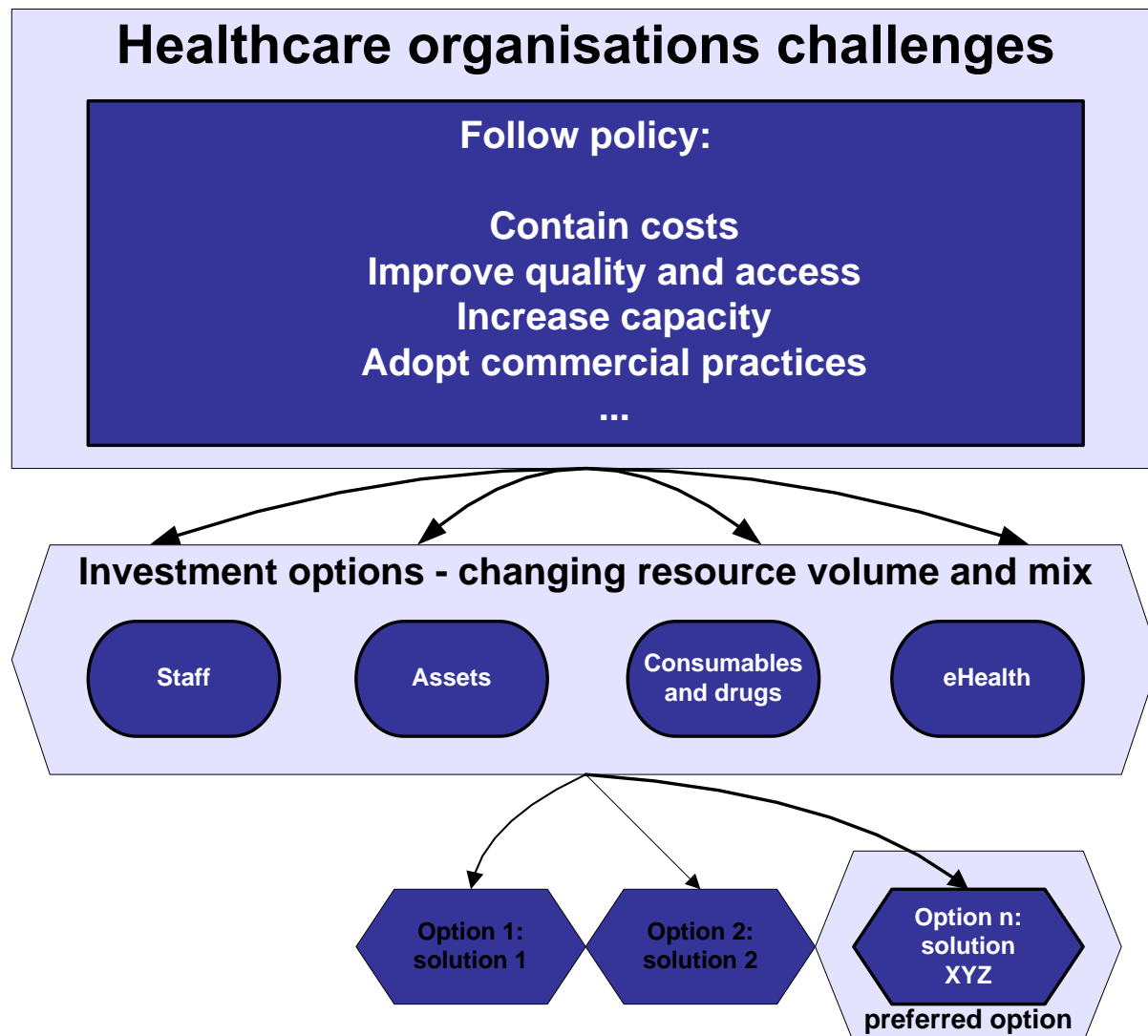
- Identification and analysis of 10 good practice cases
- Policy recommendations on how to foster the diffusion of EHR and ePrescribing systems in Europe
- Method of evaluation:
 - Based on the eHealth IMPACT study (www.ehealth-impact.org)
 - Cost benefit analysis (CBA) from an economic perspective
 - All relevant costs and benefits for all stakeholders
 - Measuring net economic gains, the difference between the economic values of direct benefits minus the identified costs

www.ehr-impact.eu

eHealth's supporting position



The position of sustainable eHealth



Towards sustainable eHealth

Sustainability of eHealth has two core dimensions:

- **Economic sustainability**
 - necessary but not sufficient
- **Financial sustainability**

The economic and financial sides of sustainability

▪ The economic view

- all stakeholders
- tangible and intangible cost and benefits
- realising social NET benefits over time
- policy goals

▪ Financial aspects

- each one, or a small number of organisations
- financial impact over time for that organisation
- private net benefits, managing risk
- strategic behaviour – the competition game

Financial sustainability of eHealth

- Turning capital investment into sustainable financial flows
- Finding, securing, and managing investment finance
- Time needed for:
 - Development
 - Change and change management
 - Benefits realisation
 - Net benefits

Costs and financing of the CPR system at HUG

- **Investment** contributions from the canton of Geneva
- **Operational** and maintenance costs born by HUG
- **Implementation** costs, including users' time

- **Extra time** spent on ward rounds by doctors
- **Omitted income** from avoided admissions

Benefits from CPR system at HUG

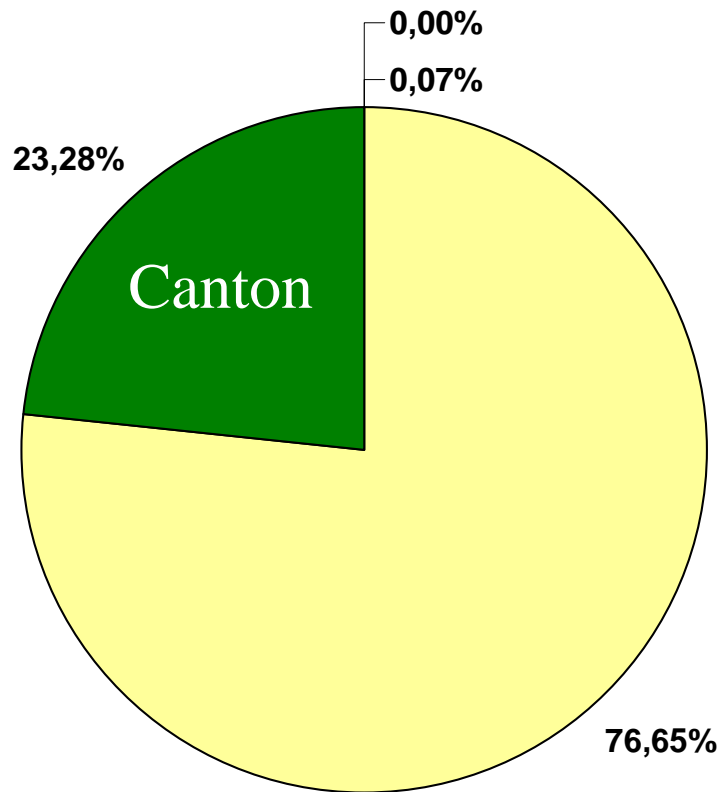
- Citizens
 - Patient safety
 - Time saving and avoided admissions
 - **Better care because of better informed carers**
- Doctors & nurses
 - Do not have to look for records
 - Lower exposure to risk – carers feel safer, less vulnerable
 - **Nurses do not have to chase doctors**
 - **Doctors do not have to guess while waiting for data**
 - Life made easier through integrated presentation of different reports

Benefits from CPR system at HUG

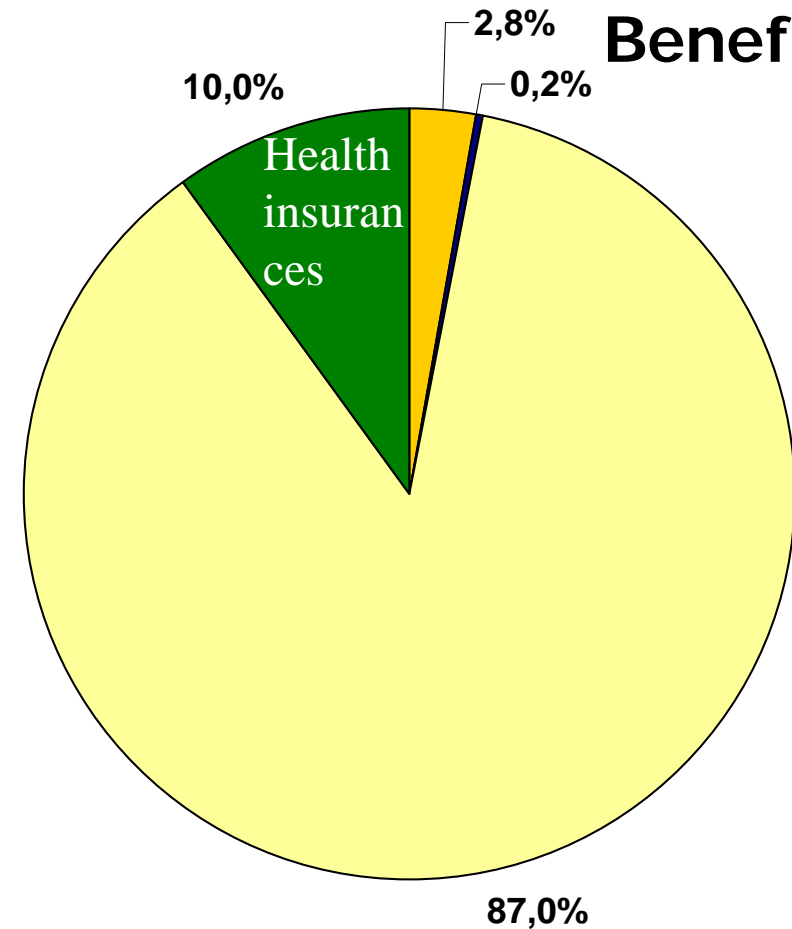
- HUG
 - **Time savings** – redeployment of resources:
 - Looking for records
 - Looking for colleagues
 - *Ward rounds*
 - Discharge letters
 - **Reduction in exposure to risk** of clinical negligence, due to better clinical governance
 - Critical information is always available where needed
 - Lower risk of errors when transferring patients across HUG sites
 - **Avoided admissions**
 - Reductions in number of tests
 - Extra income from better billing processes
- Insurances
 - Avoided admissions

Distribution of costs and benefits: business cases for all

Costs

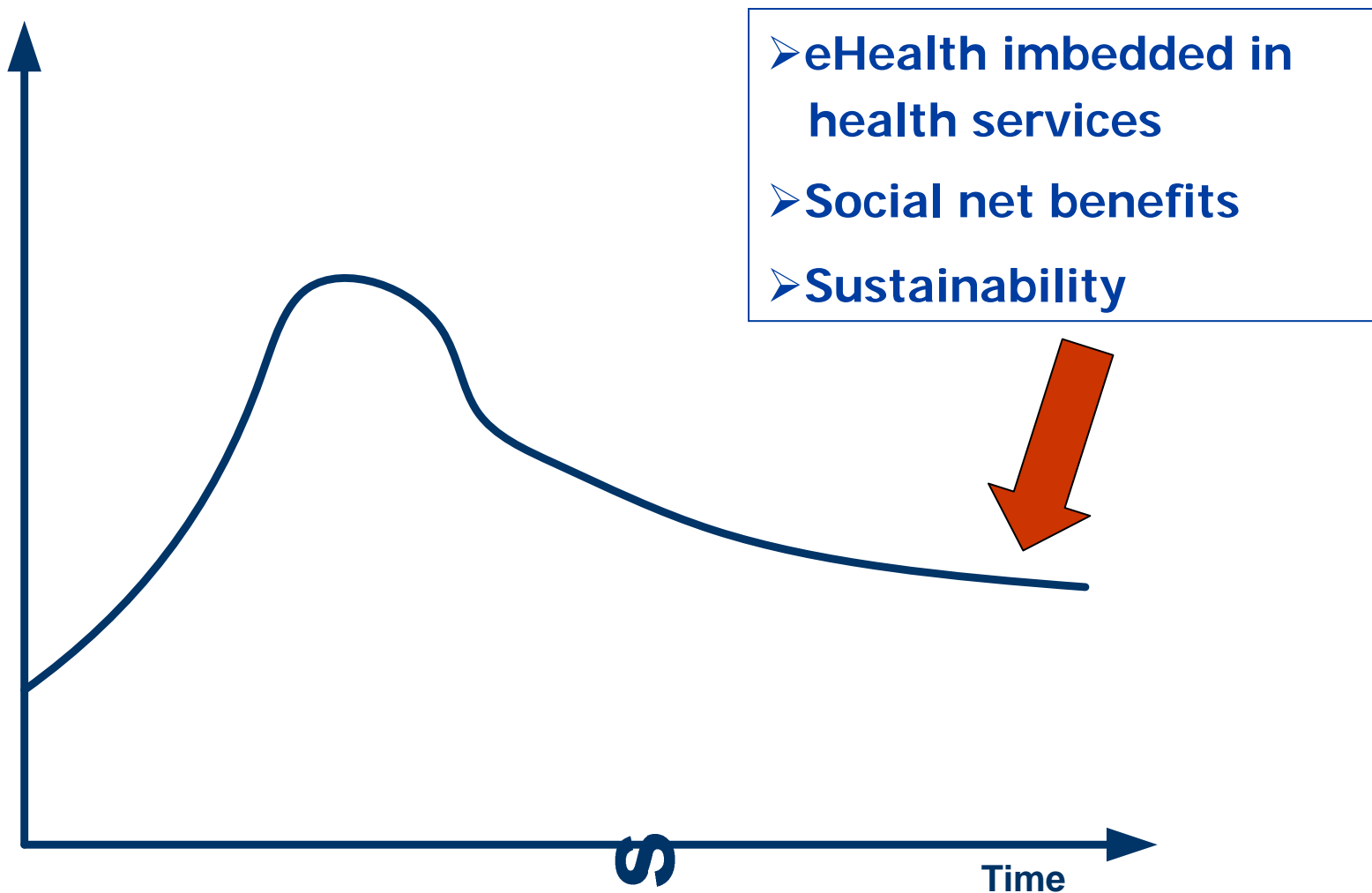


Benefits

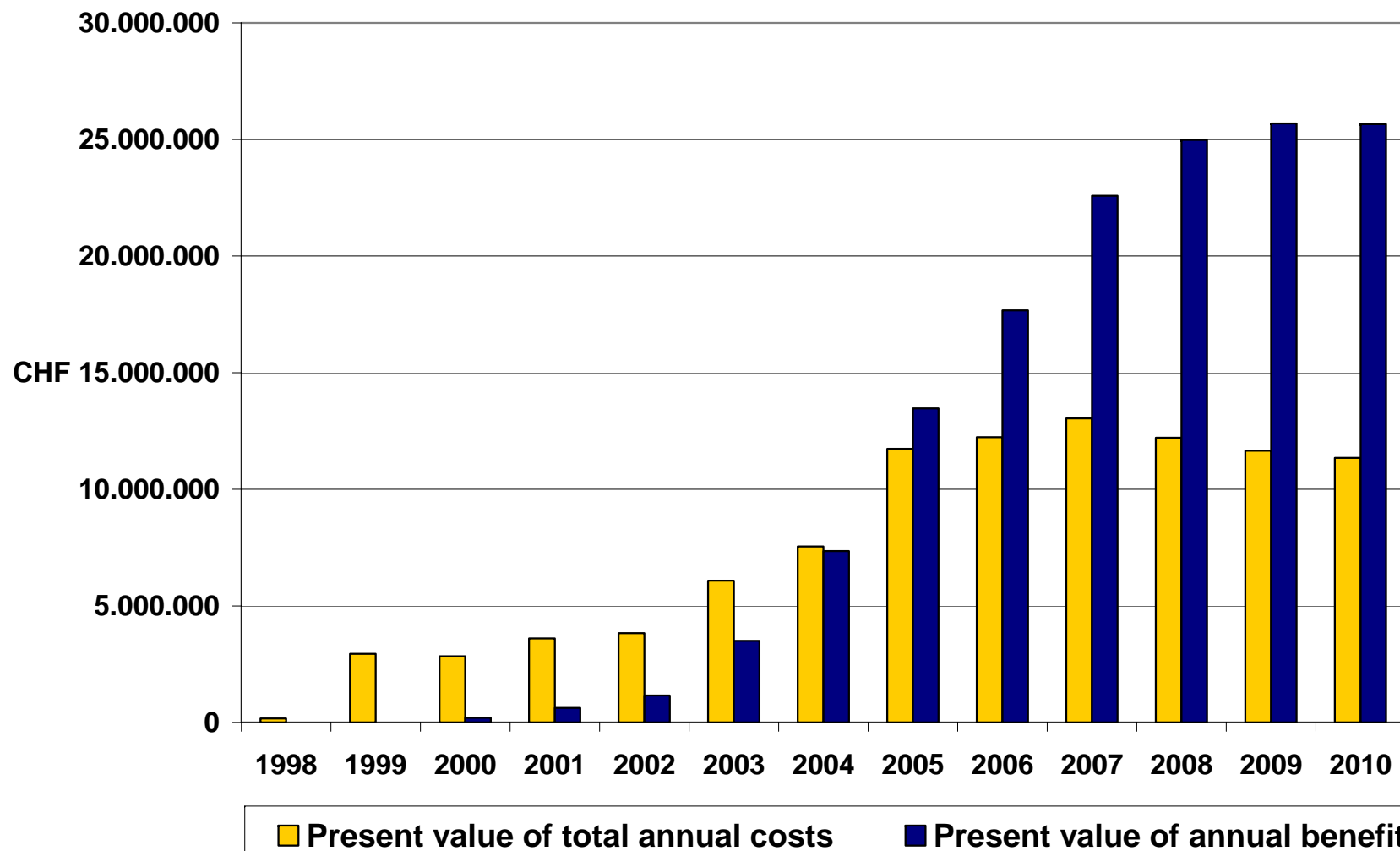


Preliminary data

The financial needs curve of eHealth investments

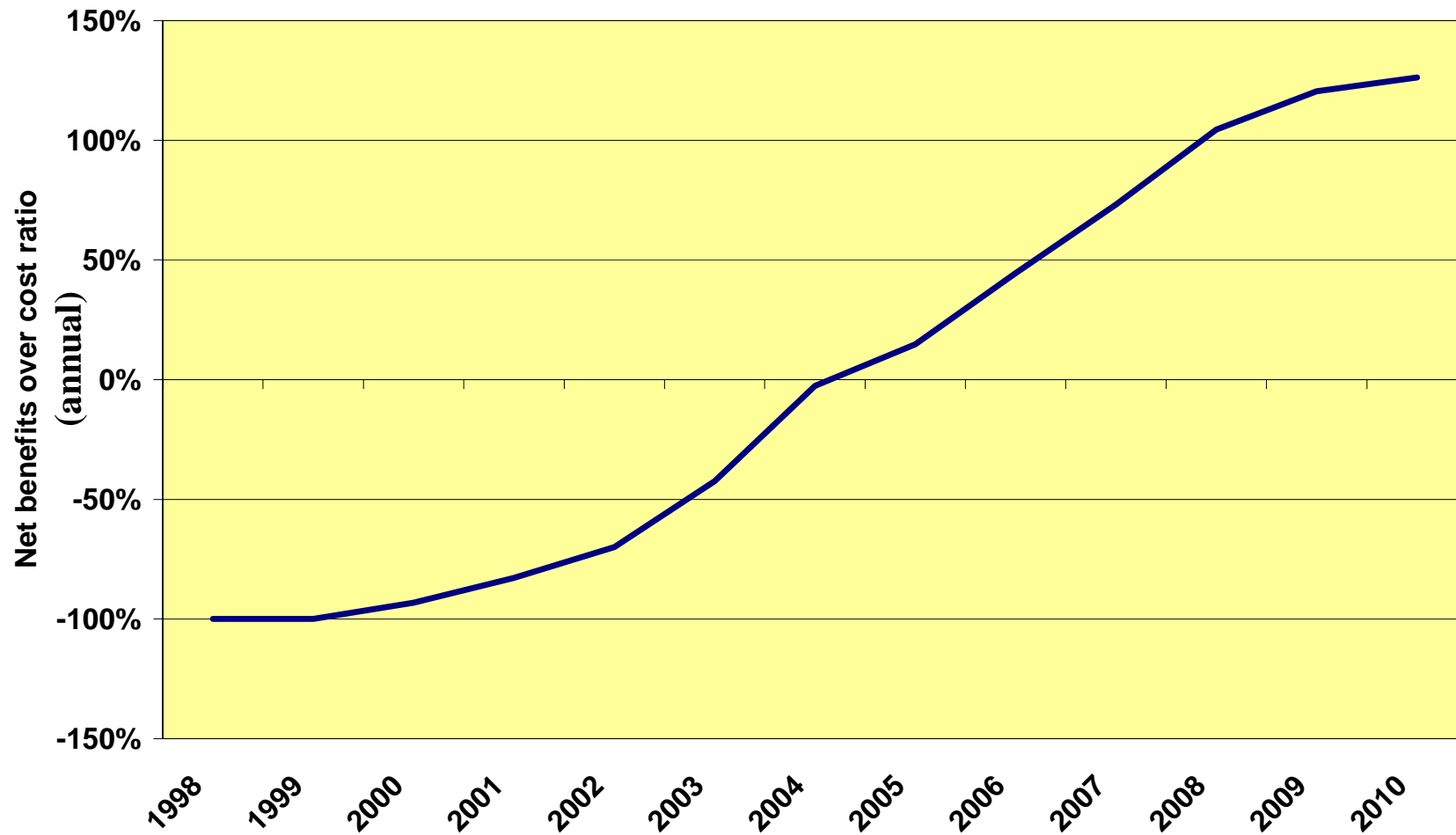


HUG – estimated annual costs and benefits



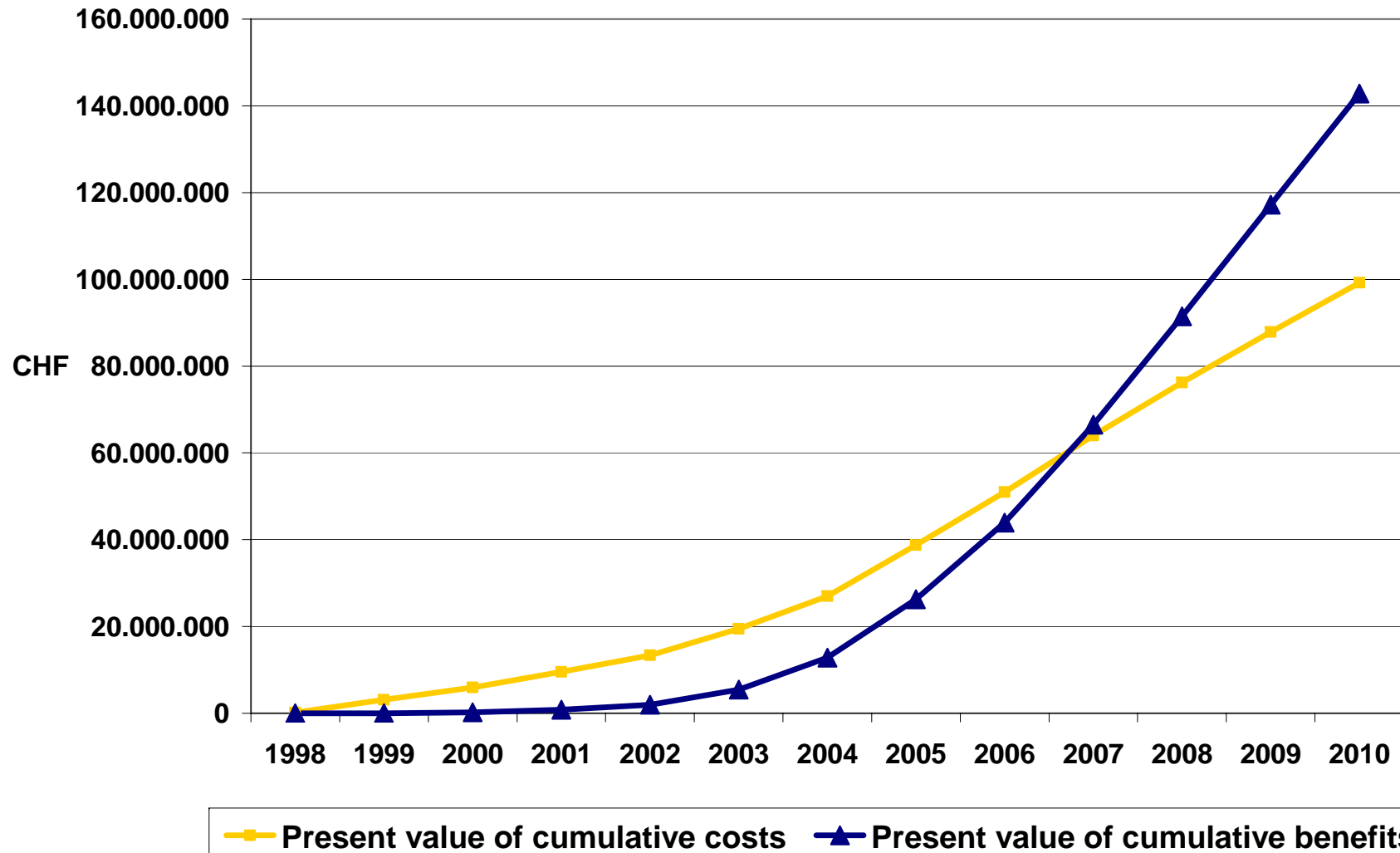
Preliminary data

HUG – annual economic return



Preliminary data

HUG – estimated cumulative performance




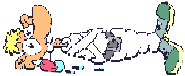


Preliminary data

Some generic lessons: what needs to be in place

- Evidence of impact on healthcare quality and access
- Real knowledge of users' and organisations' needs
- Clarity about functionality, usability and links to benefits
- A viable, financed business case for all
- Change management ensuring eHealth utilisation
- Risk assessment and mitigation; cautious optimism
- Focus on optimising the costs and benefits relationship over time

Need to extend the focus of impact

Benefits Change	Quality	Access	Cost-effectiveness
Strategic			
Organic			
Process			Main focus 

Four arrows originate from the 'Main focus' cell and point to the 'Strategic' cells under 'Quality' and 'Access', and the 'Organic' cell under 'Quality'.

Making eHealth investments a success

- Integration of eHealth into **strategic contexts!**
- Business cases **for all!**
- **Sustainability** requires:
 - the economic case!
 - the financial case!
- Financial returns have to be managed carefully – there is **little extra cash** in eHealth!



Thank you for your attention!

Tom Jones

TanJent

Hereford, UK

+44 7802 336 229

www.tanjent.co.uk

tomjones@tanjent.co.uk

Alexander Dobrev

empirica Communications & Technology Research

Oxfordstr. 2

53111 Bonn, Germany

Tel: +49 (0)2 28 - 98 530 -0

Fax: +49 (0)2 28 - 9 85 30 -12

www.empirica.com

alexander.dobrev@empirica.com