

Speaking points

Consultation with the OECD Health Committee 23 May 2007

ICTs in the health sector

BIAC appreciates OECD taking up the issue of ICT in the health care sector, which is a key policy topic in most OECD member countries. We were pleased to participate in the expert meeting on 13 April and to note the preliminary outcomes. To provide effective business input to this important project, **BIAC would like to organise an LMP meeting on 21 November 2007**, back-to-back with the next meeting of the OECD Health Committee. We look forward to member countries' active participation in this meeting.

Specific comments:

- Work stream 1 should provide i) an improved understanding of the range of analytical approaches and evaluation methods that are available to study the impacts of ICTs; and ii) an inventory or typology of the most common indicators used across OECD countries for benchmarking ICT adoption. BIAC stresses the necessity to consider ICT projects and not to focus narrowly on ICT devices. Devices should only be a part of the project.
- Work stream 2 should focus on the range of incentives or mechanisms that have been applied to influence the introduction and adoption of information technology. It aims to i) provide an increased understanding of the role of public sector incentives to improve health care performance with information technology ; ii) identify critical lessons and guiding principles for their successful application. For BIAC the main focus for OECD efforts in ICTs is that they can actually be used to change the way in which the health care delivery systems function and to manage these systems in a different way. ICT projects are implemented for process innovation and redesign, to target care more appropriately and to get more value in the longer term. Many of these issues can be further discussed in the LMP meeting in November.
- BIAC supports that the ICT projects could be listed according to four broad categories:
 1. Transformational: enabling entirely new modes of care
 2. Operational: reducing operational or personnel costs, coordination of services
 3. Administrative: improving financial management and rationalization of claim processing
 4. Strategic: enhancing organizational competitiveness, organizational image, increase system-wide efficiency and productivity; addressing liability issues.
- BIAC also believes that the ICT projects should be categorized according to the objectives with respect to the set of primary objectives for the well-functioning health care system such as improving: access, quality of care, responsiveness, and cost-efficiency.
- Some differentiation should be made between the tax-funded centralized systems and social insurance or decentralized systems.

- ICT projects suffer from a high level of risk and are not rewarding enough:
 - The technical aspects are not totally stabilized because no dominant global standards have been set (e-cards and the questions of privacy, safety, specificities of the health sector). *OECD should promote global standardisation.*
 - the operating model is not clearly set for most of the ICT projects,
 - the rewarding system is often not clear enough to motivate people and to find champions of change within the health-insurers and the health service providers,
 - the price of devices remains high compared to the expected savings,
 - public actors are often impeded in their change management by the rigidity of labour relations.
- BIAC supports case studies, but is not sure whether they will offer the greatest potential for the OECD project. BIAC notes that it will be essential for the project to draw also on survey studies from both international and national levels. It will be necessary to clearly delineate the field of inquiry and define a process for the selection of survey studies.
- BIAC strongly underlines that user acceptance is the most critical factor for realizing the benefits of ICTs. OECD surveys could help in better understanding the user resistance to ICT and to recommend better incentives. The combination of a prolonged period of time without visible successful adoption and substantial capital outlay can place many ICT projects at risk of failure. Current understanding of adoption is limited by inconsistencies in terminology, sampling techniques and data collection instruments.
- To enable the two discernible priorities for OECD countries¹, ICT projects should suffer less from low rewards. Industry remains hesitant, because:
 - the health sector remains unattractive with regard to return-on-investment,
 - the creation of innovative service is handicapped by public budget constraint,
 - productivity projects are likely to be favoured; they are often the less rewarding projects because productivity gains serve mainly to reduce losses.

Therefore: favouring/stimulating factors for the development of ICT projects are:

- lowering the cost of projects and the risks associated with them,
- increasing the rewarding of these projects.

Lowering the costs and the risks of the projects can be achieved by:

- the emergence of one or two leaders in the area of ICT, able to innovate, to develop devices and to diffuse them at low price.
- the emergence of one or two leaders in the implementation of ICT projects,
- sharing of lessons learned in some clearly defined categories of ICT projects,
- the standardization of the various components of projects (devices, operating models, change management methods, rewards) for the main categories of ICT projects.

- BIAC underlines that this assessment cannot be carried out independently of specific projects and should be done in close international cooperation.

¹ increase use of ICTs at point of care and for better transmission of information between primary and secondary levels of care; and strengthen and consolidate the current understanding of the range of incentives or mechanisms that have been applied to influence introduction and adoption by GPs.