

InDemand, a new demand-driven co-creation model that helps to procure innovation in public organizations

Procura+ award winning tender



Procura+ Participant:	Servicio Murciano de Salud, Spain
Contract:	Demand-driven co-creation model that helps to procure innovation in public organizations Awarded: 2020

SUMMARY

- The European project inDemand brought together procurers from 3 European regions (Murcia, Paris and Oulu) to test a new co-creation model - inDemand - presented as being leaner, faster and requiring less organisational resources and overheads through pre-commercial procurement (PCP), and was therefore more suited to rapidly changing technologies, like digital solutions.
- So far, 22 innovation projects have tested the model, including one led by the Murcian Health Service (SMS) called EPICO.
- There was a 100% acceptance of the tool, which was found to significantly improve communication between doctors and patients affected by epilepsy. It has increased patient satisfaction by 50%, and led to a quality of life improvement of 2.5 points (according to the QOLIE-10, NDDI-E test).

Background

The Servicio Murciano de Salud (SMS) is the body responsible for the system of public health services in the Spanish autonomous community of the Region of Murcia, belonging to the National Health System created in 1986. With its participation in inDemand, the Servicio Murciano de Salud (SMS) demonstrated its commitment to innovation and its commitment to digital health, counting on healthcare professionals (intra-entrepreneurs) and supporting the real implementation of innovation.

Three partners in the Murcia region coordinated and led the project: Servicio Murciano de Salud (public procurer), Ticbiomed (a local business cluster), and INFO (the Regional Development Agency). Servicio Murciano de Salud (SMS) has already made a full procurement of one solution that was successfully co-created and tested within inDemand, that is called EPICO (which stands for Epilepsy Communication Channel). Other piloted solutions are planned to be fully procured beyond their innovation phase in 2021 leveraging Next Generation Europe funding.

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Procurement Objectives

InDemand's big bet is to promote innovation by combining two factors: that it is the demand that identifies what it needs (in this case, the health professionals of the Murcian Health Service) and that the development of the solution is in the process of co-creation (health professionals together with technology companies). The result is a higher success rate in digital solutions, since they have been developed together with the client, with a continuous process of feedback and a global vision of the needs. In addition, in the Region of Murcia, companies will have the opportunity to carry out a pilot experience in SMS medical centers.

As an added value, a Community of Practice with 12 other regions in 8 European countries was set up PAGE 3 during the EU project lifetime (inDemand project ended in December 2020). Two of these regions (Aragon and Navarra) have already launched tenders to procure innovation following the inDemand model with their own resources and budget

PROCUREMENT PROCESS

Procurement Phases

Working with the Neurology Department of Santa Lucia Hospital, EPICO used the inDemand model to identify the challenge of improving accessibility for and follow-up with epileptic patients. A call to companies to co-create an innovative solution alongside clinicians was then launched. After a tender procedure, one company – Oxiframe (renamed Aircrum it) - was selected by a decision committee of stakeholders. Working with neurologists and patients, the company engaged in a 5-month co-creation process of an all-in-one app of 120 patients for 12 months. SMS then prepared an open

tender for a solution, which a bigger company specializing in providing Health solutions (PULSO), in collaboration with Oxiframe (Aircrum it) won.

Subject matter of the contract

“The Patient Health Circle” for Servicio Murciano de Salud seeks a global solution for digital follow up of chronic diseases, such as epilepsy. The patient is the center of attention for assigned professionals, family members and others important to the patient. The objective of the project is to ensure the continuity of care that is increasingly invoked as one of the most important issues of healthcare activity, directly related to the quality of the same, and seen as a prerequisite to improve the efficacy, effectiveness and efficiency of healthcare.

Award criteria

The main criteria for the public innovation procurement were settled by technicians and healthcare providers. Solutions offering a collaborative environment or dashboard including an alert system, file sharing, interoperability and integration with electronic clinical history, were awarded. Solutions should also provide patients with an easy-to-use App. Experience in development of health digital solutions was mandatory.

Evaluation

Four technological companies applied to the public tender. PULSO, in collaboration with Oxiframe (Aircrum it), offered their experience with EPICO as the foundation for an ad-hoc broader solution. The evaluation committee awarded them with the highest score both for their team expertise and for the solution roadmap presented.

Results

Sustainability impacts

The inDemand model has been leveraged in more than 50 procurement of innovation projects. It can be estimated that 200+ organizations (most of them SMEs) have submitted a bid, alone or in consortia, for the different calls based on the inDemand model from multiple procurement organizations. This impact is expected to grow because the organizations in the inDemand Community of Practice (CoP) plan to leverage soon to be available sources of funding, e.g. Next Generation Europe or ERDF, to trigger new procurements of innovation based on the model. To maximize optimal implementation, the organizations that joined the CoP after the project start did receive training and personalized mentorship (on site and remote).

There was a 100% acceptance of the tool, which was found to significantly improve communication between doctors and patients affected by epilepsy. It has increased patient satisfaction by 50%, and led to a quality of life improvement of 2.5 points (according to the QOLIE-10, NDDI-E test) for direct communication between patients and doctors. The developed solution was then tested with 54 patients at the Hospital of Cartagena for 2 months, and then a wider group. It can therefore be considered to be a very good example of how to use a co-creation model with companies and with

the involvement of clinicians and patients. Moreover, it is good that it has been possible to show positive results in the user group.

The strategic results are:

1. To design a demand map based on the needs of professionals (from bottom to top) subsequently prioritized by management (from top to bottom).
2. To create a talent map, identifying innovators.
3. To value co-creation that has been shown to add value to both professionals and companies

The combined contractual value of the innovation developed in the 22 projects within the inDemand project was 791.518€. The regions of Aragon and Navarra, members of the inDemand community, have contractually procured innovation for a combined total of 150.000€ out of 6 projects. More regions from the community are expected to launch similar calls in 2021/22. The contractual procurement of innovation under Cherries is a total of 150.000€ for 3 projects. The combined procurement of innovation under inDemand-RCT is 350.000€ for 20 expected projects. The follow up procurement of EPICO by Servicio Murciano de Salud (The Patient Health Circle) was a total of 269.500€

Lessons learned

1. Demand-driven co-creation works.

- a. Demand driven, at least in the Healthcare sector, is a much better approach than Technology-push. The promoters of inDemand were previously frustrated to see the numerous solutions proposed that did not have commercial traction because they were addressing needs that were not perceived as important by procurers.
- b. Solutions created in co-creation are a world apart from those done 'in the cave', especially when the technological partner is a relatively young company or new in the sector. The level of insight acquired by directly exchanging needs, ideas, legal limitations or standard practices is probably much more valuable to the company than the money received to deploy the pilot.

2. New procurement of innovation instruments are needed.

In Demand proves that there are alternatives to the standard ones that are faster and require less burden. Promoters of the inDemand project have experimented with other instruments promoting open innovation, namely PreCommercial Procurement (PCP) as proposed by the European Community. They were put off due to the amount of internal resources needed to set them up and the time taken to co-create a solution. Especially in areas like ICT/digital, long development means that initially proposed technology may be phased out by project end.

3. Ecosystem collaboration adds value.

One of the success of inDemand model is that it not only involves the procurer and the supplier, but also other members of the ecosystem like Funders (eg. a Regional Development Agency that locally manages public funding geared to innovation) or Supporters (eg. a business cluster that delivers business support to maximize commercial traction). This collaboration makes the inDemand approach much more valuable and sustainable than other approaches, because, among others, ERDF funding is available every year and successfully piloted solutions need to be procured by other organizations in order to have a positive economic impact in the company.

4. Adoption of innovation is still a challenge.

As originally proposed, inDemand ends with the assessment of the co-created solution (like PCP). If it works or not. The unfamous 'valley of death' towards adoption is still there. Though Servicio Murciano de Salud has managed to scale EPICO into a corporate procurement, no process is in place to systematically adopt successfully piloted innovation. This is work in progress, as several proposals to address it are currently being evaluated.

5. Culture eats strategy for breakfast.

At the end, what really matters is how the culture towards innovation changes. Management can set up as many strategies/actions as they want but if their personnel do not buy them, the game is over. Especially in public administration. Changing perceptions towards identifying needs, being innovative, open to collaboration and devoting personal time to solve problems is what delivers sustainable impact. No procurement project, no matter how big or strategic, changes an organization in the long run. Culture does.

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About Procura+

Initiated and co-ordinated by ICLEI, Procura+ is a network of European public authorities and regions that connect, exchange and act on sustainable and innovation procurement.

Connect.



We are a network of European public authorities that connect, exchange and act on sustainable and innovation procurement.

Exchange.



Our combined knowledge and experience allows us to provide advice, support and publicity to any public authority that wants to implement sustainable and innovation procurement.

Act.



The Procura+ Network joins forces to champion sustainable and innovation procurement at the European level.

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