EcoQUIP: Pursuing Efficiency, Quality and Sustainability in Healthcare through PPI

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- Workshop
- Sostenibilità in Sanità: Acquisti pubblici, Energia e Mobilità nel Sistema Sanitario Italiano e in Europa
  Sustainability in healthcare sector: Public Procurement, Energy and Mobility in the Italian health system and beyond
  7 novembre 2014
- SALA POLIVALENTE dell’Assemblea Legislativa, Viale A. Moro 50, BOLOGNA
Pursuing Efficiency, Quality, Sustainability in Healthcare through Public Procurement of Innovation

EcoQUIP

Delivering Efficiency, Quality and Sustainability in Healthcare

European Project (2012-16)
Innovation

What is INNOVATION?
Also these objects are based on research to get presumably better products.

Speaking of Public Procurement of INNOVATION we commit ourselves to think differently about Innovation.
TRADITIONAL Procurement is Buying what already exists in the market

INNOVATIVE Procurement starts with an unmet need by existing products or services
Perception of Innovation

**Procurers**
- Complexity of defining the innovation needed, even when it is clear that the old solutions are not adequate
- Legal difficulties in using new procurement procedures
- Risks attached to new products and services
- Sometime need of internal investments for staff, patients, visitors awareness to use innovation efficiently

**Suppliers**
- Investments and risks related to the development of new products
- Uncertainties in determining the real need for the innovation, that is answering the question if what is requested is really a concrete, non isolated demand
- Consequently, potential market risks
EU Commission basic assumptions

- For EU to be competitive in the global economy, research and innovation are critical.

- Considering its strategic financial role, Public Procurement can be the greatest leverage for innovation.

- Taking into account the difficulties/barriers facing innovations, developed, applied...
The European Steps for PCP to PPI

2007
COMMUNICATION FROM THE COMMISSION
Pre-commercial Procurement: Driving innovation to ensure sustainable high quality public services in Europe
COMMISSION STAFF WORKING DOCUMENT
Example of a possible approach for procuring R&D services applying risk-benefit sharing at market conditions, i.e. pre-commercial procurement

2011 –
The EC launches programmes to finance initiatives on PCP

2007
COMMUNICATION FROM THE COMMISSION
CORDIS (Community Research and Development Information Service) starts to publish examples of successful initiatives
sustainable high quality public services in Europe
Procurement of Innovation Platform

- 2014 –
DG Enterprise and Industry: Guidance for public authorities on Public Procurement of Innovation


www.innovation-procurement.org

www.innovation-procurement.org/about-ppi/legal-framework/
2014 Procurement Directives: Summary of provisions relevant to PPI

- Streamlining of documentation requirements at selection stage
- Exemption for R&D services
- Rules on preliminary market consultations
- Functional and performance-based specifications
- Innovation partnership procedure
- Competitive procedure with negotiation
- Greater availability of competitive dialogue
- Ability to apply environmental and social criteria and take life-cycle costs into account
- Rules on joint procurement
- Reporting on public procurement of innovation and SME involvement
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EcoQUIP: The partners

Coordinator
- Department for Business, Innovation and Skills (UK)

Partners
- Nottingham University Hospitals NHS Foundation Trust (England)
- The Rotherham NHS Foundation Trust (England)
- Erasmus University Medical Centre (Netherlands)
- Sucha Beskidzka Hospital (Poland)
- Bologna University Hospital - St. Orsola-Malpighi Polyclinic (Italy)
- Semmelweis University Health Management Training Centre (Hungary)
- Department of Health (England)
- European Health Property Network (EuHPN)
- Health Care Without Harm (HCWH Europe)
- Optimat (UK)
- Jera Consulting (UK)
EcoQUIP: Partner Hospitals Pilot Studies

- Nottingham University Hospital
- Rotherham Hospital NHS Foundation Trust
- Erasmus University Medical Centre - Rotterdam
- Sucha Beskidzka Hospital Krakow
- Sant’Orsola University Hospital - Bologna
- Semmelweis University Zala County Hospital

- Ultra Low Carbon Energy Solution
- People centred low carbon Catering solution
- Sustainable Bed Washing Facility
- Improvement of thermal comfort of the Hospital
- Advanced Cleaning Solution, with focus on HAI reduction
- Pressure Management Issues and Innovative Solutions
EcoQUIP: Rotherham

Rotherham Hospital
NHS Foundation Trust

People centred low carbon catering solution
Rotherham: the VISION

• An innovative integrated solution for the provision of high quality patient appropriate meals that are enjoyable, attractive, support patient recovery and is delivered as an integral part of nursing care.
Objectives

- An innovative patient centered low carbon catering solution not only for today but tomorrow and beyond
- Enhance the patient experience through choice and service
- Deliver the right meal, at the right time, to the right patient, every time
- Review of the catering approach and delivery to the patient’s bedside whilst recognising one size does not fit all
- Reduce wasted effort, energy and carbon footprint
- Push the boundaries of innovation in line with our ambition to operate at the leading edge of healthcare
Rotherham: the Process

- PPQ`s received November 2013 / shortlisted Bidders to five
- Completed Bidders Open Day in January 2014 including site familiarisation, further site visit in March for shortlisted Bidders
- Evaluated and shortlisted Bidders (3) to participate in dialogue following a robust Invitation to Participate in Dialogue (ITPD) and
- Invitation to Submit an Outline Response (ISOR) selection process
- Preparing the Invitation to Submit a Detailed Solution (ISDS) to issue prior to Competitive Dialogue commencing
- Draft contract produced
- Formal Contract Award
EcoQUIP: Rotterdam

Erasmus University Medical Centre: “Sustainable Bed Washing Facility”
Changing the system of washing 70,000 beds per year

**Why:**
- Replacement necessary because of new hospital
- High energy use
- High CO₂
- Over seeable (value approx. € 1,000,000)

**Unmet needs:**
- More efficient cleaning of 70,000 beds annually
- Substantial reduction energy consumption CO₂ footprint
- Substantial reduction TCO
EcoQUIP : Rotterdam

Process Overview

– 27 March 2012, start competitive dialogue
– 8 selected suppliers entered dialog phase
– Dialog phase used to determine CO2 and TCO model
– Further development of conceptual ideas
– 19 December 2012 start final offer phase (2 suppliers)
– 19 July Contract Award IMS Medical B.V.
– 13 November 2013 Contract Sining
– 13 December 2013 Acceptant test on site IMS
– 1 July 2014 Final Acceptance Test on site Erasmus MC
PRESENT

• Cost per bed €. 29,96

• 3,2 Kg CO$_2$ eq

FUTURE

• Cost per bed €.19,50

• 1,2 Kg CO$_2$ eq.

**TCO reduction 35%**

**CO$_2$ reduction 65%**
Erasmus: Robotic Bedwashing Facility
EcoQUIP: Rotterdam

European Commission's first Public Procurement of Innovation Award
September 2014

Winner of the PPI Award announced
Erasmus Medical Centre Rotterdam takes home inaugural prize
There is no "one size fits all" approach to Public Procurement of Innovation. Different steps and procedures will be involved depending on:

the need,

the contracting authority

and the market sector

http://www.innovation-procurement.org/about-ppi/guidance/
Common features

1. **Identification of the needs & opportunities**
   - Recognise problems, unmet needs & Opportunities
   - Consult with stakeholders and
   - Create a Project Team and a Steering Group
   - Define the requirements based on expected outcome
   - Make the business case
   - Chose the best format for consultation

2. **Market engagement**
   - Publish a Prior Information Notice (PIN) and publicise the consultation
   - Market sounding and analysis of the results
   - Supply chain feedback
3. **Procurement** (we indicate one of the procedures for PPI)
   - Develop a pro-innovation procurement strategy
   - Feedback to the supply chain and stakeholders
   - Call for competition outlining requirements
   - Negotiation stage (with optional reduction of numbers)
   - Award stage (award contract based on final bids)

**To be noticed**
The EcoQUIP projects of Erasmus bed-washing and of Rotherham have followed the above procedures. The market engagement was successful above all expectations.
PPI in Practice

Why should we commit ourselves to Innovation?

- The total value of public procurement in the EU is estimated at €2 trillion per year – or about 19% of European GDP.
- The innovation process encompasses research and development (R&D) and consequently preproduction, production, distribution, training, market, new organisational or marketing methods.
- The way in which the procurement money is spent has clear implications for the whole economy and the environment.
- Innovation in public purchasing is the best weapon for improving Europeans life and lead the world to a sustainable development.
THE LEVER
THANK YOU e GRAZIE!

THINK DIFFERENT