



# Health

## Monthly Focus

# Business models for eHealth



European healthcare systems are the pillars of Europe's social infrastructure. Although they differ in terms of operational and financial structure, they share common goals and priorities such as universality, access to good quality care, equality and solidarity. More importantly, EU states also share common challenges.

### eHealth : solutions for efficiency and safety among a changing demographic

As European populations age, we are seeing a large scale shift in the composition of disease burden towards complex, chronic conditions. This is set to drive up costs for European healthcare systems in the coming years, while making information and information sharing more central than ever for the effective delivery of healthcare. In this context, the provision of healthcare services using innovative ICTs is seen to be one of the elements helping the containment of healthcare delivery costs<sup>1</sup> while maintaining the expected levels of quality of care and safety.<sup>2</sup>

**the socio-economic and policy developments have created a large pan-European commercial market for eHealth solutions**

**mechanism to enable EU citizens' access to healthcare regardless of geographical location, as well as the mobility of healthcare staff.**

Furthermore, **the socio-economic and policy developments previously indicated have created a large pan-European commercial market for eHealth solutions.** In order to tap into this

potential, it is necessary for eHealth services to be devised in such a way as to respond directly to the specific operational needs of the healthcare delivery stakeholders towards whom they are targeted.

### eHEALTH IN THE EUROPEAN CONTEXT

The pivotal role of eHealth in Europe was confirmed at the 2009 EU Ministerial Conference in Prague<sup>3</sup> and by the December 2009 conclusions of the European Council<sup>4</sup> calling for the implementation of safe and efficient healthcare through eHealth. On top of increases in efficiency and effectiveness, **interoperable eHealth systems are seen as an essential**

<sup>1</sup> For more information, see Akematsu Y. et al. 'An empirical analysis of the reduction in medical expenditure by e-health users', *Journal of Telemedicine and Telecare*, vol. 15, no. 3, 2009, pp. 109-111.

<sup>2</sup> For a comprehensive overview of safety issues connected to eHealth see Stroetman, V. 'eHealth for Safety: impact of ICT on patient safety and risk management', report prepared for ICT for Health Unit, DG Information Society and Media, European Commission, October, 2007.

<sup>3</sup> [http://ec.europa.eu/information\\_society/activities/health/policy/ehealth\\_conf/index\\_en.htm](http://ec.europa.eu/information_society/activities/health/policy/ehealth_conf/index_en.htm)

<sup>4</sup> [http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/lssa/111613.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/lssa/111613.pdf)

### At a Glance

**Study:**

Business Models for eHealth

**Study coordinator:**

RAND Europe

Contact: Rebecca Schindler and Lorenzo Valeri

**Partner:**

Capgemini Consulting

**Duration:** 15 months

**Total cost:** 199.570 Euro

**Programme:** IST

**Further information:**

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[Study Report](#)

## CURRENT AND FUTURE MARKET SIZE

**European eHealth market was estimated at EUR14.269 million in 2008 and is projected to reach EUR15.619 million by 2012**, with a compounded annual growth rate of 2.9%. Market size varies geographically, but the real differences reside in the market size of the four specific markets identified by the European lead market Initiative<sup>5</sup>: Clinical Information Systems (CIS), Secondary Usage Non-Clinical Systems (SUNCS), Telemedicine, and Integrated Health Clinical Information Networks (IHCIN).

Between 2008 and 2013 the situation is to evolve, with a major shift from secondary usage Non-Clinical Systems (SUNCS) to clinical information systems (CIS). This suggests that eHealth systems are targeted more towards supporting the operational processes of healthcare professionals. In addition, Capgemini Consulting has identified a **growing demand for integrated healthcare clinical information systems** in light of an increasing need for data sharing among healthcare delivery organisations.

Table 3 Financial quantification of individual markets in 2008

Composition in 2008 (%)	Final composition (%)
SUNCS	71.60%
IHCIN	5.00%
CIS	22.50%
Telemedicine	0.90%

## DEVisING BUSINESS MODELS FOR VALUE-CREATING AND SUSTAINABLE EHEALTH SERVICES

The evidence suggests that a solid business model is required for this aim: in particular, **this business model needs to map all key supporting activities, value chain relationships, and dependencies impacted by the introduction of an eHealth service.**

Strong senior management is required throughout the design and delivery of an eHealth service to ensure proper structuring and implementation of the business model. Achieving goals and objectives depends on appropriate operational steps. **Staff involvement is also essential** to ensure that business models do not fall short of reflecting the interactions of those actors who are expected to use them in their day-to-day professional activities. A

<sup>5</sup>[http://ec.europa.eu/information\\_society/activities/health/policy/lmi\\_ehealth/index\\_en.htm](http://ec.europa.eu/information_society/activities/health/policy/lmi_ehealth/index_en.htm)

business model is a static entity; however it may change as a consequence of technological and organisational evolution, or evolve following an evaluation aimed at measuring the potential and current impact of the eHealth system.

## PUBLIC POLICY AND THE ROLE OF THE EC

**Action requires the involvement of all stakeholders** such as national healthcare authorities, health professional associations, healthcare delivery organisations, industry and the research community as well as European perspectives, so as to foster the sharing of applicable best practice and experiences. However, **the provision of such pan-European services is not easy given that each EU member state is responsible for the operational and financial management of healthcare delivery.** In order to remove these barriers, this study calls on the EC to take on a vital coordinating role in the development and implementation of eHealth services through:

- Launching pilots to test or simulate eHealth-related projects;
- Fostering the sharing of best practice in business models;
- Defining benchmarking indicators for cross-organisational comparisons;
- Supporting the development of best practice via specific incentives such as tax breaks and/or different reimbursement procedures or co-funding mechanisms;
- Bringing legal clarity as to facilitate safe exchange and authentication of healthcare data across national borders, as well as healthcare staff;
- Working towards the solution of technical issues and the facilitation of market developments via interoperability, common terminologies and standards for terminologies and data, and pre-procurement activities.

More information on the study tender can be found at:

[http://ec.europa.eu/information\\_society/newsroom/cf/item\\_detail.cfm?item\\_id=4108](http://ec.europa.eu/information_society/newsroom/cf/item_detail.cfm?item_id=4108)

Final Study Report:

[http://ec.europa.eu/information\\_society/activities/health/docs/studies/business\\_model/business\\_models\\_eHealth\\_report.pdf](http://ec.europa.eu/information_society/activities/health/docs/studies/business_model/business_models_eHealth_report.pdf)

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