

Buying All-Island in Healthcare

HIRANI was a partner in the 'Buying All-Island in Healthcare – North and South' project.

The final report showed the findings and recommendations framework of the All-Island Medtech SMEs (AIMS) initiative, delivered through a 12-month cross-border partnership between the Health Innovation Research Alliance NI (HIRANI) and HSE and Enterprise Ireland partnership Health Innovation Hub Ireland (HIHI), supported by InterTradeIreland's Synergy programme.

This all-island collaborative initiative with SMEs and healthcare stakeholders – health sector, health industry, policy, state agency, academia and procurement – identified barriers and experienced by smaller vendors in healthcare and proposed solutions.

Who took part?

A total of 38 stakeholder groups from health, industry, policy, state agency, academia and procurement, identified common challenges to SMEs and start-ups within the health market.

- New and smaller suppliers below certain revenue thresholds are not equally positioned to compete with established vendors for healthcare tenders, unfairly affected by scale and liquidity requirements.



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- Outdated assessments for software products, lack of innovation procurement and funding for its mechanisms, limited use of dynamic purchasing systems and purchasing standards that vary widely across secondary care sites are also perceived to be prohibitive.

AIMS stakeholder workshops; expert advisory group sessions and European benchmarking informed the proposed solutions contained in the 'AIMS Framework of recommendations for Innovation Procurement'.

The framework focused on four key areas to deliver system-wide impact that will facilitate the procurement of innovative products across the healthcare sector on the island of Ireland from all vendors, regardless of size –

Budget and Mechanisms – create a protected healthcare budget for the procurement of innovation, implement EU approved mechanism

To boost innovation procurement allocate a portion of the public budget, replicating successful European exemplars. Public Procurement of Innovative solutions (PPI) is one mechanism. The public sector uses its purchasing power to act as early adopter of innovative solutions that are not yet available on large-scale commercial basis. PPI can target specific healthcare challenges by seeking innovative solutions, and through a testing phase, reduce risks commonly associated with smaller vendors

Review and revise procurement thresholds — hardware vs software

Tender requirements often demand high turnovers, a relic of old hardware focussed companies. This excludes smaller, innovative firms. Unlike hardware, software does not rely on costly supply chains; its main costs are licenses and setup. Software procurement should prioritise features, capabilities, and fit with needs over financial size.

Increase use of Dynamic Purchasing Systems (DPS) in healthcare procurement

A DPS is a digital tool allowing qualified suppliers to join anytime to compete for contracts. In contrast to tender frameworks, which usually last four years. DPS increases small businesses access to public contracts, simplifying the process by cutting out repetitive bids.

Co-develop and publish education tool for SMEs navigating HSC and HSE

Developing an educational tool with HSCNI and HSE procurement for SMEs and start-ups will benefit small entities understanding of a multi-faceted complex process. The online tool will be co-developed, user-friendly, accessible and regularly updated to reflect any changes in regulations or best practice

Currently, there are no innovation procurement policy frameworks driving public buyer engagement with smaller vendors. This is in stark contrast to GB and European practice. Austria, Belgium, Finland, and the Netherlands have specific action plans for innovation procurement. Denmark, Germany, Estonia, Greece, France and Sweden include specific objectives on innovation procurement in wider national strategies.

Innovation is defined as the process of bringing about new products, services, or solutions for challenges that will have a significant positive impact and value. Challenges within the health systems for both vendors and suppliers are largely mirrored across North and South.

This report examined the benefits of working pro-actively together to guide suppliers to develop their products 'in sync' with the key priorities of both health systems on the island of Ireland and to create a framework to support procurement.

Despite the differing policy landscapes, North and South, a joint delivery of recommendations such as an all-island Dynamic Purchasing system to provide a route for local innovation to enhance health and prosperity across the island of Ireland would still be highly advantageous.