

MINISTERIAL MEDICAL TECHNOLOGY STRATEGY GROUP (MMTSG)
MINUTES OF THE MEETING HELD ON 19 NOVEMBER 2012

In attendance:**Government members**

Earl Howe (co-chair)	Parliamentary Under Secretary of State for Quality
Rt Hon David Willetts MP	Minister of State for Universities and Science

Industry members

Colin Morgan OBE (co-Chair)	Vice President, External Affairs, Johnson & Johnson UK & Ireland
Bettina Fitt	General Manager UK & Ireland, GE Healthcare and Chairman, AXREM
David Horne	Managing Director, Alere Ltd and Chairman, BIVDA
David Plotts	Area Director Northern Europe & UK Managing Director Aerocrine Ltd
Doris-Ann Williams MBE	Director General, British In Vitro Diagnostics Association
Ewan Phillips	Chief Executive, Deltex Medical Group plc
Gil Baldwin	Chief Executive Officer, Tunstall Group Ltd
Harry Keenan	UK General Manager, Baxter Healthcare
Ray Hodgkinson MBE	Director General, British Healthcare Trades Association
Tony Davis	Chairman, Medilink UK

Government officials

Abbie Lloyd	Head, Office for Life Sciences, BIS
Sir Andrew Dillon	National Institute for Health and Clinical Excellence
Giles Denham CBE	Head of Medicines, Pharmacy & Industry Group, DH
John Warrington	Deputy Director, Policy & Research, DH
John Wilkinson	Director of Devices, MHRA
Jonathan Mogford	Director of Policy, MHRA
Dr Louise Wood	Head of NHS Research Infrastructure and Industry R&D Relations, DH
Steve O'Leary	UKTI

Rob Kettell

Health Team Senior Policy Advisor, HM
Treasury

Rachel Cashman

Innovation, Health and Wealth, DH

Richard Carter

Branch Head, Industry Sponsorship, DH

Mark Chapman

Industry Seconded, Office for Life
Sciences, BIS

Mark Bale

Director of Health Science and Bioethics,
DH

Secretariat

Andy Taylor

ABHI

Carl Glenister

DH

Simon Hiller

DH

Apologies

Sir Ian Carruthers

Chief Executive, NHS South of England

Isabel Summers

Policy Advisor, Pharma, Capital and
Programmes, HM Treasury

Johnny Lundgren

Vice President, Northwest Europe, BD and
Chairman, ABHI

Peter Ellingworth

Chief Executive, Association of British
Healthcare Industries

Item 1. Chair's opening remarks and introductions

1. Colin Morgan welcomed all those attending and highlighted that it was a significant point for the Department of Health, NHS and industry due to the substantial change occurring in the system. the MMTSG had continuing importance as a forum in which strategic issues of mutual importance could be addressed and attention given to the levers and incentives that would allow the system at a local level to effect change.
2. Lord Howe thanked David Willetts for attending, and passed on apologies from Sir Ian Carruthers. He hoped that an NHS Commissioning Board member would attend the next meeting. He went on to mention his recent trip to Boston to attend the AdvaMed conference where he noted the extent to which there appeared to be a shared vision amongst senior industry people. This focused on the impact of demographic change, fiscal constraints and patient expectations.
3. Colin Morgan noted that the collaboration between government and industry in the UK had been recognised as a benchmark for other nations and that the innovation agenda was critical for the future.

Item 2. Minutes of the meeting held on 25 June 2012

4. The minutes of the previous meeting were approved. Matters arising from those minutes were:

2.1 Procurement

5. Lord Howe gave a short update on the progress of the procurement review and thanked industry for the support that had been given so far. Clear themes and ideas had emerged from the call for evidence and wider discussions. It was expected the review will be completed in December 2012 and the report to be published in January or February 2013.

Harry Keenan asked if the report would include proposals to incentivise the system. Rachel Cashman could not at this stage say precisely what proposals for action would be contained in the report, but assured the meeting that this was an area of high importance. Tony Davis further supported the current work going on between industry and the NHS in this area and stated that conversations around stimulating economic growth with colleagues had already begun.

2.2 Strategy for UK Life Sciences

6. Colin Morgan handed over to David Willetts for an update on this item. David Willetts made particular reference to the upcoming *One Year On* report which would review progress that had currently been made on all commitments; this was due to be published in December. BIS had been working together very closely with the Innovation, Health and Wealth team who were due to release an update report at the

same time. He also said that med tech companies could now bid for the biomedical catalyst fund which was up and running; and that the sector already had some early successes. Focusing on the future of the strategy David Willetts commented that there would be a focus on stratified medicines, computational advances and genomics.

2.3 Innovation, Health and Wealth

7. Rachel Cashman from the Innovation, Health and Wealth team was in attendance for this item. Lord Howe began by outlining some of the key pieces of on-going work. AHSN designation was continuing; the Comply or Explain regime remained a key focus for delivery; and work to align financial incentives was progressing well.

8. Implementation of the six high impact innovations continued, with a plan to issue guidance to the NHS on the CQUIN pre-qualification in December. DH had now embarked on a process to identify the next set of innovations, with the NHS already having received 148 submissions following an open call. Following an event on 12th December to which industry colleagues will be invited, recommendations would be sent to the NHS Commissioning Board for consideration.

9. Rachel Cashman pointed out that there was a focus on system delivery and analysing the impact of Innovation, Health and Wealth at a local level. She also stressed the importance of a behaviour and change management programme which would aim to make Innovation, Health and Wealth the responsibility of everyone throughout the system. Gil Baldwin agreed with this point and that the aim should be to get results: it was important to not miss this opportunity. David Horne pointed out that he perceived a gap between the strategy and the current picture. Colin Morgan understood this point but thought that industry must give a certain amount of time for the initiatives to take effect and that industry must work together with the DH and the NHS to achieve successful results.

2.4 Genomics

10. Lord Howe referred to the on-going work of the Human Genomics Strategy Group whose recommendations would be adopted as part of the Strategy for UK Life Sciences and its *'One Year On* report, as mentioned previously by David Willetts. The focus would be not just on healthcare benefits, but also how the work could be used as an economic lever to help develop new enterprises based on genomic technologies. DH wanted to enable access to NHS genetic and genomic data to help support the development of new technologies, but, had at the same time to ensure that appropriate safeguards were in place to ensure public confidence was retained.

Item 3. SME Sub Group

11. Richard Carter had chaired the SME sub group and was able to update the group on progress. There had been two meetings of the group over the past six months: the written progress report set out what those meetings had achieved. Two areas of focus had been highlighted; communication and manufacturing. Of these, manufacturing had been picked as the area which needed most support and where a real opportunity appeared to exist.

12. Mark Chapman pointed out the need for the group to focus on growth, highlighting that the research and development sector in med tech was thriving, not least because there were a large number of SMEs in the sector. David Willets described the work the Department for Business, Innovation and Skills were doing for manufacturing, stating that advanced manufacturing was one of the UK's strengths and that there was a large opportunity in this area. This could possibly be helped by the Small Business Research Initiative.

13. The group agreed that much had been done to support SMEs and that there was already a significant manufacturing sector. Louise Wood raised the challenge of making companies aware of all the options available to them. Government may be able to assist with the advanced manufacturing supply chain, by highlighting to industry where components can be sourced in the UK.

14. The industry side were encouraged by this, but remained concerned about how the government can encourage uptake of innovation within EU procurement rules. In response, Lord Howe stated the importance of the NHS becoming a more intelligent customer. Andrew Dillon described how NICE could support the process where the evidence was strong, but that it ultimately depended on the NHS customer being aware of all the issues.

15. Bettina Fitt thought more could be done to support SMEs who come up with innovative ideas. She believed that the NICE process could sometimes take too long, allowing other companies to catch up on the technology pioneered by SMEs. David Plotts' recent experience reinforced this view. Andrew Dillon disagreed that the process was unduly time consuming. Colin Morgan suggested that in any event the aim should be continually to improve and drive down the time the process takes.

16. Returning to the theme of manufacturing, Tony Davis said that Medilinks would be happy to work with BIS to feed into the manufacturing strategy and act as sounding board. The regional growth fund and the growth innovation fund will become extremely helpful in this area and will only grow in importance when it is possible to highlight where the gaps were.

Item 4. Revision of the medical devices directives and associated regulatory activity

17. Consultation was underway and, whilst final implementation remained some years off, it was possible that the Commission would bring forward certain critical aspects of the regulation for earlier introduction, as Commissioner Dalli had proposed, particularly as regards inspection of Notified Bodies. David Horne expressed concern that the regulation on *in vitro* diagnostic devices (IVDs) would increase costs substantially. It was expected that all key details would be clarified during the consultation period.

Item 5. Evidence and Evaluation

(i) NICE and MedTech evaluation

18. Sir Andrew Dillon presented an overview of the work of NICE in this field, which was focused on reviewing and challenging the value proposition of devices and diagnostics, developing guidance for the NHS and supporting adoption, providing active support for evidence generation and advisory services for developers and investors. Harry Keenan commented that when NICE recommended 'optimised' adoption of a technology, incentivisation was necessary to ensure that this actually happened. Purchasing would often cut across this. Lord Howe commented on the potential for the Academic Health Science Networks to address this challenge, within the context of Innovation, Health & Wealth. Overall, he noted that MMTSG had initiated and overseen the development of the Medical Technologies Guidance at NICE and commented on the achievement this represented over the last four years.

(ii) Forward look

19. Andy Taylor spoke to the paper which drew together several trends concerned with real life information requirements for clinical practice, with potential implications for all stakeholders. John Wilkinson noted that risk management was a shared responsibility and that recent developments were bringing together several sets of previously separate interests to enable a collective approach to problem solving, especially taking into account the potential of the Clinical Practice Research Datalink. Lord Howe commented on the new kind of relationship that was developing between the NHS and industry in this regard. Colin Morgan said that the ability to integrate data from various sources, including on outcomes, would be a key enabler for the NHS, for patients and for industry. The ability to move care nearer home would require progress on this.

20. Louise Wood commented on the investment in research infrastructure that had taken place to support progress in this field, with relatively little takeup so far from this sector of industry, relative to pharma and biotech. The NHS was open for research but attracting business participation remained a challenge.

Item 6. Closing Remarks

21. Colin Morgan stressed the importance of providing incentives in the system, and of the need to work with the datasets now available. He thanked all participants for their attendance and contributions. Lord Howe added his thanks and stated that the Commissioning Board had been looking at the way it would engage with industry through its partnerships model and that the work was progressing. The Board would be able to articulate this itself at the next meeting.