

HealthcareUK

Review of progress 2013-14

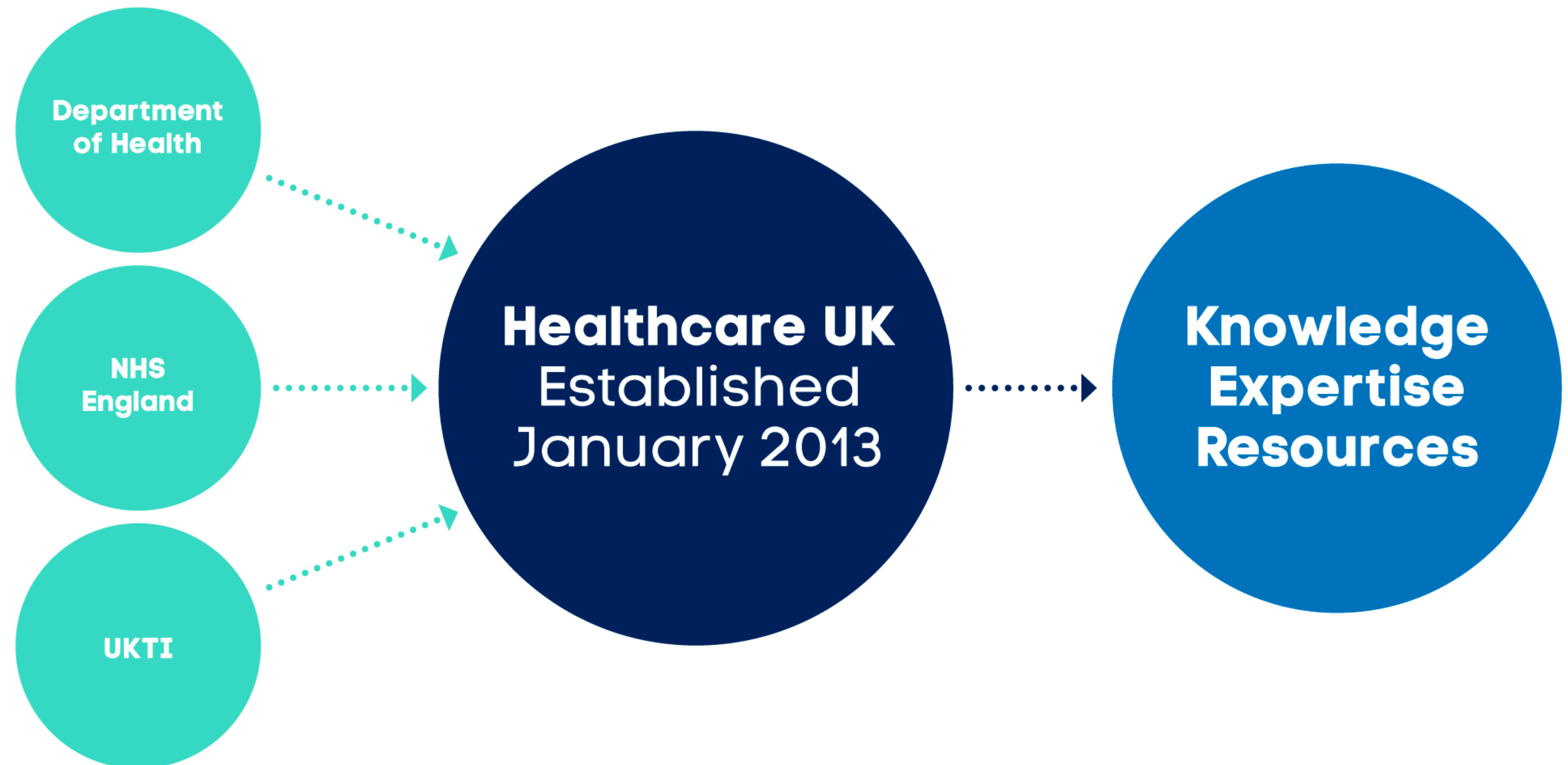
Business plan 2014-15

The vital partner
in global health














Review of first 18 months

Who we are



The NHS is named the best healthcare system

											
	UK	CHE	SWE	AUS	GER	NED	NOR	NZ	FRA	CAN	US
Overall ranking (2013)	1	2	3	4	5	5	7	7	9	10	11
Quality Care	1	3	10	2	7	5	11	4	8	9	5
Effective Care	1	8	10	4	6	5	11	2	9	7	3
Safe Care	1	4	5	3	6	7	11	9	2	10	7
Coordinated Care	1	3	11	4	10	5	7	2	9	8	6
Patient-Centered Care	1	2	9	5	7	3	11	6	10	8	4
Access	1	2	4	8	2	4	6	7	11	9	9
Cost-Related Problem	1	7	1	9	4	8	3	6	10	5	11
Timeliness of Care	3	1	9	6	4	2	8	7	10	11	5
Efficiency	1	6	2	4	9	7	4	3	8	10	11
Equity	2	2	1	5	4	8	6	10	7	9	11
Healthy Lives	10	3	2	4	7	5	6	9	1	8	11
Health Expenditures/Capita, 2011**	\$3,405	\$5,643	\$3,925	\$3,800	\$4,495	\$5,099	\$5,669	\$3,182	\$4,118	\$4,522	\$8,508

** Expenditures shown in \$US PPP (purchasing power parity); Australian \$ data are from 2010.

Adapted from Mirror, Mirror on the Wall, 2014 Update: How the U.S. Health Care System Compares Internationally. Davis, Stremikis, Squires and Schoen, The Commonwealth Fund 2014

We secured

£556m

of business successes in 2013/14



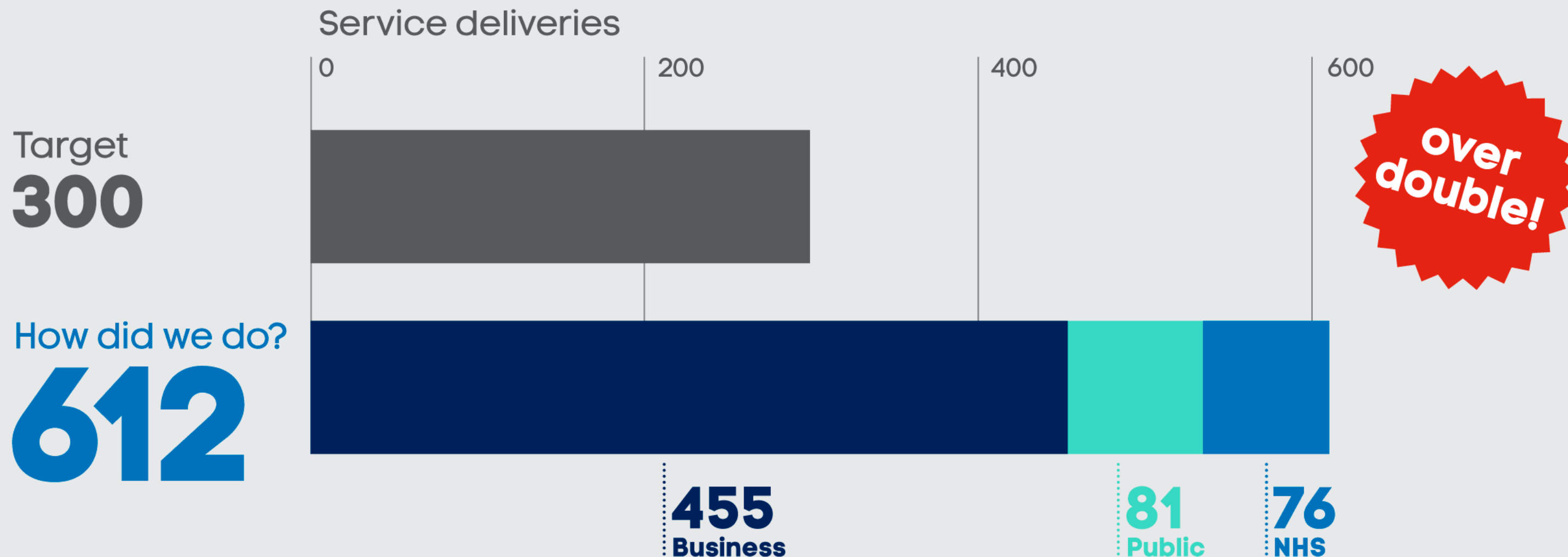
Objective 1:

Engage the UK healthcare sector in exporting



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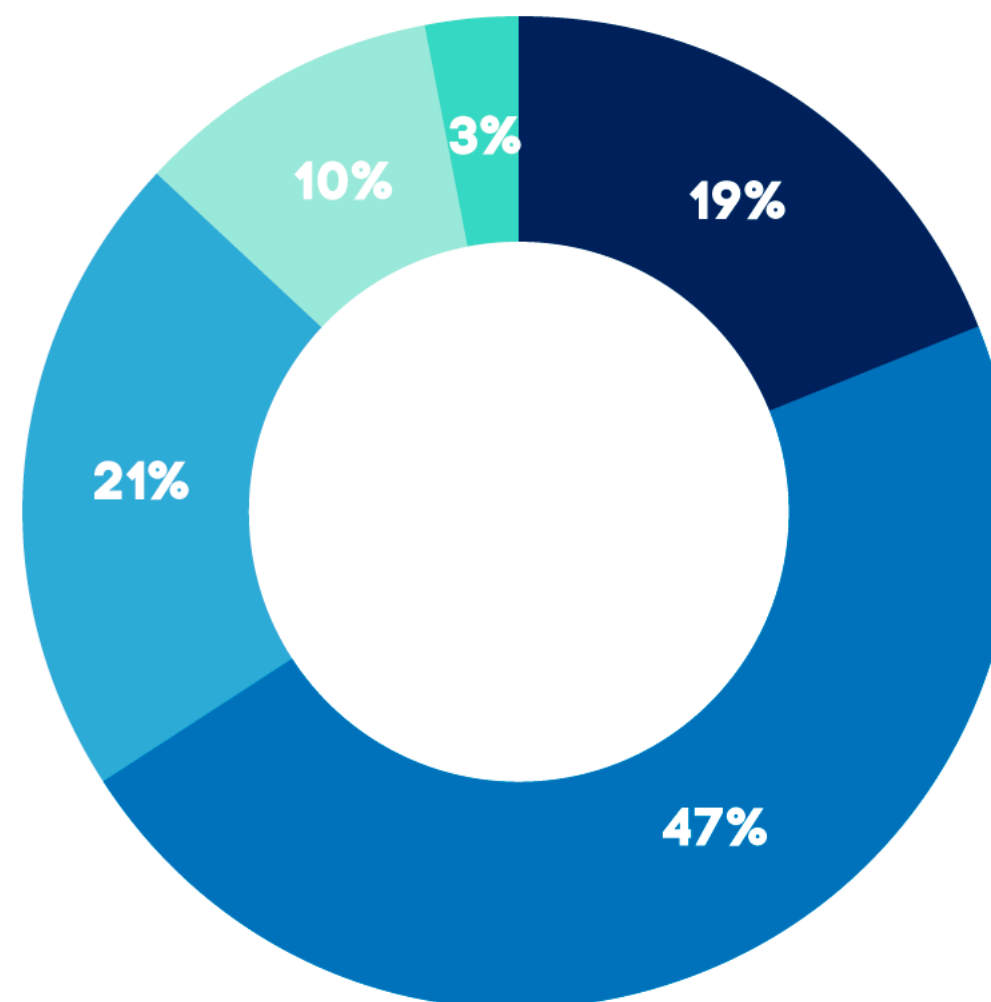
Objective 2:

Raise the profile of the UK healthcare sector internationally

62
missions,
high level
meetings
or events

6 missions led
by ministers
or business
ambassadors

Launch events
in Brazil,
China, India
and the Gulf



- Very much more positive than before
- More positive than before
- No change – my opinion remains positive
- No change – my opinion remains neutral
- No opinion

Inspiring major overseas institutions to work with the UK



“Healthcare UK now has a strong identity which is recognised by its customers both in the UK and overseas and has helped it to achieve success in its first year of operations.”

Earl Howe

**Parliamentary Under Secretary of State for Quality
Department of Health**



“The Healthcare UK pavilion looked stunning at the recent convention in Hong Kong, and professional too! It portrayed the excellence of British healthcare extremely well in such a sophisticated environment as the Hospital Convention.

We have now established some very engaging dialogue with key stakeholders in the public hospital sector.”

Cecilia Chan
Assistant Trade Commissioner
British Consulate Hong Kong



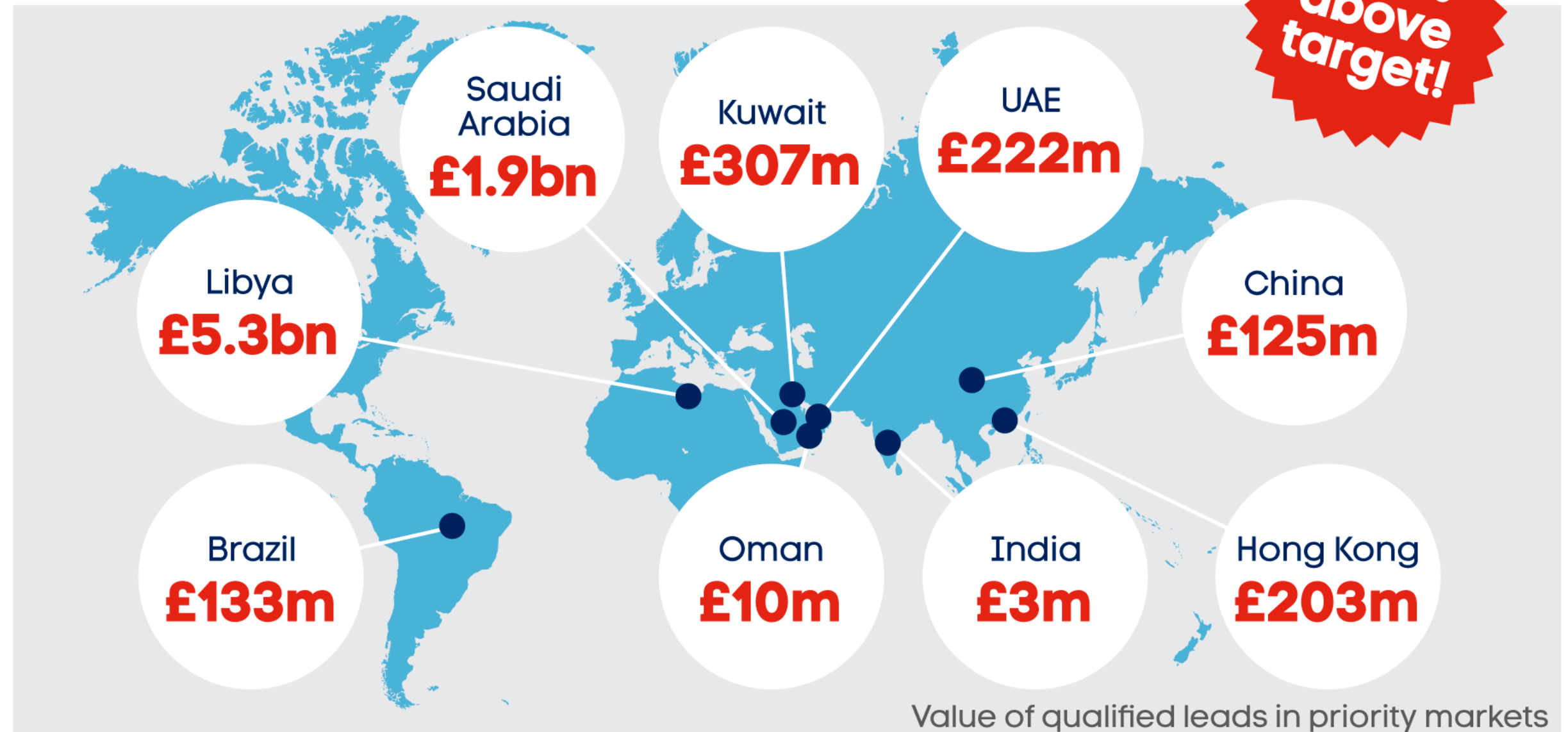
Objective 3:

Identify the biggest international opportunities in healthcare

Target for 2013/14:
£1.5bn
80 qualified leads



How did we do?
£10.8bn
82 qualified leads



Objective 3:









Identify the biggest international opportunities in healthcare

Target for 2013/14:
£1.5bn
80 qualified leads



How did we do?
£10.8bn
82 qualified leads

Value of qualified leads by proposition

<p>Infrastructure</p>  <p>£6.5bn</p>	<p>Health system development</p>  <p>£2.1bn</p>	<p>Education and training</p>  <p>£1.5bn</p>	<p>Primary Care*</p>  <p>£367m</p>
<p>Public Private Partnerships</p>  <p>£75m</p>	<p>Elderly Care*</p>  <p>£35m</p>	<p>Digital Health</p>  <p>£33m</p>	<p>Diabetes*</p>  <p>£5m</p>

*propositions which have been subsumed into the clinical services proposition for 2014/15

Digital health in China – a significant opportunity for the UK

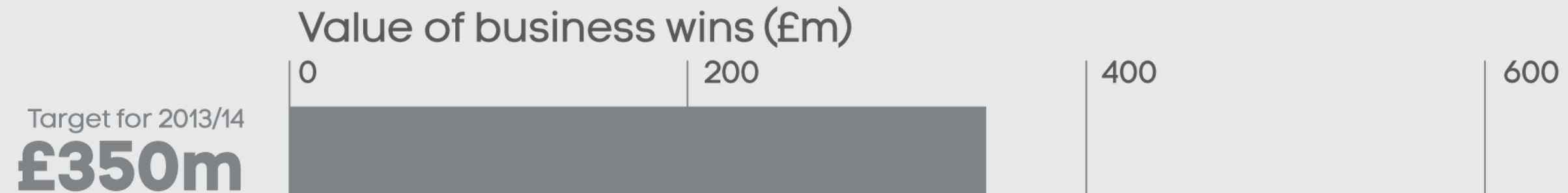
“The demonstrator centre is a ground-breaking initiative in China as part of long term collaboration between UKTI, Healthcare UK and Zhejiang. With the launch of the demonstrator centre, I am sure we will see abundant exciting opportunities arising for the two countries to explore collaboration on the healthcare front.”

Brian Gallagher
Counsellor and Campaign Strategy Director
Life Sciences in China



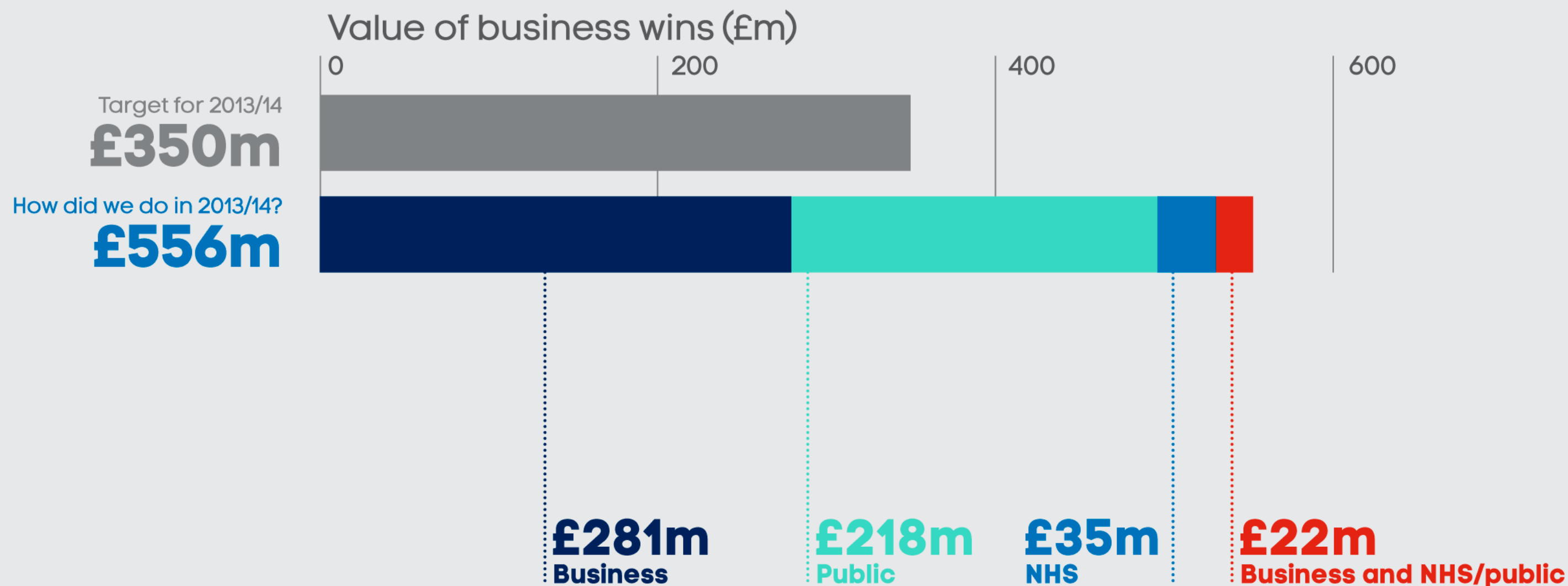
Objective 4:

Help the UK health sector access leads and convert them into business successes



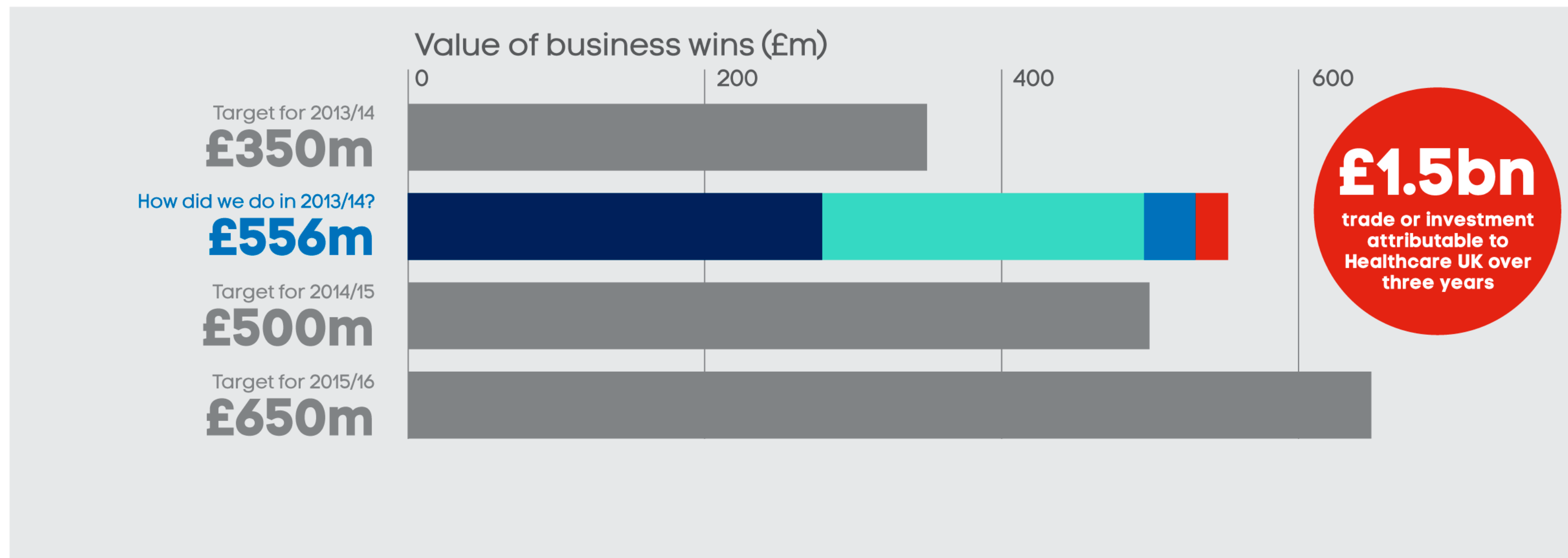
Objective 4:

Help the UK health sector access leads and convert them into business successes

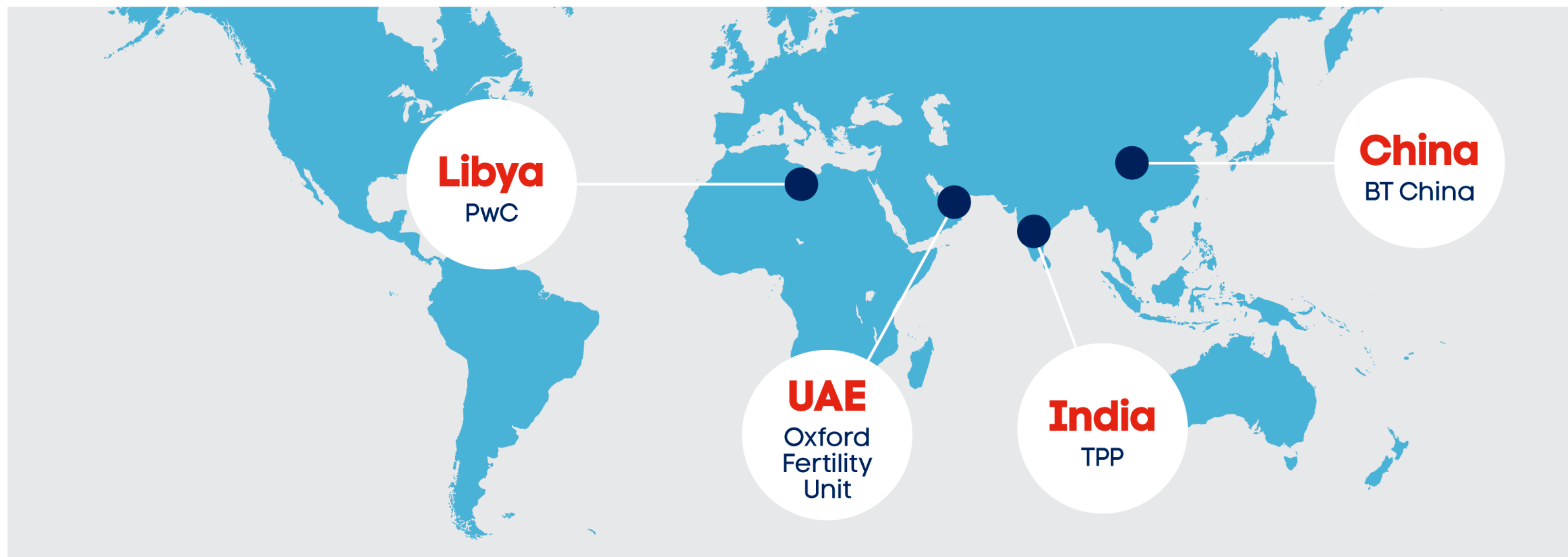


Objective 4:

Help the UK health sector access leads and convert them into business successes



UK organisations are successfully establishing partnerships overseas



“We’re now working on export deals in four different countries – without the help of Healthcare UK it’s very unlikely we’d have got this far in such a short space of time.”

Sue Sanders
Sales Director
TPP



Press release: 2nd December 2013

Sinophi Healthcare signs a letter of intent with Huaiyin District and the Huai'an First People's hospital to build a 1,000 bed regional oncology hospital.

"The signing of this agreement is an exciting opportunity to bring together UK and Chinese expertise in cancer treatment to build a world-class cancer hospital in Huai'an City. The hospital will serve 20 million-plus patients in northern Jiangsu.

We are very grateful for the support the project has received from our partners, the Huai'an City Government, Jiangsu provincial authorities and from the UK Government, UKTI, and **Healthcare UK**."

Simon McKinnon OBE
Co-Founder and Executive Chairman
Sinophi Healthcare





NHS International Development Team

Professor Rory Shaw



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For more information,
visit gov.uk/healthcareuk
or email healthcare.uk@ukti.gsi.gov.uk

Business Plan 2014/15

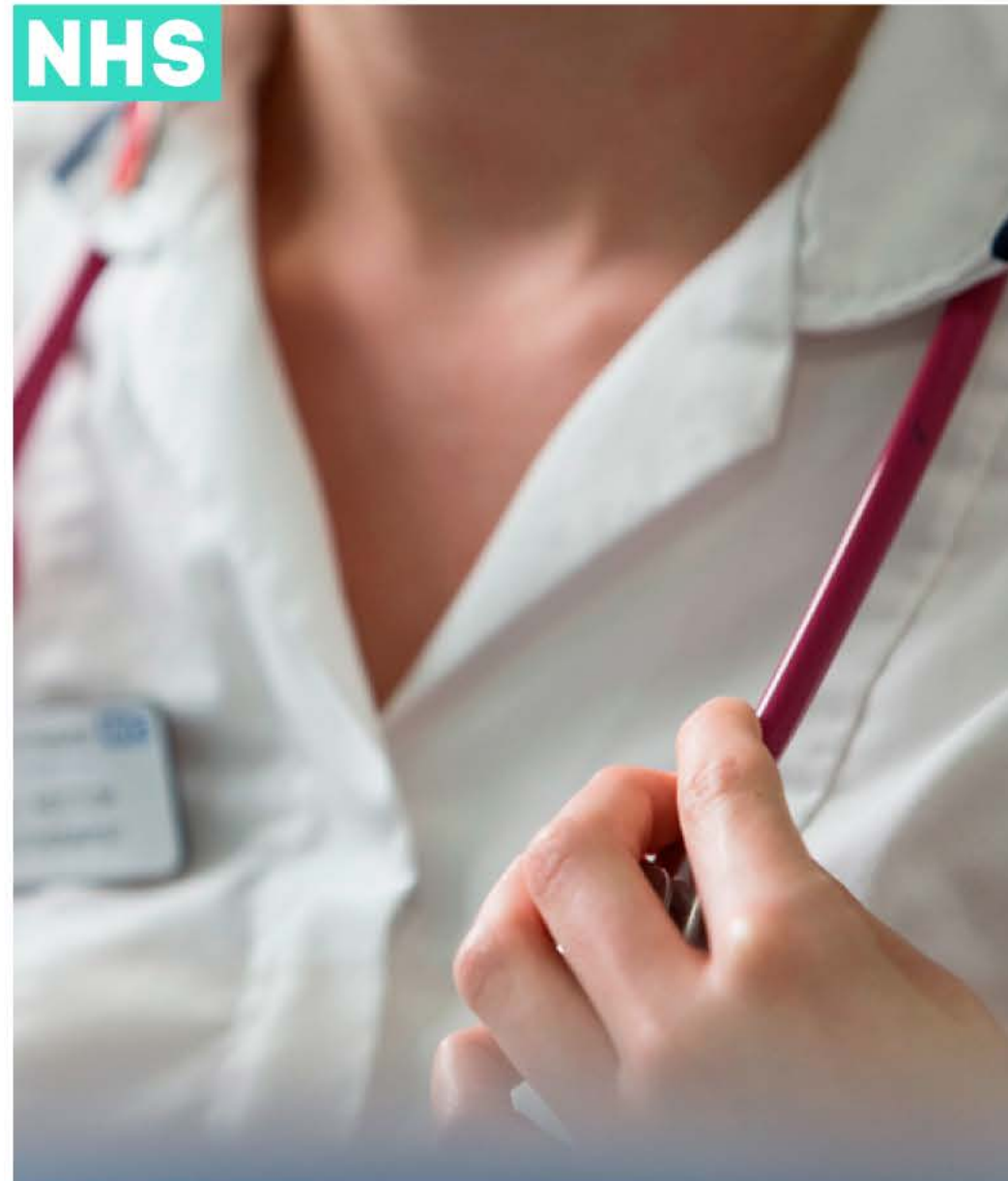


Stakeholders

Private sector

**OFFICES
& MEETING
ROOMS FOR
BIG & SMALL
COMPANIES**

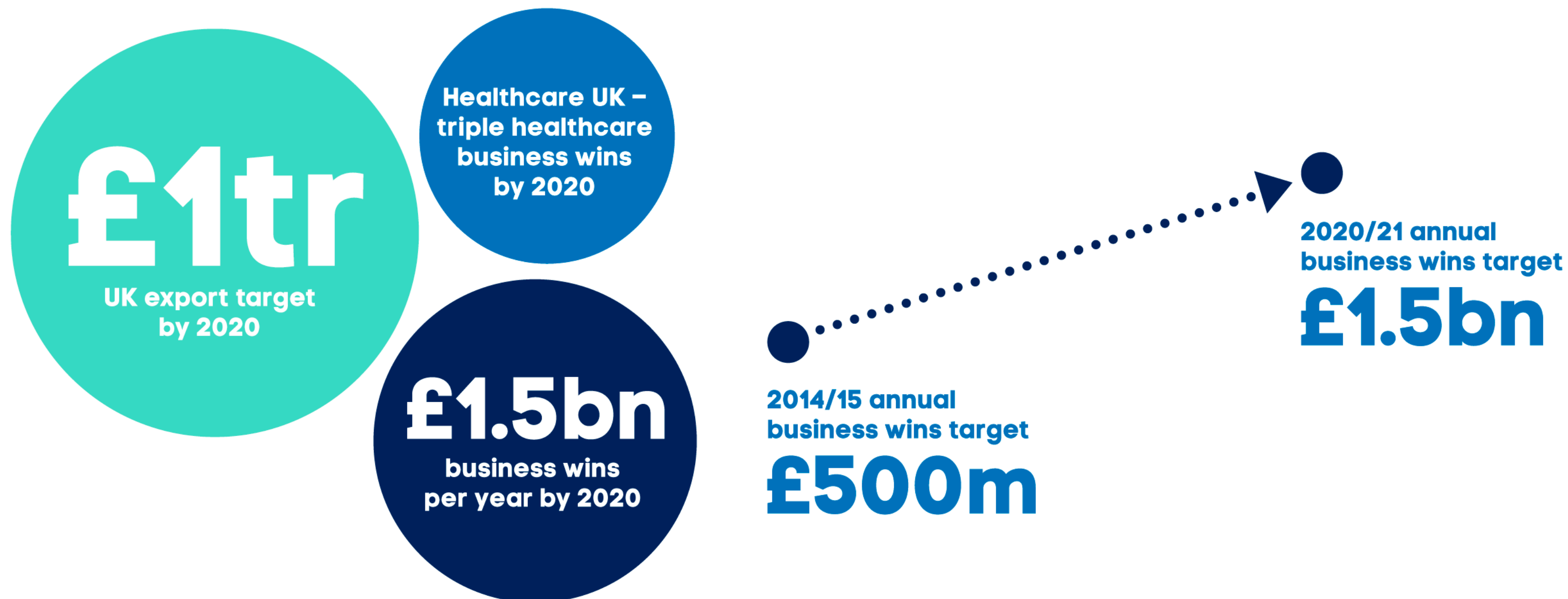
NHS



Academia



The scale of the challenge



Our aim is supported by 4 objectives

1

**Engage and
develop UK
healthcare
organisations**

2

**Raise the
profile of UK
healthcare
internationally**

3

**Identify
leads and
opportunities**

4

**Convert
opportunities
to business
success**

Objective 1:

Engage and develop the UK healthcare sector to maximise export potential

**Explore existing
and potential
products and
services that
can be marketed
overseas**

**Support the NHS
family to prepare
for overseas
activities**



**Support the NHS
family to operate
philanthropically
overseas**

**Assure good
governance and
delivery quality
for overseas
projects**

Objective 2:

Raise the profile of the UK healthcare sector internationally



**Government
-to-
government
initiatives**



**Single
gateway for
international
buyers**



**Campaigns
in priority
markets**



**Promote UK
capabilities and
partnerships**



Objective 3:

Identify the biggest international opportunities in healthcare



Objective 4:

Help the UK healthcare sector access leads and convert them into business success

Publicise
specific
opportunities

Catalyse
consortia
formation

Offer political,
cultural and
commercial
insights

2020/21 annual
business wins target

£1.5bn

Find local
partners for
market access

Assistance
with negotiation
and tender
processes

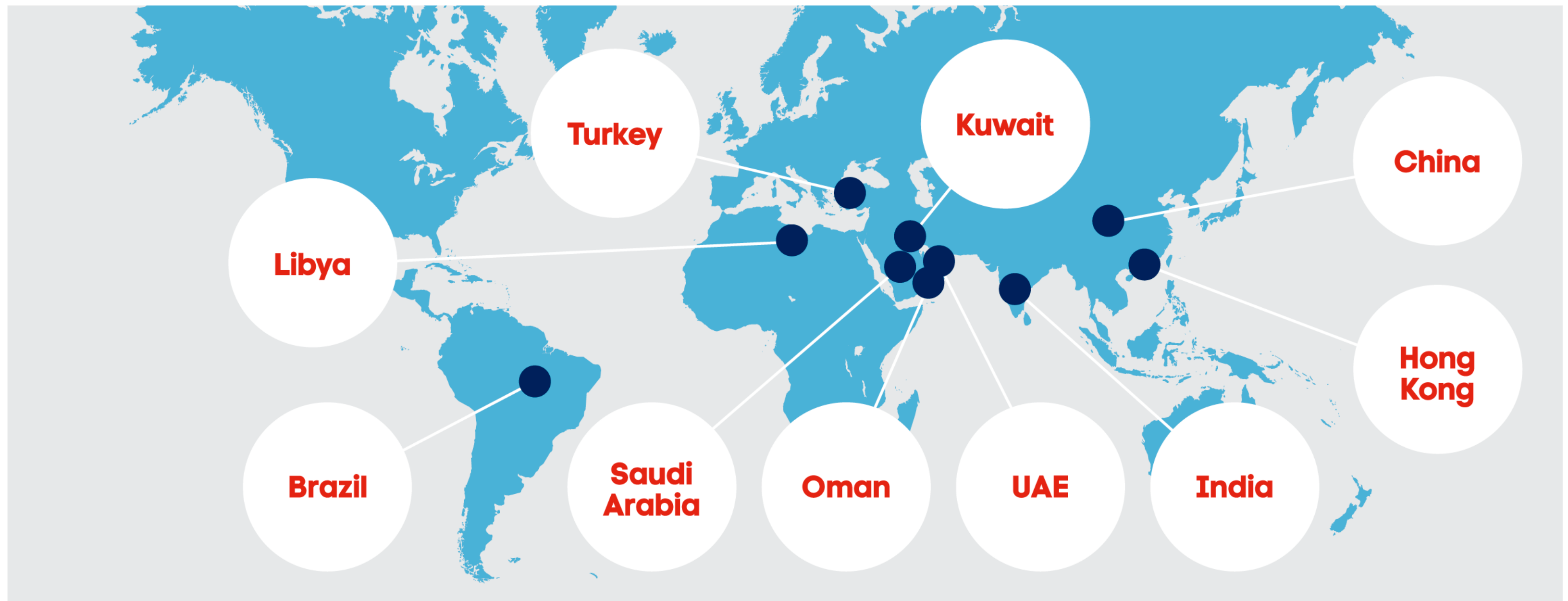
2014/15 annual
business wins target

£500m

Sector propositions



Priority markets



Accessing new markets



Accessing new markets



Have we got the markets right?

UK capability

Size of the
opportunity
accessible to
the UK?

UK capabilities
matched to
market
requirements?

UK companies
keen to
engage?

Market conditions

Significant
investment
programme?

Favourable
inter-
government
relationship?

Validated
high value
opportunity
(HVO) in
market?

UKTI active
in market?

Events plan

August	September	October	November	December	January	February	March
China	India	Mexico	Singapore	UAE	Arab Health, UAE	India	NHS Innovation Expo
	Colombia	Peru	Foundation Trust Network Annual Conference	Saudi Arabia	Brazil	Brazil	China
	Turkey	MENA	Hong Kong				China
	Oman	China	Kuwait				
	India	Indonesia	Turkey				
			Brazil				

UK-based event
Overseas mission

We want your feedback

1

Have we identified the right things to sell?

Infrastructure

Healthcare systems

Education and training

Clinical services

Digital health

2

Have we identified the right countries to sell them?

Brazil

China

Hong Kong

India

Kuwait

Saudi Arabia

UAE

Oman

Libya

Turkey

3

Are we doing the right things to support organisations do business internationally?



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Digital health in China

The opportunity and the challenge



An overview of the Chinese market

“ The dual burdens of developing countries have fallen hard on the population giant China: the fastest rate of population aging in the world accompanied by a dramatic yet inequitable rise of standards of living has led one-fifth of the world’s total population towards a diversifying portfolio of chronic diseases. The needs of this population, marked with the rise of a young urban middle class. are currently unmet by the

Chinese public hospital system through the lack of access to care as well as dissatisfaction with the services provided. Consequently, this underserved market translates to opportunities for foreign and domestic investors, as urban Chinese grow increasingly affluent ”

Emerging trends in Chinese healthcare
PWC market report 2012

Key characteristics of healthcare in China

- Heavily urban and hospital oriented care provision along with a general attitude of mistrust by people towards non-hospital settings
- An increasing dependency ratio with the ageing population on the rise and an increasing incidence of chronic disease
- Key elements of an ongoing healthcare reform within the country are universal insurance coverage and the introduction of structured primary care.
- There is a general lack of satisfaction amongst patients with the quality of healthcare services provided

Causes	Rank by no. of deaths		%age Increase
	1990	2010	
Stroke	2	1	21%
Ischematic heart disease	3	2	81%
COPD	1	3	-45%
Lung Cancer	6	4	81%
Liver Cancer	7	5	37%
Stomach Cancer	5	6	-11%
Road Injury	12	7	-
Lower respiratory infections	4	8	-
Oesophageal cancer	11	9	-1%
Hypertensive heart disease	14	10	21%
Diabetes	22	12	67%

Source: [GBD 2010](#), March 2013, Institute of Health Metrics & Evaluation

Contents

Introduction

Overview of the Chinese market

Key characteristics of healthcare in China

The UK's potential digital health propositions for China

The opportunity identification/qualification process

The strategic plan for digital healthcare in China

- The "Health China 2012" strategic plan to 2020, aims to provide access to basic medical and health services for every urban and rural resident.
- The 12th five-year plan to 2017 for IT-enabled healthcare services determined the roadmap for to support the strategic goal by defining the "35212 Project".
 - **3** levels - national, provincial & city
 - **5** health systems - public health, medical systems, insurance, drug access & management systems
 - **2** health records - hospitals and community health centres
 - **1** network
 - **2** systems - information security & information standard system

Target of healthcare informatization in the 12th five-year plan

- **Services to residents** : optimise the public health, medical services, medical care, and drug supervision work processes. Fulfill the requirements of resident registration, continuous prevention, care, treatment, rehabilitation and other services, and participate in the management of personal health needs
- **Services to medical staff** : make medical and health institutions to share high-quality medical and health resource. Normalise healthcare services behaviour. Improve efficiency, reduce duplication of inspection, reduce medical errors, improve grassroots especially in remote areas of medical and health services
- **Services to management** : establish and improve disease reporting, medical services, health emergency, health surveillance, health statistics and other information systems. Realise real-time information and data submittal for the accurate knowledge of the progress of work, analyse problems, to provide evidence-based management and decision-making, to achieve the health real-time monitoring, dynamic management, scientific decision-making, improve the comprehensive management

The UK's digital health propositions for China

Central systems & services

1. Unique patient Identifier (UPI)
2. Centralised demographics service
3. Centralised electronic health records
4. Patient referral system
5. Service quality management system
6. Population health analytics solutions

Local systems & services

1. Electronic health record (EHR) interconnectivity
2. Primary care systems
3. Clinical decision support systems
4. Telemedicine

Personal care solutions

1. Self-care and automated triage
2. Telehealth
3. mHealth

Central systems & services propositions

Index	Proposition	Type	Description	The need in China
1	Unique patient Identifier (UPI)	D&I consultancy	The UPI is the basis for identifying patient records across healthcare IT systems	China does not have a national UPI although there are provincial / city level citizen identifiers for instance the local citizen id number in Nanjing.
2	Centralised demographics service	D&I consultancy	The service would enable systems across the country to access the right patient record	Patients will need to be identified accurately across a number of EHRs

Local systems & services propositions

Index	Proposition	Type	Description	The need in China
1	Electronic health record (EHR) interconnectivity	Solution, service & implementation consultancy	While the creation of centralised care records is one way of addressing the need for a single view of the patients health record interconnectivity of systems is an alternative solution	The digital health landscape in China is characterised by a variety of EHRs with little interconnectivity.
2	Primary care systems	Solution, service & implementation consultancy	Electronic health records, clinical standards, operational processes, reporting tools and interoperability with other healthcare IT systems	With the current healthcare reforms being implemented in China, the need for high-quality, interoperable, primary care systems

Personal care propositions

Index	Proposition	Type	Description	The need in China
1	Self-care and automated triage	Solution, service & implementation consultancy	The willingness on people's part to take ownership of their own health and their familiarity with computers and smartphones is also increasing the take up of a range of self care solutions over a combination of digital channels	The increasing burden on the Chinese health system by growth in chronic disease, an aged population, growing insurance coverage and high Internet and mobile internet penetration combine to make a self-care solution attractive to a regional government

Key digital health developments



Pilots in Nanjing and Ningbo



Neuroimaging informatics for earlier diagnosis of dementia in collaboration with Beijing Union Medical and Pharmaceutical General Corporation.



Ningxia project:

- platform design and scoping exercise underway
- likely to include :
 - electronic health record database and decision support system
 - public health and chronic disease management
 - other services



UK Digital healthcare demonstration centre, Zhejiang



The Zhejiang digital health demonstration centre - concept

- The Zhejiang demonstration centre is a ground-breaking initiative in China as part of a collaboration between the UK government (UKTI/Healthcare UK), the Provincial government of Zhejiang and the Municipal Government of Ningbo City.
- The Ningbo Health Bureau has provided 140 square metres of space in the city of Ningbo for the UK's digital health companies to showcase their solutions to a large number of buying institutions. The demonstrator also represents a great opportunity for UK companies to “road-test” their solutions en route to making them China-ready
- The space has been allocated in the Ningbo No.2 Hospital – one of the longest established and best known hospitals, located right in the middle of the city.
- A series of themed events will be run at regular intervals to draw visitors to the demonstrator while providing an opportunity for UK companies to highlight their insights through seminars and discussion forums. These events will also enable participating UK companies to plan their availability on site and follow up on leads and opportunities.



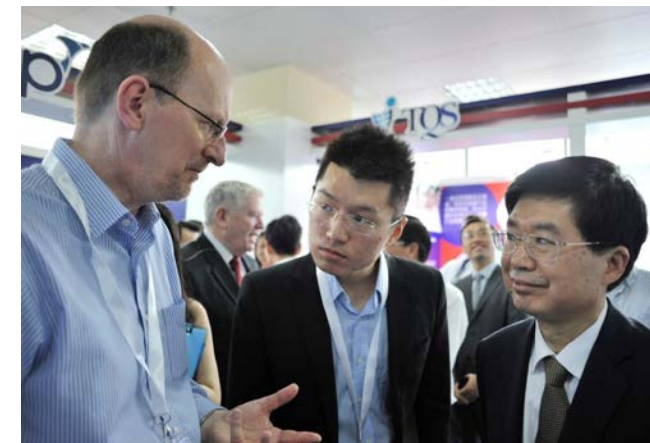
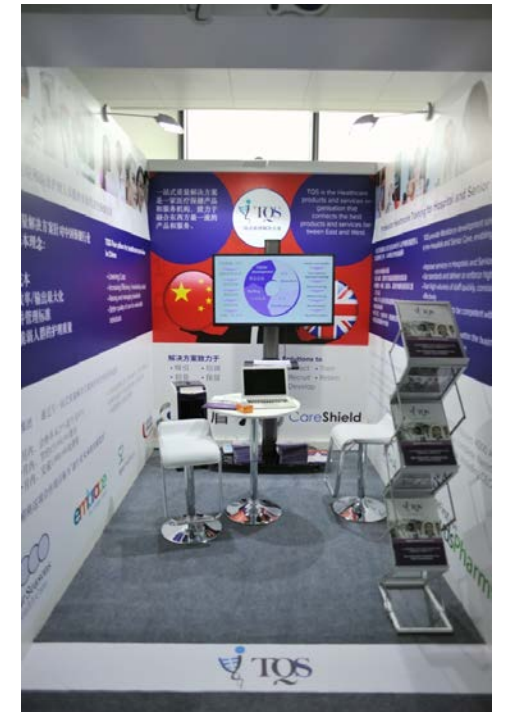
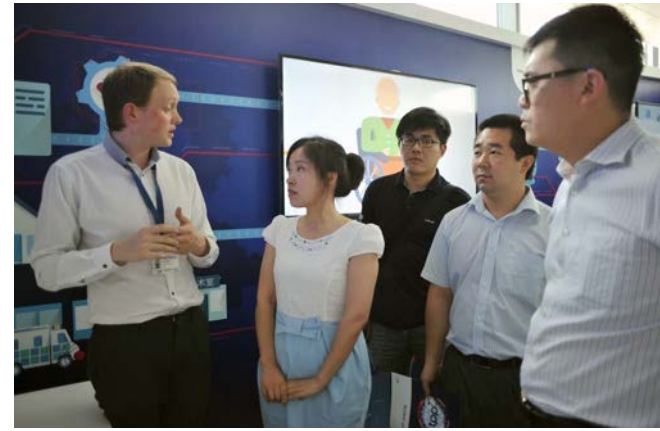
UK Digital Health Demonstration Centre, Zhejiang Update

- Launched on 9th of June 2014 by
 - Brian Gallagher, China Director of Life Science, Healthcare and Social Care
 - Mr Zou, Vice Director of Ningbo Health Bureau etc.
- The Centre was visited by Mr Zhen, the Vice Mayor of Zhejiang Province.
- The UK companies participating in the launch event were: BT, TPP, Cerno Health, Ixico, ServMetric, Nine Health CIC, Grey Matters, CareShield, Yecco and Keele University.
 - A number of other companies are interested and on a waiting list.
- About 150 Chinese provincial and municipal officials, hospital chiefs and senior company representatives visited the demonstrator on the launch date generating a large number of important business leads for participating UK companies.
- The next demonstrator event will be held on the 12th - 13th August
 - Coincides with the China Health Forum, 15th- 17th August in Beijing









Thank you





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Future priorities for Healthcare UK?

How do we approach growing opportunities in the health sector in the Pacific?







Priority markets

- Allow us to focus resources, political intervention and precious NHS visits
- But many other parts of the world are growing fast
- Seeking ways to assess new markets and even to look at regional strategies
- Clear that the Pacific Rim countries have many common themes:
 - growth in middle classes
 - healthcare is often the next priority after a car
 - requirement for jobs for the children of the middle class
 - partnerships rather than a supplier/deliver relationship a common theme
- Want to share some of our findings so far

Pacific Alliance

- Created in 2011
 - Colombia, Peru, Chile and Mexico are members
 - Costa Rica and Panama in the process of joining
- Chile and Mexico members of OECD, Colombia joining
- Combined GDP of US\$3tn
- A third of Latin America's population
- All members rank in top 25% of WB "Ease of Doing Business" ratings
- 95% of all internal barriers to trade removed
 - Remaining 5% to be gone by 2017.
- Integration of stock exchanges virtually complete

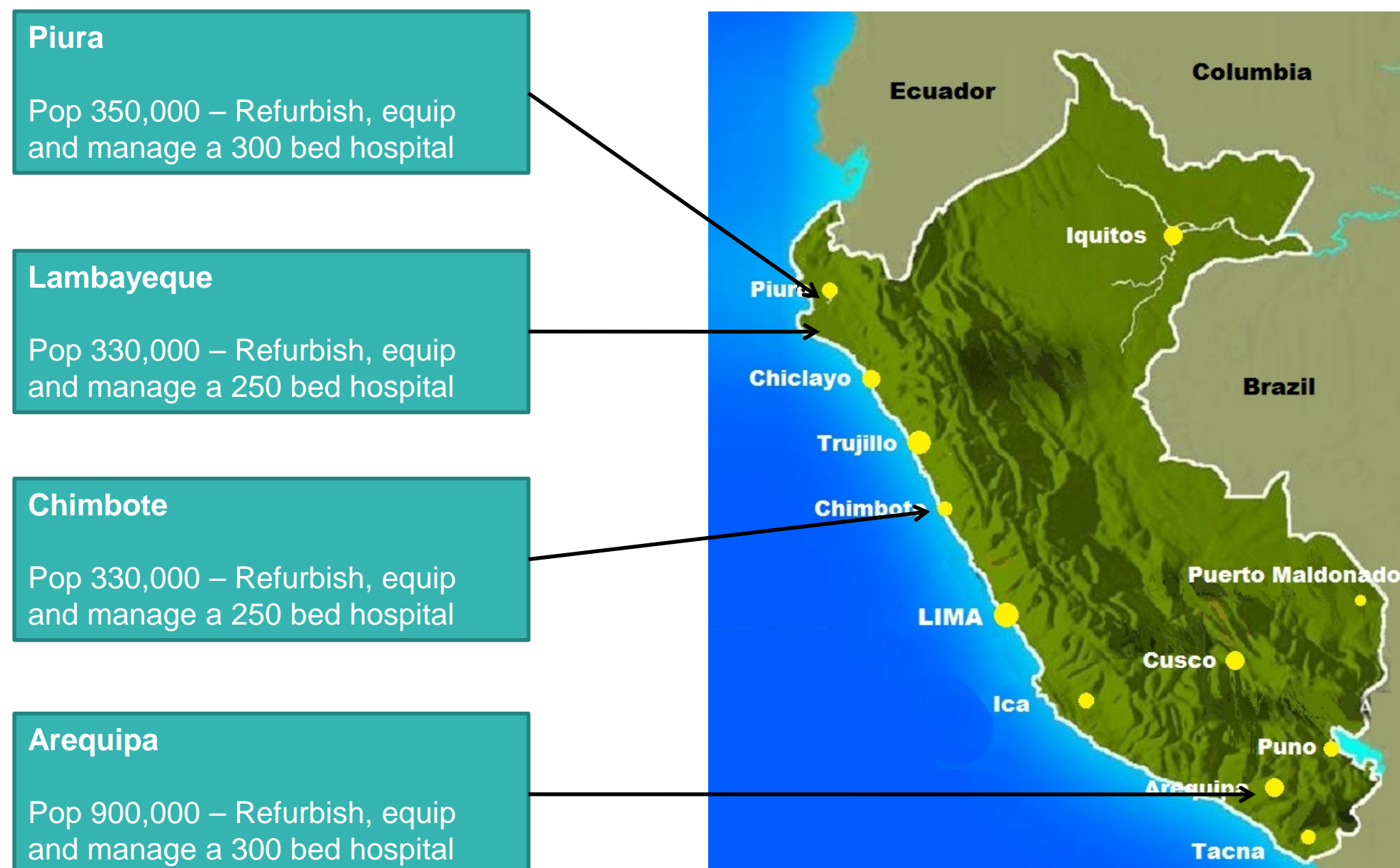
Peru – small but interesting?

- Peru currently ranks close to the bottom of regional tables
- But has a long history of private money in public infrastructure
- Public health is taking a much higher profile
 - government is expanding the funding of the SIS to provide universal healthcare
- Things are moving fast (for this region)
 - growth at greater than 5%
- Government has chosen to adopted a competition based PPP system
- ProInversion is running the competition
 - a government arms-length body

Peru – Future Plans

Existing facilities

New build projects



Community Care Centres

8 – 14 enhanced general practice clinics. Half in Lima, half built regionally

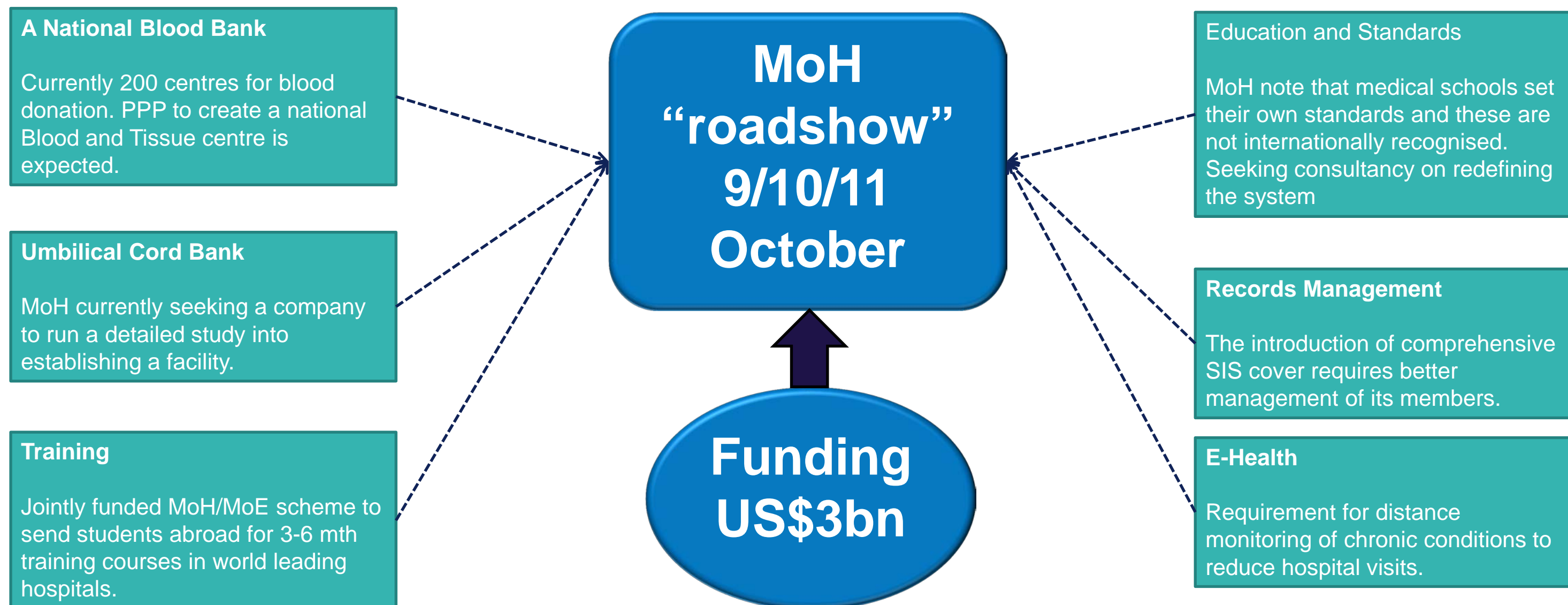
New Hospitals

Up to 25 new hospitals to be built in the next 7 years. Several regionally plus two large hospitals to cater for the growth in Lima

Small Medical Centres

Up to 700 new small clinics built across the country. Likely built as a regional service PPP.

Peru – other projects



Colombia – a valuable growing market

- The Colombian economy grew by 4.3% last year
 - inflation is low
- Outwardly looking, aware of its defects and keen to overcome them
- President Santos continues in power for the next 4 years
- UK has a long, sustained relationship with Colombia
- Colombia already has some of South America's best hospitals
- Large scale revisions of the existing healthcare law planned
- Setting up business in Colombia is easy

Colombia - Opportunities

- There is a significant under provision of hospitals and clinics
- New hospitals are on the horizon
 - US\$1bn over next 5 years
- Both primary and highly specialist care are particularly deficient
- Cost control is an issue
- Health systems are in need of revision
- More of the population are choosing to top up their health insurance
- Travel in Colombia is very difficult
 - e-health opportunities
- Oil and gas sector provides free healthcare insurance

Chile and Mexico

Both markets still to be reviewed

Chile

- High growth, low unemployment country
 - Performance linked to copper reserves (of up to 50 years)
 - UK exports rose 66% to over £1bn in 2013
 - Chileans like to buy British
- Government has extensive plans for healthcare infrastructure
 - PPP seems “out”.
 - Other delivery mechanisms may be under consideration.

Mexico

- A huge market
- Areas being investigate include:
 - Reforms to primary care
 - hospital efficiency

The Pacific Alliance vs Mercosul

		Country Data		
		Population	GDP	Gross National
		(Millions)	(2012) \$Bn	Income Per Person \$
Mercosul	Brazil	198.7	2252	11530
	Argentina	41.1	475	11730
	Venezuela	30	381	12920
	Bolovia	10.5	27	4880
	Uruguay	3.4	49	15310
	Paraguay	6.7	25	5720
Pacific Alliance	Chile	17.5	269	21030
	Colombia	47.7	369	9990
	Peru	30	203	10090
	Mexico	120.8	1178	16450
	Costa Rica	4.8	45	12500
	Panama	3.8	36	15105
	UK	63.2	2471	37340

The Pacific Alliance vs Mercosul

		Country Data			Health Data								
		Population	GDP	Gross National	Life Exp	Life Exp	Diabetes	Health	Health	Trend	Doctors	Hospitals	Hospital
		(Millions)	(2012)	Income Per	Years	Years	%	Exp	Exp	Exp	per	per	Beds per
			\$Bn	Person \$	M	F		Per Head/\$	% GDP		10,000	100,000	10,000
Mercosul	Brazil	198.7	2252	11530	70	77	9.2	1109	9.3	↑	17.6	ND	23
	Argentina	41.1	475	11730	73	79	5.7	1551	8.5	-	ND	ND	45
	Venezuela	30	381	12920	71.5	78.5	7	628	4.7	↓	ND	ND	9
	Bolivia	10.5	27	4880	65	70	7.3	305	5.8	-	4.7	1.1	66
	Uruguay	3.4	49	15310	74.2	80.4	5.6	1438	9	↑	37.4	4	30
	Paraguay	6.7	25	5720	71.6	77.8	7	633	10.3	-	ND	2.6	13
Pacific Alliance	Chile	17.5	269	21030	76.5	82.5	9.5	1606	7.2	↑	10.3	1.1	20
	Colombia	47.7	369	9990	72.4	76	7.3	723	6.8	↑	14.7	ND	14
	Peru	30	203	10090	71.6	77.8	4.5	555	5.1	↑	11.3	ND	15
	Mexico	120.8	1178	16450	74.2	80.2	12.6	1062	6.2	↑	21	3.8	17
	Costa Rica	4.8	45	12500	78.3	81.3	7.1	1311	10.1	↑	11.1	0.8	12
	Panama	3.8	36	15105	74.6	81	8.1	1260	7.6	↑	15.5	1	24
	UK	63.2	2471	37340	79	83	4.9	3495	9.4	-	27.7	ND	30

The Pacific Alliance vs Mercosul

		Country Data			Health Data									Business Data	
		Population (Millions)	GDP (2012) \$Bn	Gross National Income Per Person \$	Life Exp Years M	Life Exp Years F	Diabetes %	Health Exp Per Head/\$	Health Exp % GDP	Trend Exp	Doctors per 10,000	Hospitals per 100,000	Hospital Beds per 10,000	Doing Bus Ranking 1=high	Corruption Ranking 1=low
Mercosul	Brazil	198.7	2252	11530	70	77	9.2	1109	9.3	↑	17.6	ND	23	116	72
	Argentina	41.1	475	11730	73	79	5.7	1551	8.5	-	ND	ND	45	126	106
	Venezuela	30	381	12920	71.5	78.5	7	628	4.7	↓	ND	ND	9	181	160
	Bolivia	10.5	27	4880	65	70	7.3	305	5.8	-	4.7	1.1	66	162	106
	Uruguay	3.4	49	15310	74.2	80.4	5.6	1438	9	↑	37.4	4	30	88	19
	Paraguay	6.7	25	5720	71.6	77.8	7	633	10.3	-	ND	2.6	13	109	150
Pacific Alliance	Chile	17.5	269	21030	76.5	82.5	9.5	1606	7.2	↑	10.3	1.1	20	34	22
	Colombia	47.7	369	9990	72.4	76	7.3	723	6.8	↑	14.7	ND	14	43	94
	Peru	30	203	10090	71.6	77.8	4.5	555	5.1	↑	11.3	ND	15	42	83
	Mexico	120.8	1178	16450	74.2	80.2	12.6	1062	6.2	↑	21	3.8	17	53	106
	Costa Rica	4.8	45	12500	78.3	81.3	7.1	1311	10.1	↑	11.1	0.8	12	102	49
	Panama	3.8	36	15105	74.6	81	8.1	1260	7.6	↑	15.5	1	24	55	102
	UK	63.2	2471	37340	79	83	4.9	3495	9.4	-	27.7	ND	30	10	14

Pacific Alliance – time for a regional strategy?

- Different countries have different requirements
 - strong public requirements in Peru and Chile.
 - many private opportunities in Colombia and Mexico.
 - e-health a common theme (unsurprisingly)
- UK Embassies are strong in each of these countries
 - we *may* be able to support them regionally
- Strategy?
 - find a low risk opportunity in one country,
 - find partners and establish a legal entity
 - consolidate and then decide whether to seek opportunities in other PA countries
 - increasingly there will be incentives to transfer technology and knowledge

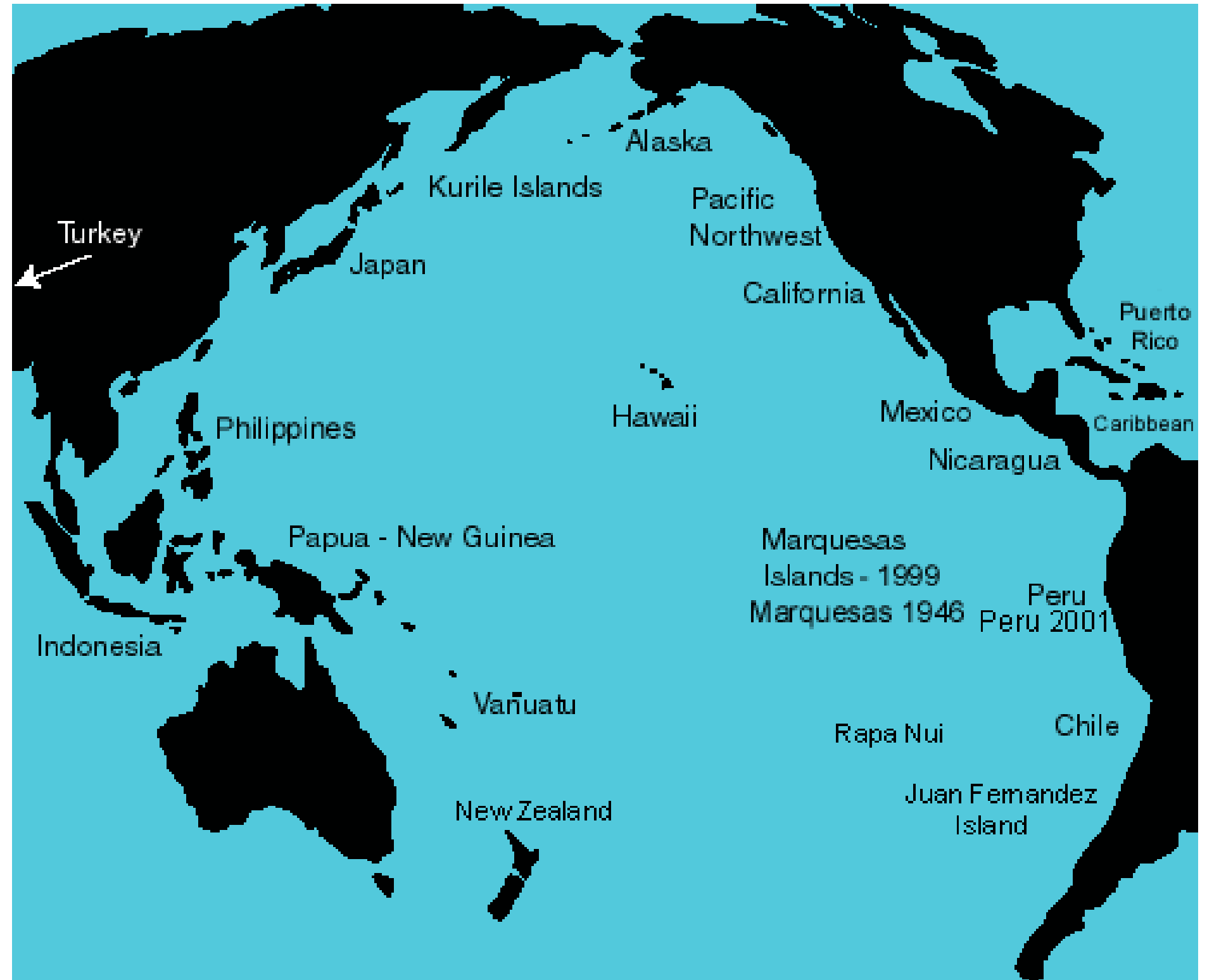
Indonesia

- Many similarities to the eastern rim of the Pacific
- Indonesia is the fourth most populous country in the world
- Government has approved policies which will introduce universal care by 2019
- Over the next two years healthcare expenditure will rise by 25%
- Indonesia has a rising and aging population.
 - GDP is increasing at about 7% pa
 - disposable income is increasing at 10% pa
- A Frost and Sullivan report that has highlighted several areas where the UK is well placed to help the Indonesian market

Indonesia - Opportunities

- Frost and Sullivan identified:
 - complex hospital design, build, fit out and management
 - advanced medical and surgical equipment
 - IT systems including patient/hospital records systems and tele-health
 - pharmaceuticals
 - quality control technology and practices
 - clinical and non-clinical training for medical staff
- UKTI Indonesia is running GREAT Healthcare campaign
- Mission to the Indonesia Hospital Expo in Jakarta
 - 15-18 October 2014

Questions?





UK Export
Finance

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For more information,
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