

# WEATHERING THE STORM TO SEE A BETTER FUTURE



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By Healthy Communications

New Zealand's medical device industry is about to be buffeted by the perfect storm: the health reforms, PHARMAC's new medical device role and the Therapeutic Products and Medicines Bill set to replace a geriatric Medicines Act.

Consequently, this year's Medical Technology Association New Zealand (MTANZ) conference focussed on the coming onslaught of change – and how to deal with it.

The themes that emerged were for the industry and sector to focus on and foster value-based health care (VBHC) through:

- enduring innovation
- partnership and collaboration
- clinician and consumer engagement.

Success would be the lofty goals of an equitably accessible healthcare system, a more capable and expanded workforce, economic growth and, therefore, improved health outcomes for all New Zealanders.

The risk of not pulling together would mean more of the same: stark health statistics for Māori, burgeoning economic burden, no transparent way to determine value, an unstable health workforce and technology unfit for purpose.

There was keen interest around the Māori Health Authority, and how the government sees it making a difference to whānau health not just through structural change and a "by Māori for Māori" commissioning process, but through the smart use of

digital and data, and developments in the medical technology space.

Nobody implied the road ahead would be easy, but the mood was positive – even excited – and held the promise of a vastly improved health landscape in Aotearoa New Zealand.

## PUSHING AHEAD WITH INNOVATION

Director-general of health Ashley Bloomfield said he believed health "had the heart to face the extreme challenges".

He said innovation was a vital part of success last year and will continue to be, as "digital and data are much more efficient and effective in making sure we reach the people we need to reach and achieve equity.

"One example was how data and digital brought the one-week stand-up for contact tracing down to a mere 26 hours. We drew on all services we had across the country and communities to achieve quite a remarkable result."

He said we need to aspire to get better outcomes, focussing on primary prevention and innovation, and urged attendees to implement a review, address and improve cycle.

"Innovation is not just a point in time, it's an ongoing process, where we need to be willing to try things ... and learn and iterate as we go."

Ryl Jensen, NZHIT general manager, believed New Zealanders should use the

opportunity to recapture our position as a global leader in digital health solutions and innovations.

NZHIT recommends creating a National Health Innovation Network that enables true collaboration across healthcare providers, entrepreneurs, innovators, researchers, evaluators and investors on digital technology solutions to address high priority needs.

“Developing and supporting new technologies and health systems has been one of the biggest steps we have taken as human beings to save lives, improve the quality of life and save important health dollars.”

Innovation in digital literacy has been key to improving daily workflows, driving efficiency and freeing up healthcare workers to diagnose, care for and save people’s lives, she said.

Lloyd McCann, Healthcare Holdings head of digital health, said dark periods without connectivity were also needed to give clinicians down time and prevent burnout, and we should rely more on AI to make health care more available.

“We know that expecting people to work harder is not a sustainable solution.”

Emily Mailes, lead policy advisor for digital and data with the Transition Unit, said delivering innovation and customer centricity into communities will be a key element of the reforms.

She cautioned not to squander the innovation occurring, “but ask how we keep it happening in the community ... and when we recognise best practice, rapidly scale.”

Another innovation is the establishment of the Māori Health Authority next year.

Associate Minister of Health Peeni Henare said it will allow Māori to have innovation rights and the ability to serve Māori through

a for Māori by Māori lens, which will support generational change in health outcomes.

Workforce and the role of technology were top challenges for the next five to 20 years.

“As one example, it will take eight years to meet one third of the podiatry needs in this country. For that career we need a 30-year strategy,” he said.

Innovation lies at the heart of the new therapeutics bill. Fiona Ryan, Ministry of Health manager therapeutics, said it will align with international regulatory practice to ensure we keep pace with technology and cover all therapeutic product category groups the rest of the world does.

She said it must be flexible and robust enough to accommodate fast-paced technology developments and provide a system to assure the safety, quality, efficacy and performance of therapeutic products, i.e., medicines, medical devices and biologics.

## **CODESIGN AND PARTNERSHIPS PARAMOUNT**

From cross-sector reports, procurement and supply chain to assessing medical devices and writing new legislation, the importance of genuine partnerships was tangible.

NZHIT supports codesign and partnership in the often-contentious issue of procurement.

Ryl Jensen said if we allow these to thrive between decision makers and product suppliers, we can develop a framework that reduces delays and implement solutions.

“We save lives from codesign partnerships.”

Work on the new therapeutics’ legislation will also require close collaboration. Fiona Ryan said working with international colleagues is vital as we move to aligning

with the rest of the world in regulating medical devices.

“It’s an opportunity for us to leverage that international expertise and to build capability here in New Zealand across the whole of the sector.”

Building and maintaining engagement with clinicians and consumers was seen as key.

Emily Mailes said, “the sector would be required to work in true partnership to drive equitable access”. The system will use digital technologies and innovation to bring services closer to home than before and will be “a cohesive single national service providing consistent, high quality of care”.

Minister Henare said the only way to innovate and design effective services and resources for Māori was to engage with people in their communities. Technology is changing the lives of Māori but it can be complex, and any technology needs to be understandable and accessible to all Māori.

Lisa Williams, PHARMAC director of operations, says devices have to be dealt with differently from medicines and the agency is getting input from DHBs, colleges, societies, suppliers, Māori, Pacific Island consumers and people with disabilities. It will be running workshops to test its thinking.

It’s building the device list, with RFPs out by end of the year, and developing the approach, which will involve consultation on operational detail and implementation requirements.

## PEOPLE SHOULD TAKE CHARGE OF THEIR OWN HEALTH

Minister Henare said part of Māori taking charge of their health is enabling access to treatment and advice and data in real time. A Manawatu platform enables people to see housing, health, employment and education data in real time, which is helping whānau to make better decisions.

“Lots of data come after the storm; data in real time will be far more useful to our people.

“Any technology developed can’t just be generically Māori, it must be iwi and Māori-based regionally and locality focused. [With the right] kind of unique bespoke interactions with technology, I think that Māori will embrace it wholeheartedly.”

Ryl Jensen said people should be able to take charge of their own health through patient portals.

“Allowing consumers to take charge of their health and wellbeing will be one of the single most important steps we will take as a nation to prevent poor health.”

Emily Mailes said the new system will be “people-centred” and “will truly take the voice of all people that interact with the health system and use that voice of the consumer to design services that work for them.”

Shayne Hunter, Ministry of Health deputy-director general data & digital, said the national health information platform, nHIP, would help address consumer expectations.

“The question is can we learn to listen carefully ... we need to be sure that we are ... not just digital, I want to be engaged with health consumer service users ... they are wanting us to do much more than [deliver] health information.”

## TIME TO MOVE TO VALUE-BASED HEALTH CARE

Presenters considered the country was ready to move away from purely cost-based procurement decisions.

Lisa Williams said PHARMAC would assess new products to add to the medicines and devices list and apply a transparent internationally consistent framework to establish the benefits over the whole life of

the product, including to the health sector and the patient.

"It's not just about how much the device costs, it's about the benefits. PHARMAC spends 80% of the medicines budget on 10% of the population. So that tells you that actually we fund some very expensive products, but they offer incredible value to our people," she said.

PHARMAC will need the device industry to provide evidence and that "experience and expert opinion is also very valuable evidence, and that's the kind of thing that we'll be looking for as well as any trial data".

PHARMAC will use a VBHC lens to assess new technology, by looking at need, cost, savings, health benefits and sustainability.

Shayne Hunter said the budget allowed for more investment in digital.

"VBHC is important in an affordable and sustainable health system and we must look at how we can use technology to deliver VBHC."

Sarah Najdek, Johnson and Johnson NZ general manager, said the med tech sector is in a unique position to drive VBHC.

"The next 12 months is an important time to make the case for the med tech sector to turn the conversation away from the lowest price unit to one that is more aligned with the key principles of the government. If we achieve that, we can all ensure that New Zealanders remain at the front of the queue when it comes to accessing lifesaving medical device technologies innovations.

"We also need to design contracts that capture appropriate value-based KPIs and metrics in addition to the unit price of the device. These will require closer collaboration with all of us in this room, and also between clinicians and patients to ensure that we align KPIs."

## NO DEVICES, NO HEALTHCARE SYSTEM

To sum up, in the words of departing MTANZ CEO Faye Sumner, the med tech industry is facing incredible changes. But "we are up for it and there is huge heart".

"All three challenges are based on VBHC, and we have a huge opportunity to engage ... In the next few years we all need to look at our own business systems, and remind Wellington we need medical devices, or we won't have a healthcare system at all."

Commissioned by Medtronic

