

## OPEN MARKET CONSULTATION WORKSHOP

24<sup>TH</sup> May 2017 Murcia





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## **AGENDA**

Welcome and introduction: Goal of the day

proEmpower and main challenges and scope

**Procurement of Innovation and tender Process** 

**Next steps** 





proEmpower: main challenges

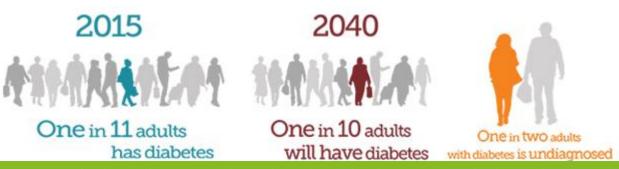


Pilar López Acuña\_FFIS



## Why diabetes?

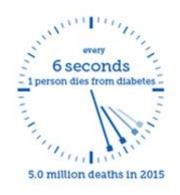
- The procurers' care systems are facing an increasing prevalence of diabetes. The disease is expected to grow globally from 8.8% in 2015 to 10.4% in 2040 if no effective counter measures are put in place.
  - Diabetes is seen more and more in younger years...
  - ...but is also increasing among older people, with the age group 80+ seeing a strong onset of diabetes.

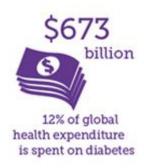




### The costs of diabetes

- The costs associated with diabetes include increased use of health services, loss of productivity and disability.
  - As a result, diabetes imposes a large economic burden on individuals and families, national health systems and countries.
  - Diabetes treatment accounts for 12% of healthcare spending.





Source: International Diabetes Federation. IDF Diabetes Atlas, 7 ed. Brussels, Belgium: International Diabetes Federation, 2015.



proEmpower: Procuring innovative ICT for patient empowerment and self-management for type 2 diabetes mellitus

- Call: H2020-SC1-2016-CNECT
- Topic: SC1-PM-12-2016\_PCP eHealth innovation in empowering the patient
- **Starting**: 1-10-2016
- Duration: 42 months





## proEmpower Overview

proEmpower is initiative aiming to procure €3M on a peronsalised diabetes management solution to support patients with Diabetes Mellitus type 2



Turkey



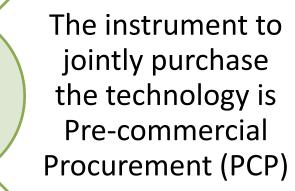
Campania (Italy)



Portugal



Murcia (Spain)





## Who we are: partnership





## Who we are: proEmpower Procurers



**POTENTIAL MARKET:** 12 million type 2 diabetes patients





Gorka Sánchez\_SMS



Pilar López Acuña\_FFIS

## proEmpower: main challenges



#### The unmet need

Healthcare systems worldwide are re-active and fragmented

**Personalised care** 

Multi-disciplinary care

Overreliance on pharmacotherapy is proving insufficient

Lacking patient ownership

Person-centred care

Self-management support

Changing life style & nutrition effectively impedes diabetes

Ineffectiveness of current treatment of diabetes patients

**Early detection** 

Personalised decision support

A learning healthcare system



## The challenges

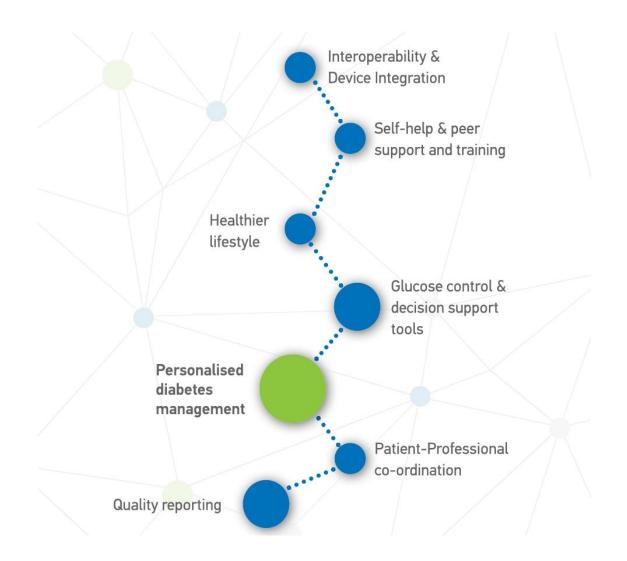
To provide continuous diabetes selfmanagement ICT solution that will make person-centred care a reality, considering all aspects of care

to procure an integrated ICT solution for diabetes self-management which should be offered to the procurers as a managed service.



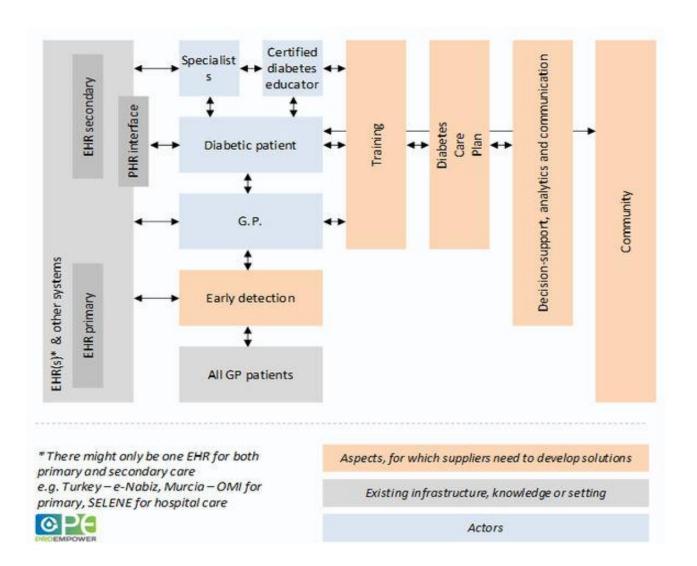
## Scope

The solution must address the following building blocks of diabetes management





## Key aspects and actors of the envisioned proEmpower solution









## Key concepts about Pre-Commercial Procurement

Jorge Gonzalez\_Director of TICBioMed



#### About TICBioMed

- TICBioMed is a business association that promotes digital health across Europe.
- Support partner in proEmpower in charge of dissemination. We are not a Procurer.
- TICBioMed members do not get special advantages or treatment in proEmpower.
- We participate in other EU projects, mainly delivering business support (business modelling, access to private finance, commercialization, legal&regulatory)
- Subscribe to our <u>mailing list</u> for more opportunities.



## What is PCP?



- Pre-Commercial Procurement (PCP) is an instrument of <u>public procurement</u> of Research and Development (R&D) services when there are no fitting market solutions (unmet need).
- Public procurers act as demanding customers of technology that promote the development and testing of new solutions.
- The European Commission is supporting PCP as a tool to stimulate innovation.



## Benefits for procurers: Foster of innovation



Enables the **public sector** to steer the development of new solutions tailored to its **unmet needs** 



Encourages **new innovative players** (e.g. startups, SMEs) to cocreate marketable solutions



Allows **patients** to be empowered through targeted technology design.



## Benefits for vendors: a business opportunity



**R&D funded** by the potential customers



vendors get access to customers and can tailor their product to their needs



Testing of innovative ideas under **REAL WORLD** conditions



Suppliers retain IPR ownership





## The proEmpower PCP

Jorge Gonzalez\_Director of TICBioMed



## How does PCP work?



Market sounding

Consultation webinar 8 June

Industry consultations in

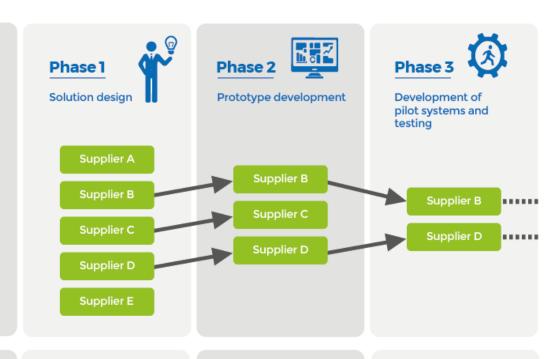
Murcia - 24 May

Lisbon - 29 May

Ankara - 31 May Naples - 6 June

#### Call for tender

Call open for industry participation



May - Jun 2017

Sep - Dec 2017

Jan - Mar 2018 3 months €450k industry budget Apr - Nov 2018 8 months €900k industry budget

Dec 2018 - Feb 2020 15 months €1,650k industry budget

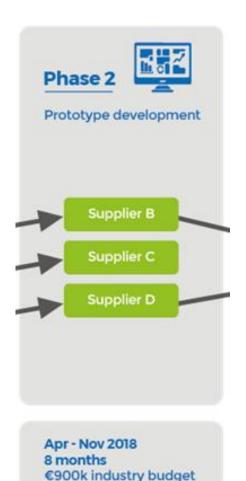




Phase 1: Concept design, solution architecture and technical specifications

- **Develop a feasibility study** of selected technologies to verify technical, economic and organizational feasibility.
- **Expected output**: <u>report</u> describing the results of the feasibility study and the conclusions for the start of the development activities in Phase 2.
- 3 months
- Budget up to **€450,000**
- The solutions which have the highest evaluation score exceeding a threshold are selected by the procurers group for the next phase.

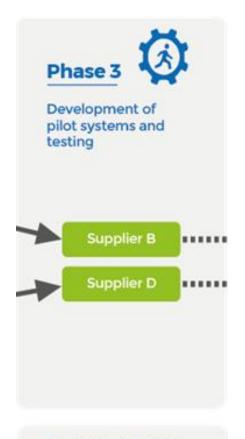




## Phase 2: Development of prototype systems

- Develop the most promising ideas into well-defined prototypes
- Expected output :
  - Prototype specification
  - Prototype demonstration
  - Plan for development of a limited volume of solutions for field-testing
  - Updated cost/benefits forecast including a preliminary business plan
- 8 months
- Budget up to **€900,000**
- The solutions which have the highest evaluation score by the procurement team are selected for the next phase.



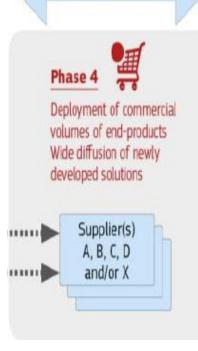


Dec 2018 - Feb 2020 15 months €1,650k industry budget Phase 3: Development and testing of pilot systems

- Implement and assess the prototypes in real world conditions
- Expected output:
  - Implementation in the 4 testing sites
  - Overall assessment and success verification
  - Updated cost/benefits forecast, including a preliminary business plan
- 15 months
- Budget up to **€1,650,000**
- Maximum tenders awarded: 2



Public Procurement of Innovative Solutions (PPI)



## Phase 4:Commercialization

- OUT of the scope of the proEmpower project
- Choice of the procurer:
  - It is up to each public body to decide whether to do a commercial procurement
  - To de decided after the project outcomes are assessed.
- Since the companies retain the IP rights they are free to commercialize to other potential customers.





## The process

Jorge Gonzalez\_Director of TICBioMed



### Submission of offers

Electronic submission (via proEmpower Website)

#### Different sections:

- ADMINISTRATIVE
- TECHNICAL (plan, innovation, pre-existing rights, business plan, risk assessment and risk mitigation strategy, etc.)
- FINANCIAL
- 3 months to submit offers
- Official language is ENGLISH

Under discussio.

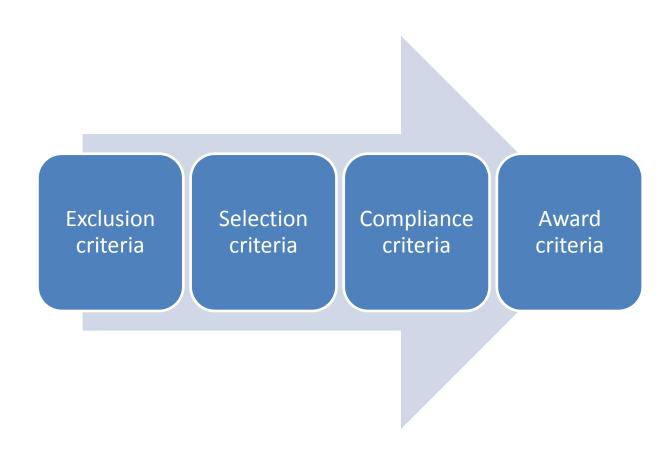


## Elegibility

- Open to all types of operators (companies or other type of legal entities) regardless of their size or governance structure.
- Single entity or joint tender offer (consortia)
- The organisation or consortia of organisations from industry and research must be able to cover the whole continuous diabetes management solution.
- Participation in the open market consultation is not a condition for submitting a tender



## **Evaluation process**





## **Exclusion criteria**

Standard **exclusion criteria** as in most public tenders:

- Bankruptcy
- Conflict of interest
- No conviction for an offence relating to professional practice
- Professional misconduct
- Fulfil obligations relating to tax, etc.



### Selection criteria

# Under discussion

Award criteria

Sompliance criteria

lection

Exclusio criteria

 Ability to perform the R&D, i.e. the development of a solution that meet the requirements from design to implementation.

- Capacity to commercially exploit the results of the PCP
- Financial and organizational structures: A minimum of liabilities, etc.



## Compliance criteria

# Under discussion

Award criteria

omplianc criteria

Selection criteria

Exclusion criteria

 Alligned with the definition of R&D services (<u>EU</u> R&D and Innovation state aid framework)

- Not-compatible with other public financing:
   Double funding is not acceptable
- Place of performance of the contract : at least minimum of 50 % of R&D performed in EU Members States or H2020 associated countries
- Ethics and research integrity
- Security
- Usability and Interoperability



## Award criteria

# Under discussion

Award criteria

Compliance criteria

selection criteria

Exclusion criteria

- Technical quality criteria
- Business Plan
- Expected impact
- Price

**Ensure best value for money**: It is NOT permitted to use either:

- lowest price as the sole criteria, without taking quality into account,
- or highest quality as the sole criteria, without taking price into account.



## Contract, monitoring and payment

- Contracting: framework agreement with specific contracts in each phase.
- Monitoring: During each phase, contract implementation will be monitored periodically and reviewed against the expected outcomes (milestones, deliverables and output or results) for the phases.
- Completion criteria:
  - Satisfactory completion of milestones and deliverables:
     Requirement for payment
  - Successful completion: Prerequisite for passing from one phase to the next.



## **Intellectual Property Rights**

## Declaration of pre-existing rights (Background)

 Remain UNCHANGED by the PCP, but should be listed in the offer.

## Ownership of results (Foreground)

• Each contractor keeps ownership of the IPRs attached to the results generated during the PCP implementation.

### BUYERS GROUP have the right to:

• Grant (or to require the contractors to grant) non-exclusive licences to third parties to exploit the results under fair and reasonable conditions (without the right to sub-license)



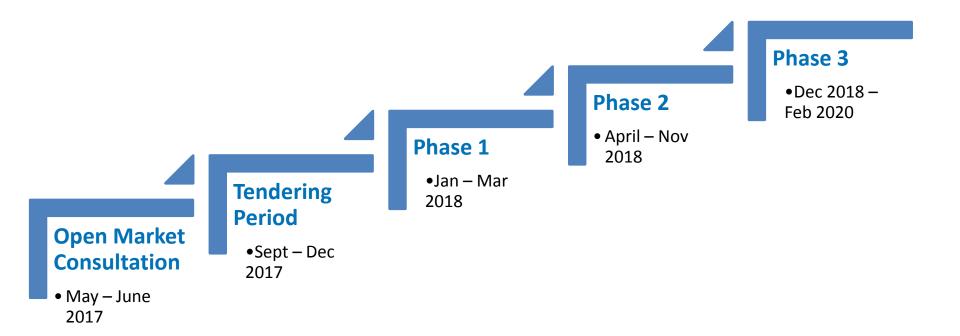


## Timeline and next steps

Jorge Gonzalez\_Director of TICBioMed



## **Timeline**



- The first month in each of the phases will be devoted to evaluation
- Dates are subject to approval from the EC



## Creation of a competitive consortium



We encourage companies that cannot cover the whole proEmpower solution to team up with other companies.



Fill out the Market Consultation

questionnaire to get support for your

partner search

http://proempower-pcp.eu/market-consultation/matchmaking-find-partners.html



## For more information



- Ministry of Health of Turkey acting as lead procurer representing the 4 procurers.
- All information related to proEmpower tender will be available at:
   http://proempower-pcp.eu/call-for-tender.html
- Channels to ask any related tender question will be available ay proEmpower website
- Mail to vendors@proempower-pcp.eu





## Thank you for your attention!

www.proempower-pcp.eu



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