

# FAIRE ÉVOLUER LES MENTALITÉS : UNE APPROCHE AXÉE SUR LA VALEUR EN SANTÉ

**2 avril 2025**

**Déjeuner conférence 7h30 à 10h**



Commandité par



**Ronald Johnson**

COO & Vice President of  
Innovation and Research  
Eastern Urban Zone

A decorative graphic on the left side of the slide consists of three overlapping shapes: a large red shape at the top, a smaller yellow shape in the middle, and another large red shape at the bottom. All shapes have a diagonal cut-off on their right side.

# Changing Mindsets: A Value Based Approach to Healthcare Delivery

**Ronald Johnson**

Chief Operating Officer,  
Eastern Urban Zone

VP, Innovation & Research

NL Health Services

April 2, 2025

# Agenda



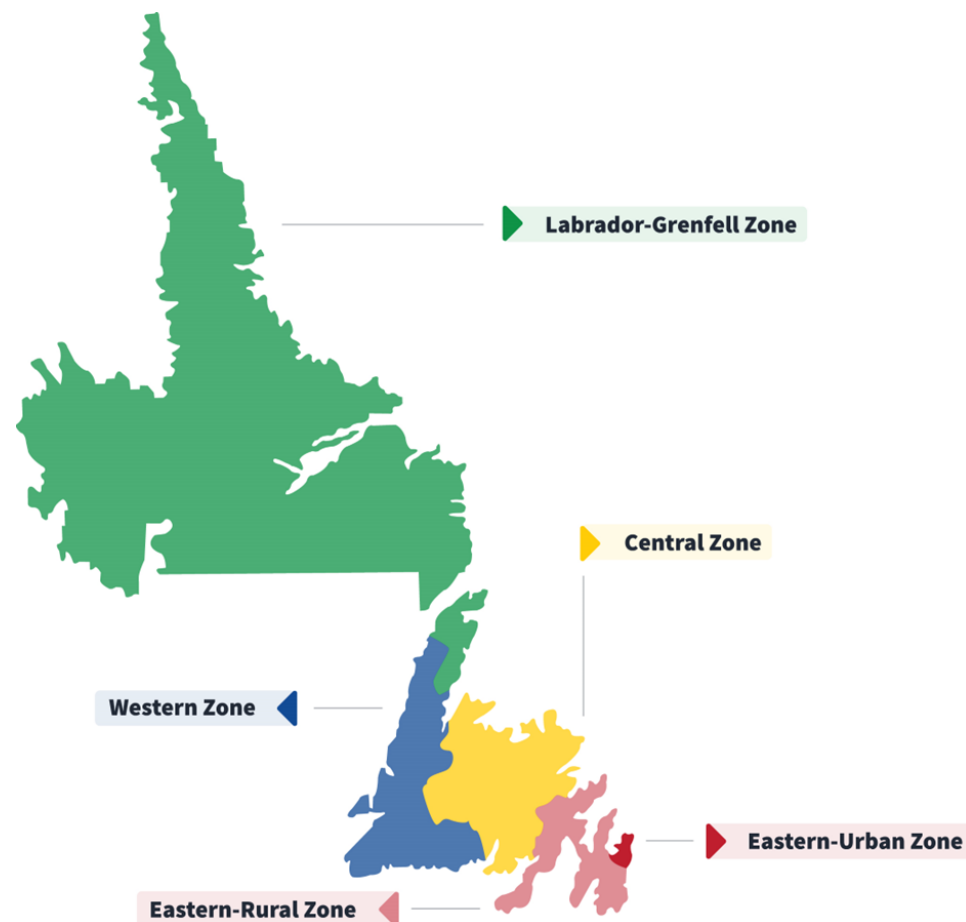
- Overview of NLHS
  - Innovation Goals
  - Pillars of Innovation Strategy
  - Innovation Journey
  - Private Sector Partnerships
  - Value Based Procurement
  - Value Based Procurement Case Studies
  - Questions
-

# Overview of NLHS



## Health and Well-Being. Every Person. Every Community.

- Population 541,000
- Employees 22,000
- Physicians 1,165
- Volunteers 1,800
- Budget \$3.1 Billion



# Innovation-focused Lens

Our goals:

- ▶ To advance health-care services and programs through the application of innovative solutions.
- ▶ To maximize health systems efficiencies and minimize associated costs by leveraging the innovation ecosystem to build partnerships and generate revenue.
- ▶ To solve problems or current challenges in the Healthcare Delivery System.



# Innovation-focused Lens

Our goals:

- ▶ To support the work of the Health Accord to transform the Health of the Population of NL.
- ▶ To ensure procurement leads to Value for Money.
- ▶ To generate economic development in the province.



# Innovation Strategy: Four Pillars

Value-based lens in decision-making

Development of a Health Innovation Acceleration Centre

Cultivation of an innovation culture

Building local, national, and international partnerships





# Value for Money Framework



## Accountability

### Organizational Performance Outcomes (Program KPIs/Metrics)

#### Accountability Framework (Macro-level)

##### Linkages to:

- GNL budget process (Value proposition/outcomes defined for health program investments)
- Spending/GNL investment by program

##### Monitoring mechanisms:

- NLHS Strategic Plan indicators (scorecard)
- NLHS Operation Plan indicators (scorecard)

## Efficiency

### Cost Efficiency/ Cost Avoidance/ Cost Reduction (Operational Benchmarking)

#### NLHS Site and Service level benchmarking (Micro-level):

- Harvest sustainable efficiencies for future investment
- Evidence-based decision making based on peer comparators
- Operational best practice
- Rebalance health system spending

## Value Enablers



### Innovation Strategy

#### Identify sustainable solutions to NL healthcare challenges:

- Defining solution value and outcomes achieved
- Co-build solutions
- Learn from other innovative jurisdictions (Norway/Iceland)
- Leverage innovation partner network
- Leverage AI

### Value-Based Procurement (VBP) Framework

- VBP lens placed on all new and renewed NLHS contracts
- Cultivate a culture of “value for money” throughout the organization
- Establish organizational capacity (resources) specific to VBP activity to ensure sustainable focus
- VB Policy and Process
  - Establish VB opportunity intake and assessment tools for practical application.

# Health Innovation Acceleration Centre (HIAC)



Agility



Discovery



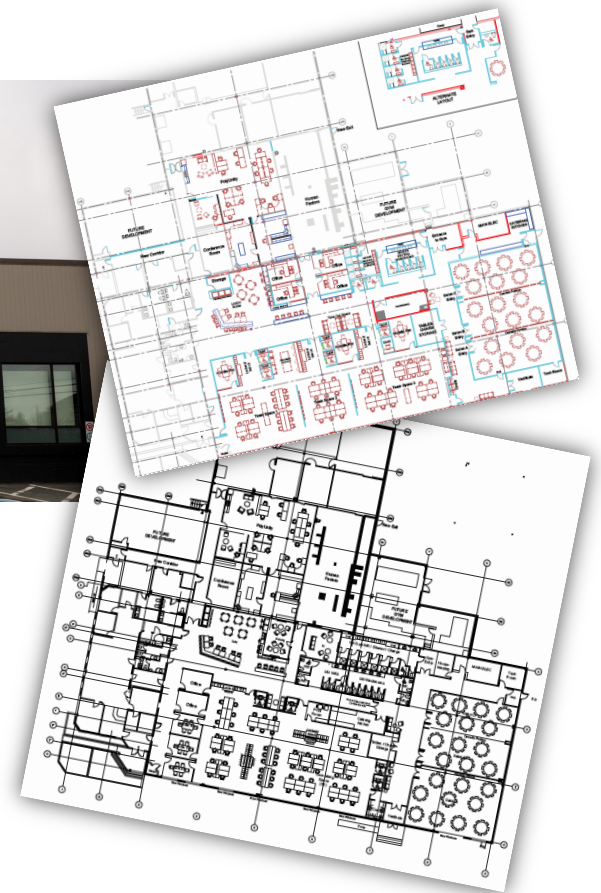
Realization



Partnership



Strategic Alignment and Prioritization



# Health Innovation Acceleration Centre (HIAC)



# Cultivation of an Innovation Culture



- Partnership with Genesis, Bounce and Memorial University Center for Entrepreneurship
- Enabling access and education to early-stage MedTech companies
- Leveraging expertise of all organizations
- Two (2) cohorts complete (12 companies)
- Third (3rd) cohort underway

innovating  
together

# CANADIAN MARKET ACCESS PROGRAM

ENGAGING WITH A CANADIAN HEALTH SYSTEM



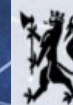
NL Health  
Services



Embassy of Iceland  
Ottawa



Innovation  
Norway



Norwegian Embassy



Business Iceland

# Innovation Journey

2019-20

- ❖ Innovation Partner Pitches
- ❖ **Value-Based Procurement Policy**
- ❖ Innovation Summit



2021-22

- ❖ Innovation Branding
- ❖ **Innovation Culture Building**
- ❖ Revenue Generating Trials & Projects (Flosonics, Polyamyna)
- ❖ **VBP: Diabetes; Incontinence**



2023-24

- ❖ Provincial Health Authority, NL Health Services
- ❖ Provincial Innovation Expansion (ACOA Phase 2)
- ❖ **Innovation and Finance Sub-table (Value-For-Money Framework)**



2020-21



- ❖ Healthcare Innovation Team Funded (ACOA Phase 1)
- ❖ **Innovation Policies Developed**
- ❖ Innovation Summit
- ❖ First Revenue Generating MedTech Trial

2022-23



- ❖ **MyCardiacHealth (Co-build and Commercialization)**
- ❖ Implementation Science Pathway
- ❖ **Additive Manufacturing Solution (Co-build and Commercialization)**
- ❖ Opened the Health Innovation Acceleration Centre



2024-25

- ❖ **VBP Playbook**
- ❖ Innovation Challenge: Coordinating Supports for Children and Youth
- ❖ **DischargeHub**



NL Health  
Services

# 2024-25 STRATEGIC INNOVATION PARTNERS



# Value-Based Procurement Enablers

## Policy Enablers

- **Public Procurement Act 2018**
- Innovation Strategy
- Value-Based Procurement Policy
- Value-Based Procurement Playbook

## Learning and Development

- Education and Training on VBHC (Decision Institute)
- **Innovation Partners (Vendors of Record)**



## Cross Program Approach

- Innovation and Research
- Supply Chain
- Transformation
- Finance
- Zonal Operational Teams

## Project In-Take Process

- Health-care Challenges (Pitching Problems to Innovation Partners)
- Revers-Pitch Event (Innovation Partners Pitch Solutions)
- **Assessing Opportunities According to Impact and Ease of Implementation**



# Value-Based Procurement Policy



New NL Public Procurement Act introduced in 2018 with a focus on "Best Value."



The former Eastern Regional Health Authority Executed a Value-Based Procurement (VBP) Policy in 2019.



VBP requires that bidders focus on suggested solutions to the problem that are predefined by the purchaser.



This in turn can lead to solutions that are currently unavailable in the marketplace and potentially reduce costs.



This is a fundamental change from previous procurement models as it focuses on "value" for patients and other stakeholders.



# Value-Based Procurement Procedure



## **Stage 1**

**Define the Health-care  
Challenge or Problem**



## **Stage 2**

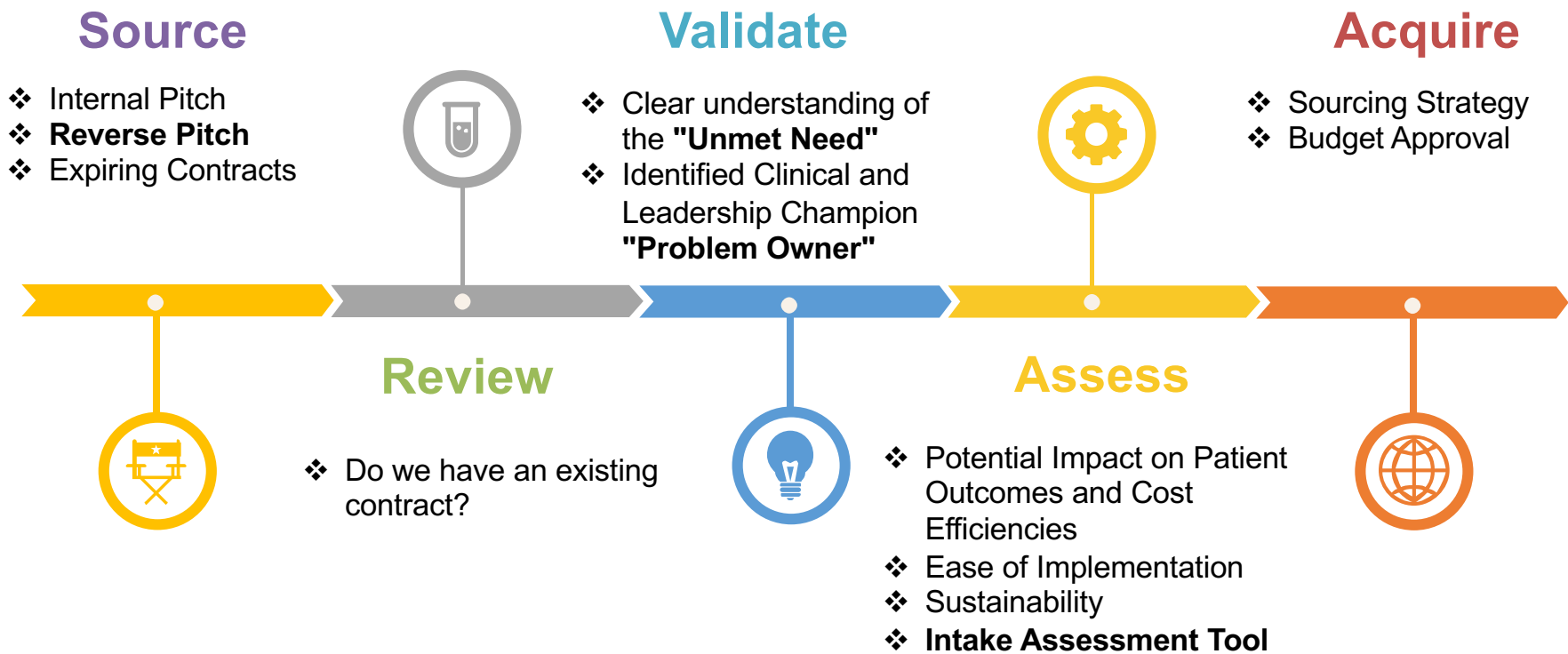
**Identify Procurement  
Model**



## **Stage 3**

**Awarding Successful  
Solution**

# VBP Intake Process



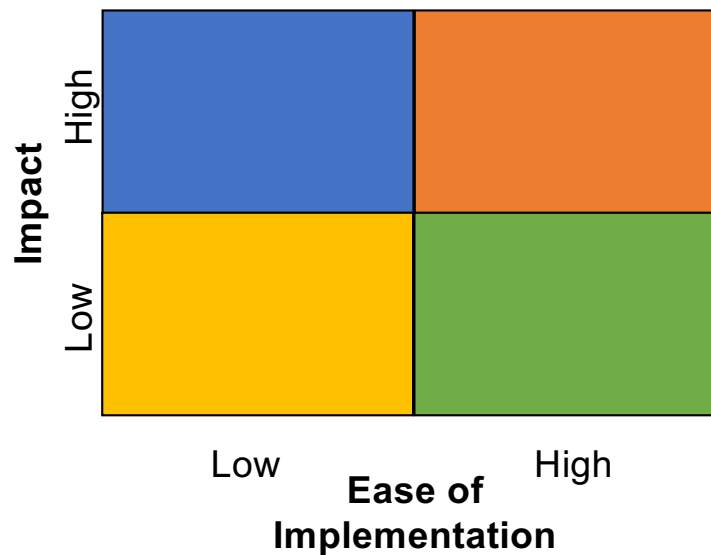
# Intake Assessment Tool

## Advance VBP with Patience

- *Work which can provide meaningful impact but may be difficult to execute.*

## Not Conducive to VBP

- *May not be worth pursuing given current objectives and intention.*
- *Consider traditional procurement as the go to market strategy.*



## Pursue VBP

- *“Low-hanging fruit”*
- *Clear articulation of the derived value and expected impact.*

## Redefine for VBP

- *Consider continuing with traditional procurement format for the opportunity, or, redefining the area of impact.*



## Current VBP Initiatives (Total \$150M Estimated)

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Integrated Capacity Management

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Food and Environmental Services (Vested Agreement)

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Energy Performance Management

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Diabetes management

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Printing services

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Cancer screening

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Walk-in blood collection service

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Closed Loop Medication Delivery System

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BD Flow Cytometry

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# Case Study: Diabetes Management



# Project Results



1

Patients with a recorded weight at 6 months post-enrollment (n=60), showed that 50 (83.3%) had weight loss from a baseline of 4.32% (SD=3.3).



2

At 10 months, 40/44 (90.9%) showed a decrease in weight from a baseline of 4.23% (SD=2.9).



3

Among participants with two or more A1c test results (n=66), 40 (60.1%) experienced a decline in A1c of 1.1% on average (SD=.93) and 23 (34.8%) experienced an increase of 0.53% on average (SD=.35).



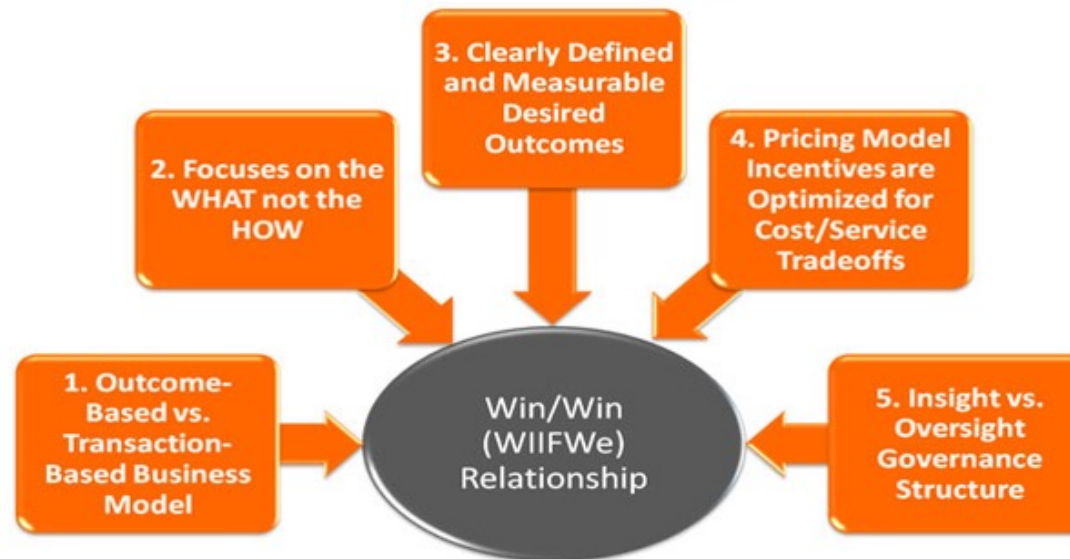
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Six (9.1%) participants' A1c levels fell below 6.5% during enrollment in the program.



# Case Study: Support Services – Vested Agreement

What is Vested?





# NL Health Services Journey to Vested

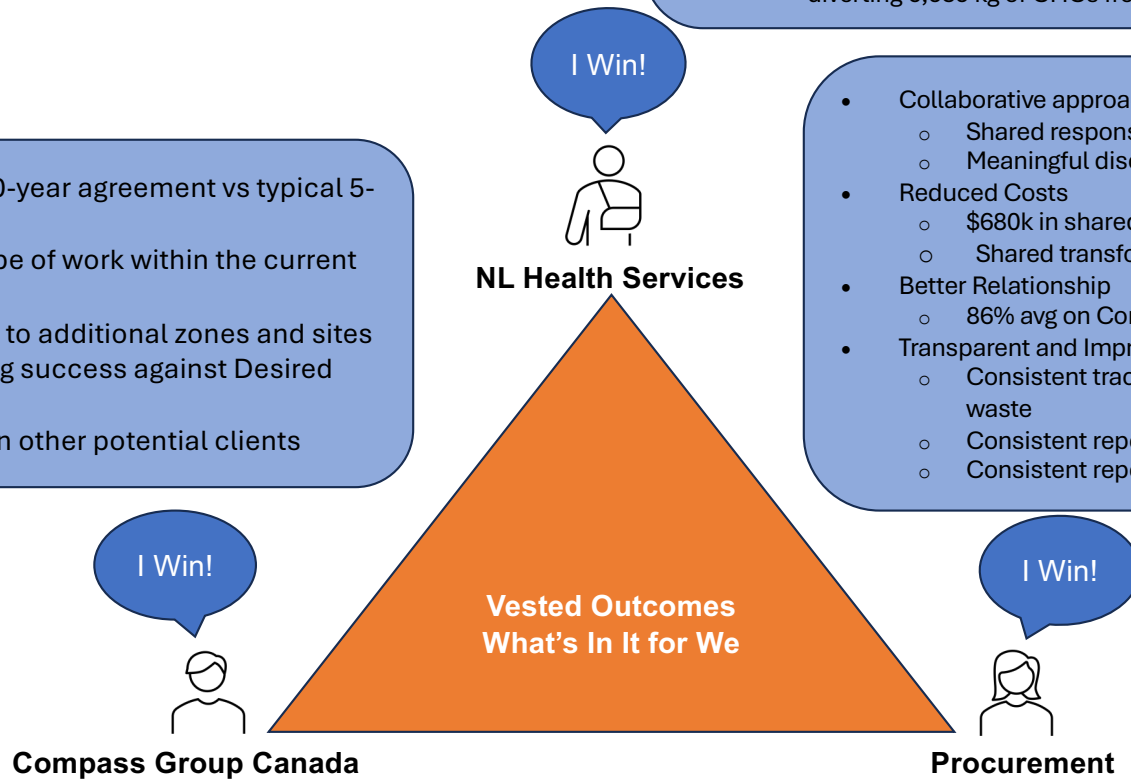


# Vested Journey Results

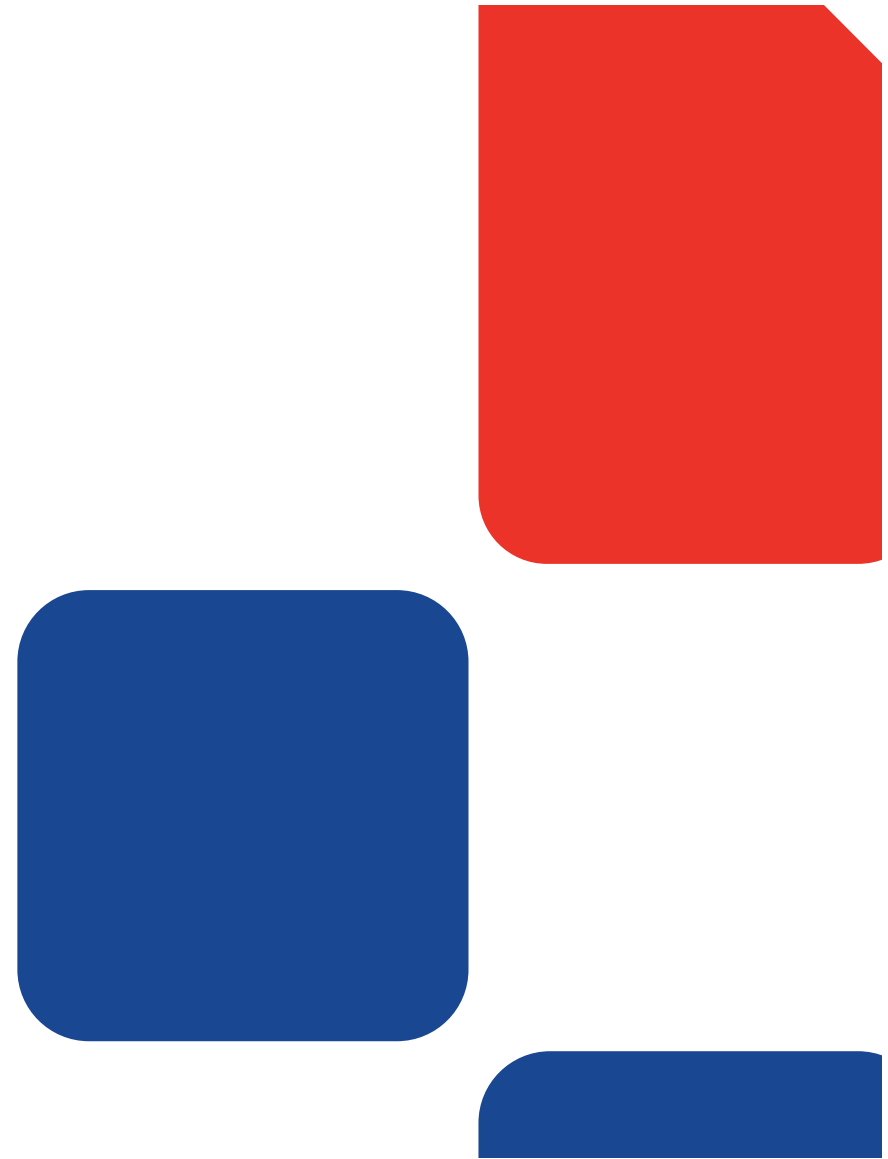
- Long-term contract (10-year agreement vs typical 5-year)
- Ability to grow the scope of work within the current contract
- Opportunity to expand to additional zones and sites
- Incentives for achieving success against Desired Outcomes
- References to help gain other potential clients

- Seamless Transition
  - 84.33% agreed transition was seamless as per Survey Results
- Safer Workplace
  - 35% reduction in lost-time injuries; per 100 workers, reducing from 13.90 to 9.03 equates to 46 fewer annual LTIs.
- More Sustainable Solutions
  - 46.2% increase in cardboard recycling
  - Over 85% recycling efficiency of food plates at urban sites (over 1 yr)
  - 2,290 plates of food donated to charities via Second Harvest, diverting 6,959 kg of GHGs from landfills (over 1 yr)

- Collaborative approach to contract development
  - Shared responsibility
  - Meaningful discussion that benefits all stakeholders
- Reduced Costs
  - \$680k in shared transformation value realized
  - Shared transformation value realized
- Better Relationship
  - 86% avg on Compatibility and Trust Survey
- Transparent and Improved Reporting Capabilities
  - Consistent tracking and monitoring of production food waste
  - Consistent reporting on established KPIs
  - Consistent reporting on transformation project status



# Increasing Enrollment of Patients into Clinical Trials





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## Problem

- Organizational priority to increase enrollment of patients into interventional clinical trials and increase equitable access across the four NLHS Zones.
- Challenges:
  - Lack of public awareness on the importance and availability of clinical trials for advancing patient care
  - Low enrolment rates
  - Lack of digital infrastructure to support decentralized clinical trials
  - Limited budget available to procure digital solutions

# Shared Risk/Outsourcing



Open call RFP soliciting existing digital solutions to our clinical trial participant enrollment challenges



Informed proponents of a budget limit of \$300,000/year for two years and encouraged a value-based procurement approach

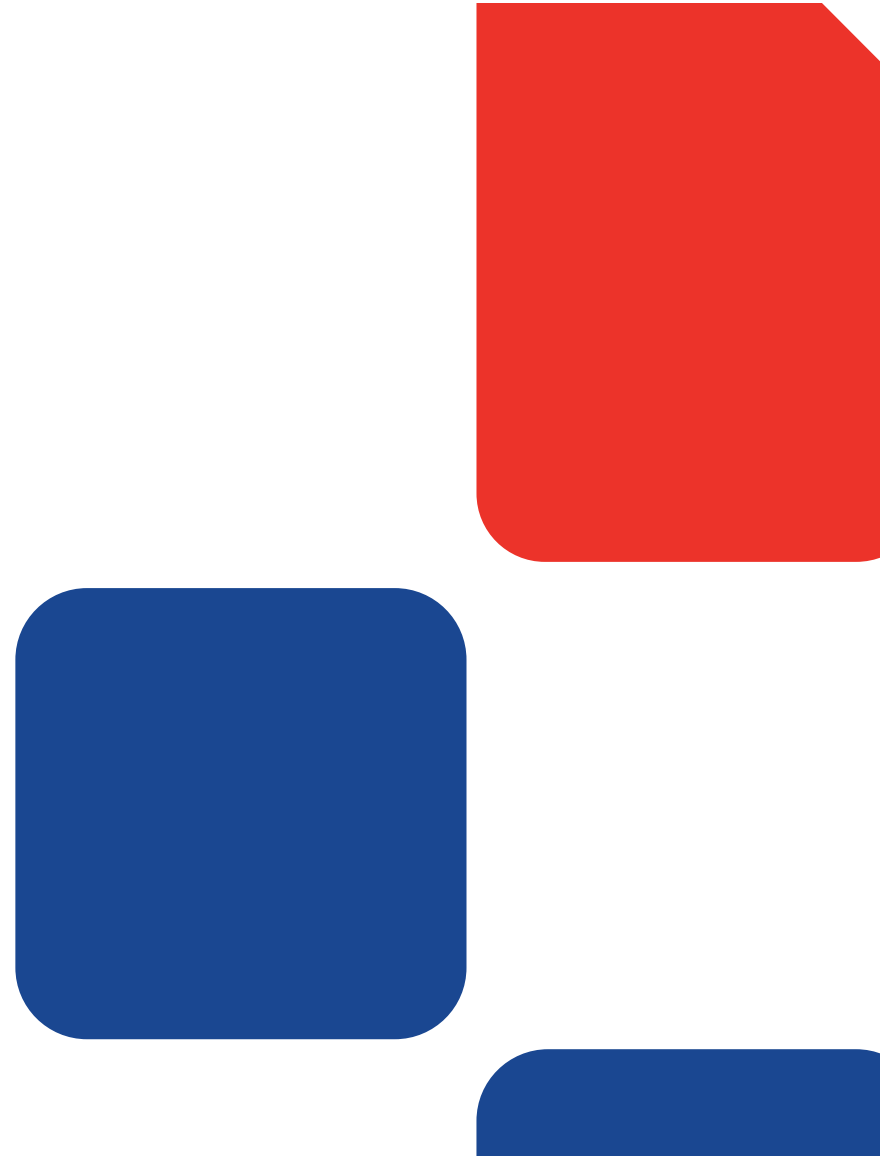


Successful proponent:

Significant discount on digital solution

Shared revenue model that incentivizes vendor with increasing participant enrolment above baseline numbers

# Child and Youth Innovation Partner Challenge

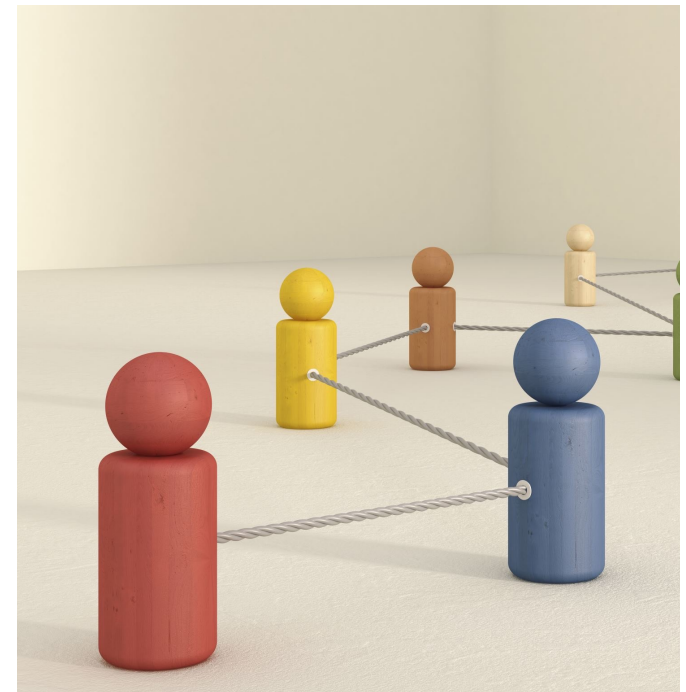


# New Model: Coordinating Supports for Children and Youth

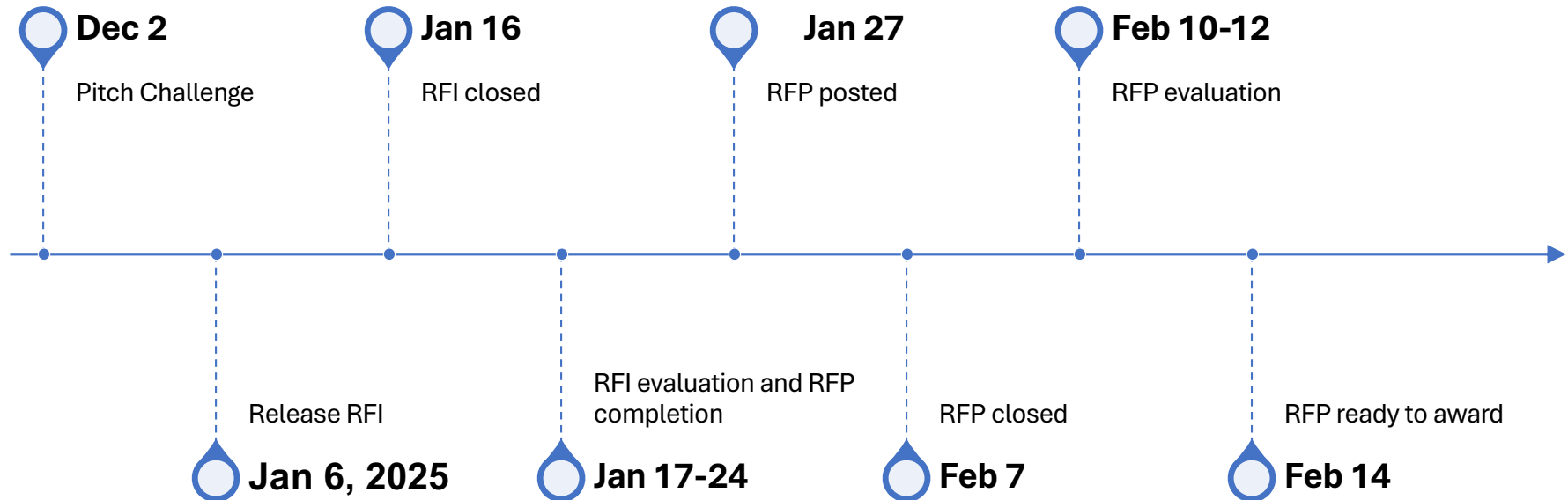


## Innovation Challenge - Potential Topics:

- Digital Central Intake/Client Portal
- Visualize Care Pathways
- Tools to Enable Collaboration
- Innovative Consenting Tools/Models
- Innovative Intake Assessment



# Innovation Challenge: Coordinating Supports for Children and Youth





# Questions

