

Creating a New Healthcare Service



THE CLIENT

BT is one of the world's leading telecommunications companies. From its origins as a publicly-owned national telephone company, to its privatisation in the 1980s, BT plc has diversified and developed its business to become a world-leading Information Communication Technology provider.



THE SITUATION

BT is one of the leading providers of network based services to the National Health Service (NHS) in the UK. In 2005 BT was seeking to extend its positioning within the health sector, leveraging its capability and knowledge to identify and build a valuable new healthcare-related communications business.

The emerging patient self-care market presented a sizeable opportunity for BT. Seventeen and a half million people in the UK live with a long-term condition (for example, diabetes) and the incidence of chronic illness is projected to grow significantly.

Long term conditions and their complications cost the NHS £42bn annually, representing 78% of total costs. The NHS Improvement Plan recognised that patient self-management can significantly improve health outcomes and materially reduce long-term costs.

BT identified the opportunity to be an information and communications service provider to patients managing their conditions, and asked Edengene to assist them in identifying the best strategic approach and business model, design the customer proposition and help identify how best to take their offer to market.

THE SOLUTION

The approach adopted was to start with the customer, and his/her requirements. The team identified the most attractive potential customer segments, and worked to identify what solution(s) they would want from an information service provider to assist them to manage their condition.

In response to the complexity of the healthcare sector and the wide range of participants and stakeholders, the team designed a highly flexible proposition, offering unique service and technology solutions to five key segments:

- » NHS patients and healthcare professionals
- » Health aware consumers
- » Employees (via their employers' occupational health schemes)
- » Private Medical Insurers
- » Pharmaceutical trials

The task was two-fold. First, the team needed to define a compelling offer to each customer segment and validate the market opportunity (including its profitability). Secondly, to enable good prioritisation decisions, the team needed to assess the relative merits of each proposition (and the critical path for market rollout) to identify the optimal launch sequence and product/service roadmap.

The key parameters were scale and timing. The NHS offers by far the largest scale in the UK, but at lower margin than other segments, and with a material delay arising from the need to demonstrate patient benefits and economics through extended trials.



Establishing market leadership in self-care communications services

After evaluating the options, a parallel-track launch approach was selected:

- » Engaging with the NHS and establishing a large scale clinical trial to prove the economics
- » Establishing private sector partnerships (with pharmacy chains) to reach health aware consumers with an initial wave of services, to establish brand presence and stimulate market adoption



Defining a compelling customer experience – for patients, healthcare professionals and managers

Having defined the proposition, the team moved on to design the customer experience for each offer. Rather than taking a theoretical approach, the team engaged with patients, healthcare professionals and worked closely with a major branded UK pharmacy chain to define a step-by-step experience integrated with wider enabling processes (e.g. how an NHS Primary Care Trust would distribute the self-care devices to patients via their local doctors and pharmacists).

The customer experience was built to address both the required patient health outcomes, and optimal economics for the participating businesses and healthcare organisations. This was supported by detailed benefits cases covering both financial and health outcomes.

Bringing complementary businesses together

In addition to the relationship brokered by Edengene between BT and the UK pharmacy chain, the team had to identify which medical devices patients would use, and engage with device suppliers. Potential suppliers were assessed by the team, which developed a clear recommendation on the technical solution to be adopted (combining digital health monitoring unit, mobile communications and healthcare software diagnostic). The team then went on to develop a long term commercial structure, and established engagement with device suppliers to commence partner discussions.

Edengene supported the ongoing engagement of partners to create a joint approach to market (pooling marketing resource) and validated the investment case both for BT and their partners.

THE RESULTS

In 2006 BT undertook a clinical trial in Wales with more than 1,000 patients in association with the NHS, proving the clinical and cost benefits of the solution. BT now has an agreement with the NHS centrally to be the provider of choice for patient self-care solutions to Primary Care Trusts in England and Wales.

BT became NHS provider of choice for patient self-care solutions in England and Wales. BT Health services (telehealth) are already implemented by several PCTs in the UK.

A private sector solution was also launched in 2008. BT Vital Life provides self-care solutions to people with long-term conditions such as Asthma, Diabetes, Hypertension as well as those having difficulties with day-to-day activities and promises to be a substantial growth business for BT.

This solution is currently employed by pharmaceutical companies to enhance patient compliance in clinical trials. It also has a good potential to be used as a tailored compliance package in clinical practice.



“It is an extremely flexible solution, and the technology can be used by a wide range of service suppliers. It could be used by a general practice so that doctors can deliver services to their patients, or it could be used on a much larger scale by a national provider to deliver services.”

“The economic impact of this service, as well as the impact on wellbeing, will be enormous.”

John Harries, Head of BT's
Global Health Practice

CONTACT EDENGENE

71 Collier Street
London N1 9BE
+44 (0)203 514 3090
info@edengene.com
www.edengene.com