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# Rethinking healthcare research and innovation strategy

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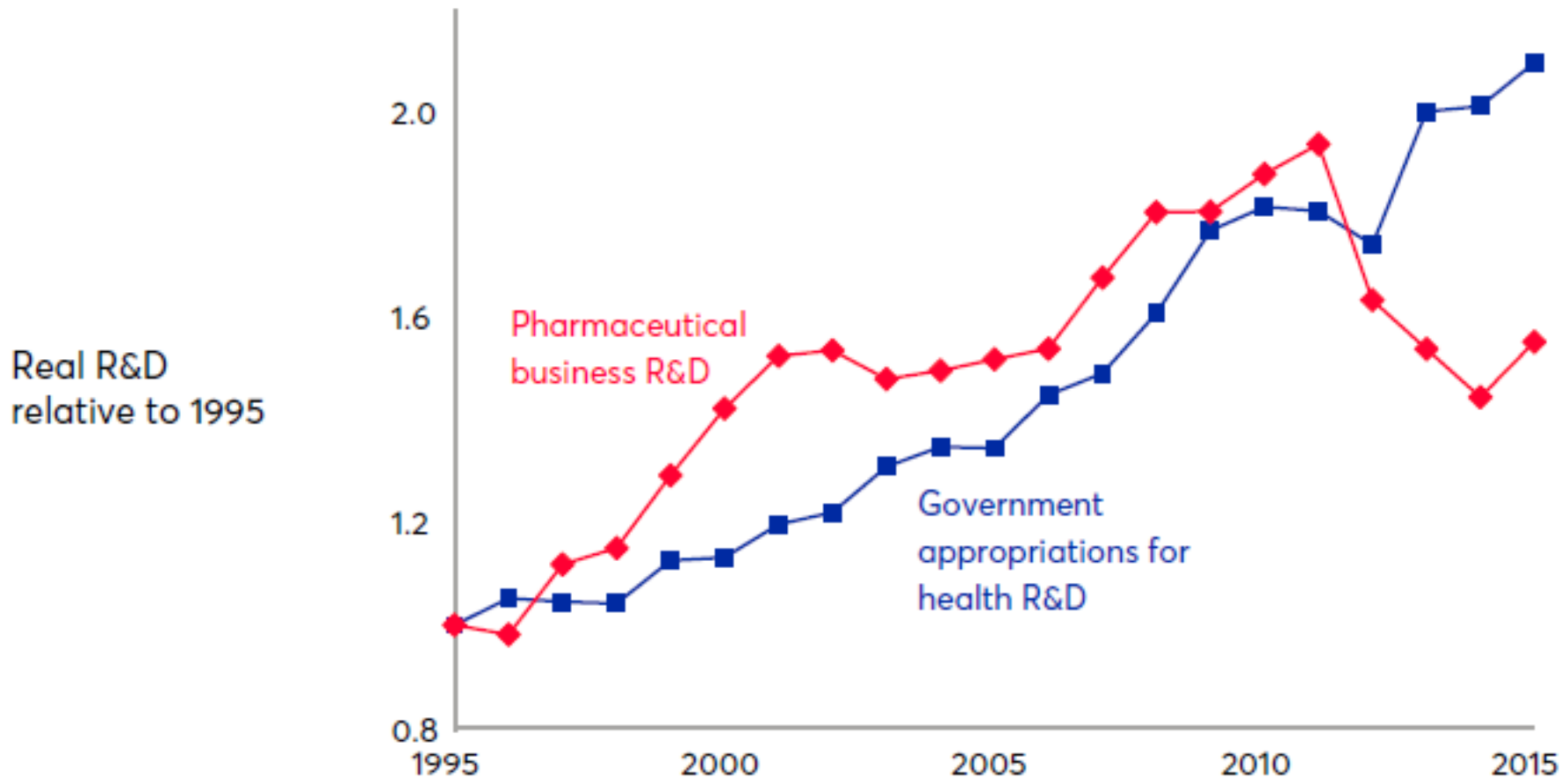
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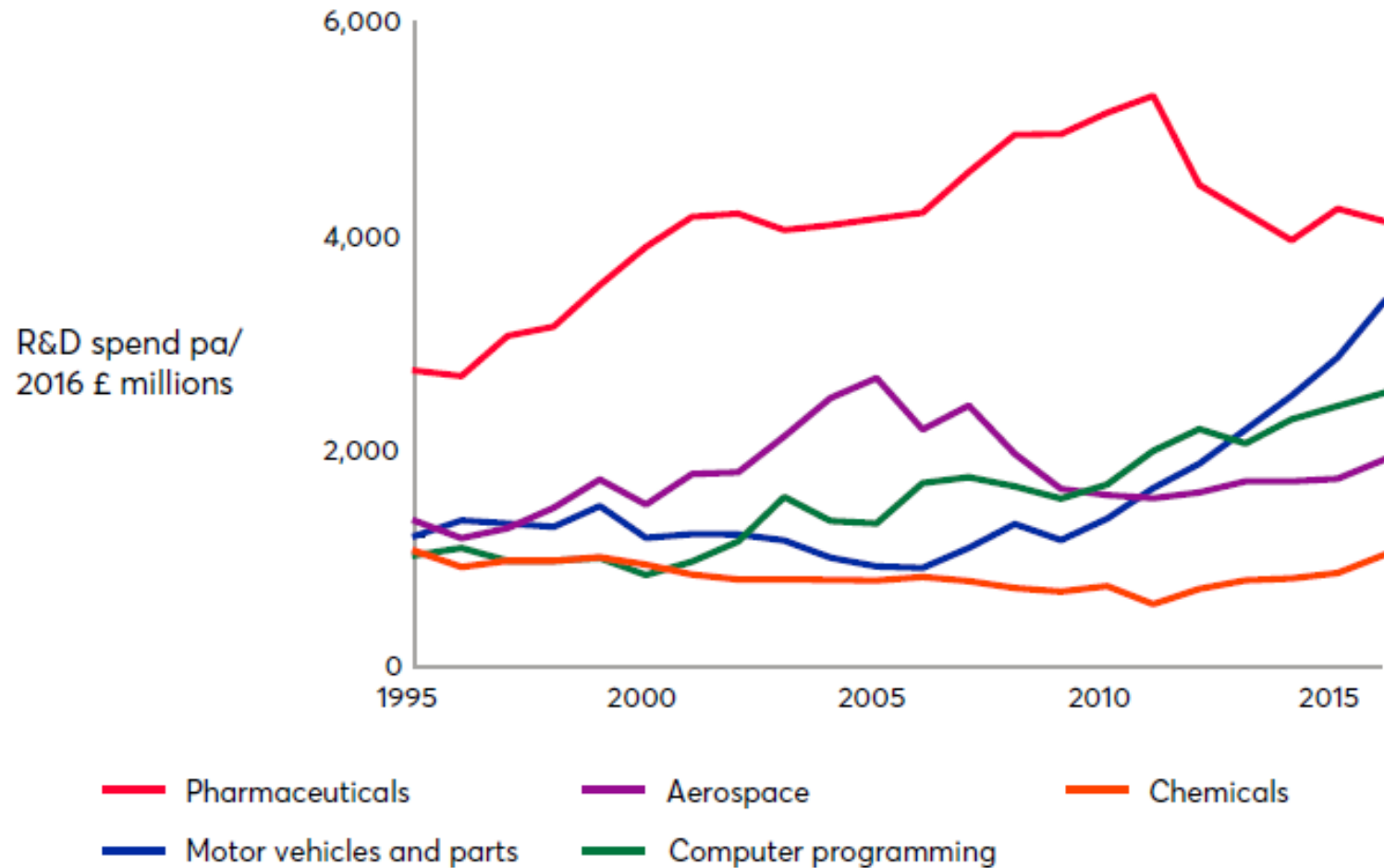
# Overview

- The healthcare research and innovation system is dysfunctional and poor value for money
- The interests/goals of the healthcare system and the research/innovation system are misaligned and sometimes completely at odds
- What would a realignment of interests look like and how might it work?

# Increasing spending on health research

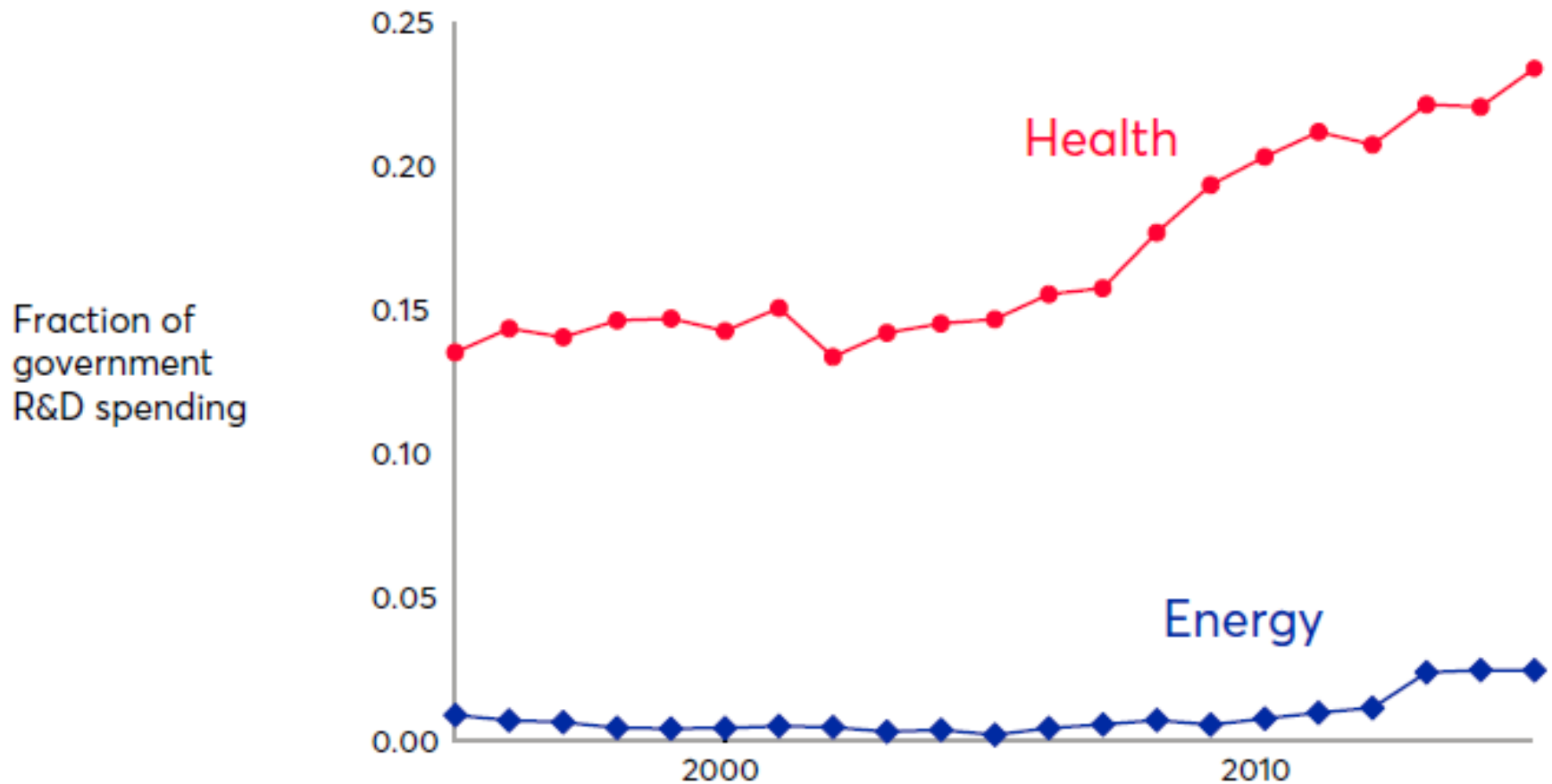


# Health research share of business R&D



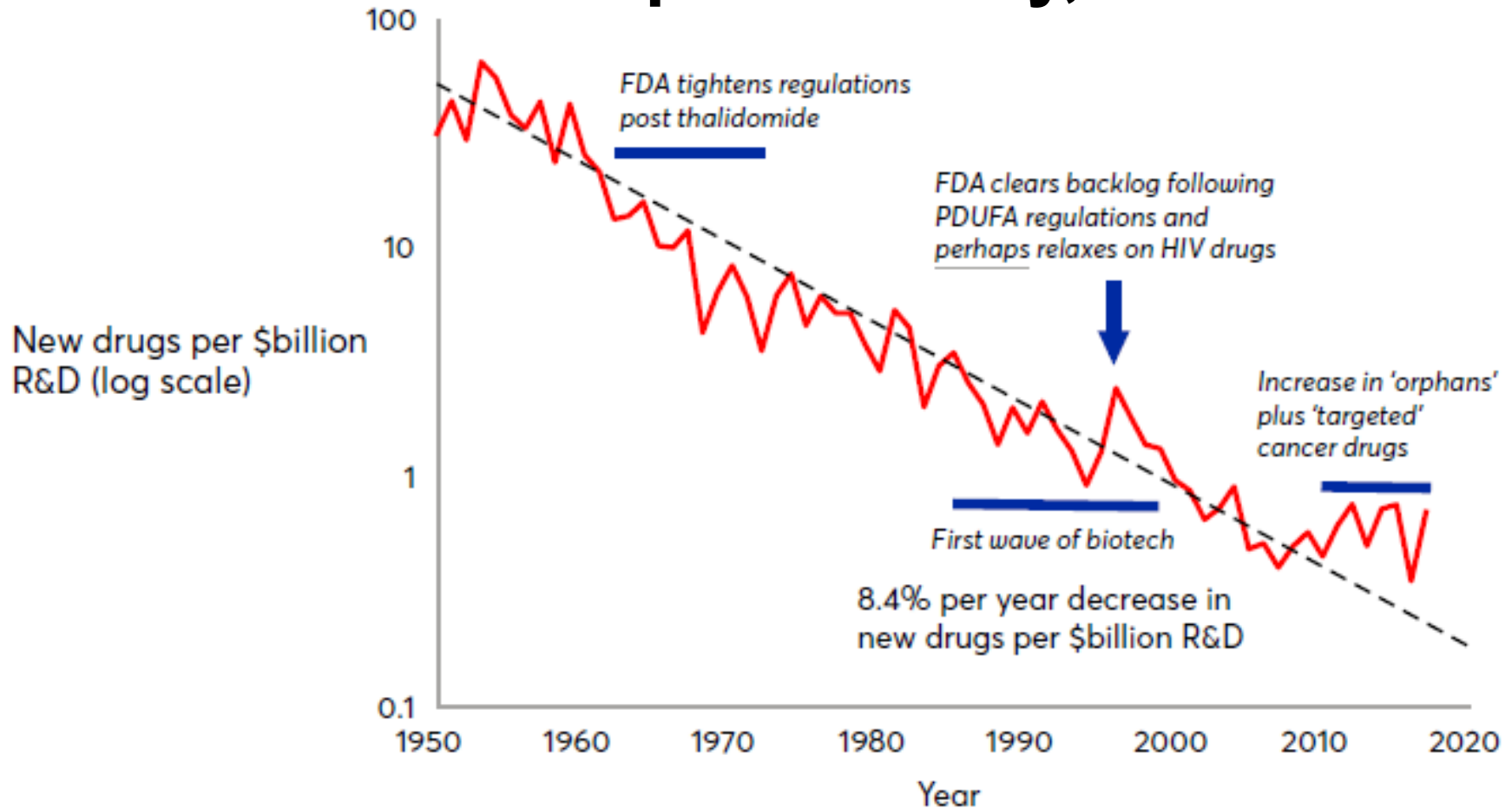
Jones and Wilsdon (2018). The biomedical bubble

# Health research share of government R&D

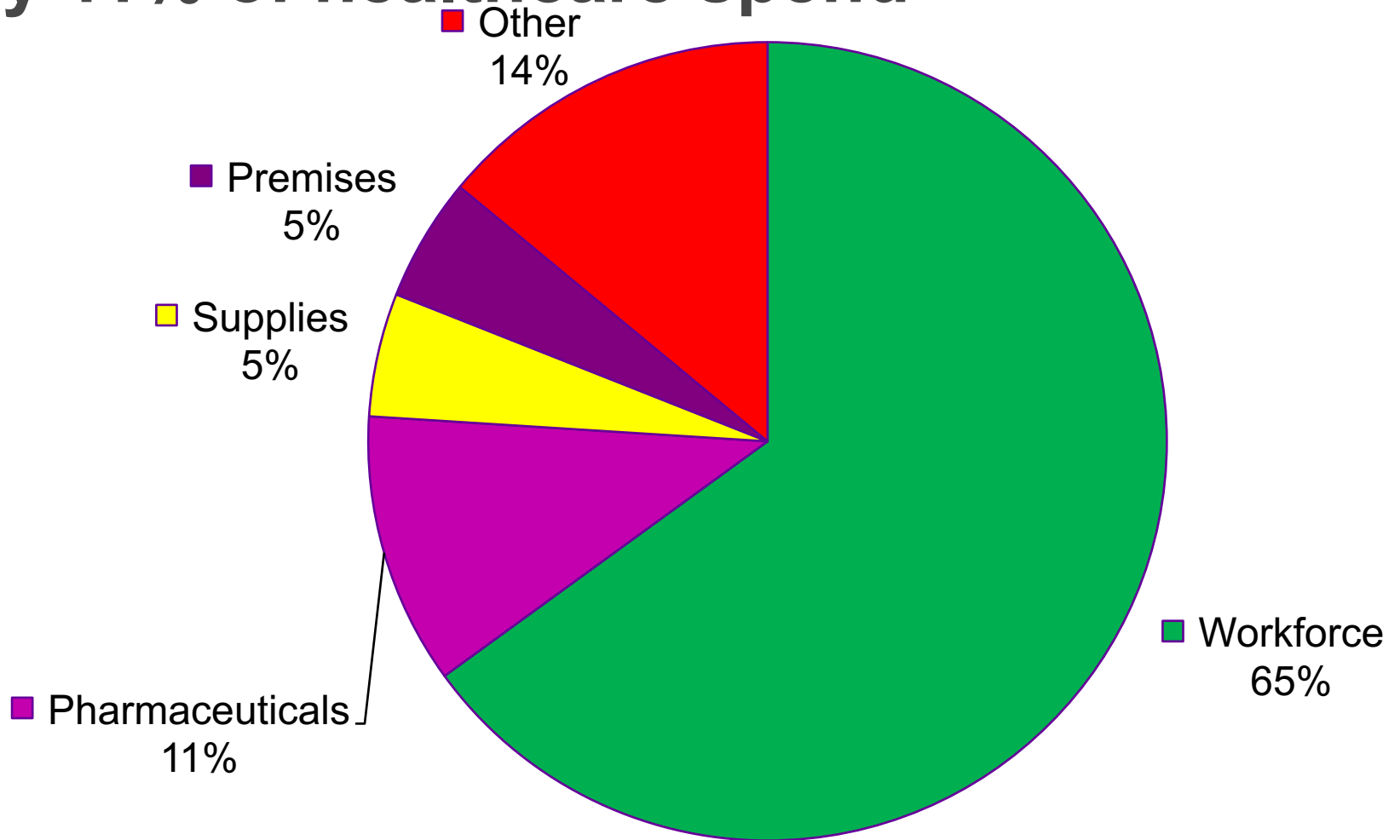


Jones and Wilsdon (2018). The biomedical bubble

# Lower research productivity, more waste



# Pharma takes up 95% of R&D spend, but is only 11% of healthcare spend



## Some features of health research

- Healthcare is a hybrid industry – combines product (pharma/medtech) and service (care delivery) – paradigmatic differences in research/innovation
- “Scientific colonisation” of health R&D – control by life sciences, biomedicine academia and pharma interests external to the health system
- Setting of research priorities disconnected from wider health system strategies and priorities and skewed towards technologies and products
- Production of research outsourced – to universities and others – healthcare organisations and systems are “sites for research” rather than active partners



## Some more features of health research

- Healthcare organisations and systems with little internal capacity for R&D and weak or conflicting incentives for innovation
- Boards and leadership with little grasp of the R&D agenda for their organisations, and without skills and knowledge to lead R&D/innovation
- Absence of effective research partnerships – between healthcare organisation/systems and universities/companies
- Healthcare systems are the passive or unwilling recipients/victims of innovations they did not ask for, may not want, and may not be able to afford

# Misaligned aims/goals

- Universities/academia – more and more research ££s, lots of high impact publications, academic kudos, big science, grandiose projects
- Pharmaceutical industry – profit and shareholder value, high yields from new/existing drugs, large markets, high prices, low risks
- Healthcare funders and providers – frugal innovation, value enhancing/cost reducing new and existing technologies, service as well as product innovation, cost and budget control

## Some reforms which might help

- Have a needs-led health research strategy which is tightly coupled to the healthcare system priorities and goals, and tackles both product and service innovation
- Insource research production to the healthcare system, using universities and others as partners where it makes sense and adds value
- Take greater control of the innovation pathway – from research through piloting and testing to adoption at scale
- Use R&D to drive performance improvement
- Have research-savvy leadership at board level – real engagement and understanding