The slide features two decorative wavy lines in shades of yellow and gold, starting from the bottom left and curving upwards towards the right side of the slide.

# **How to reshape health & social services through innovation?**

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## Finnish health & social services: core facts

- universal access for anyone living in the country
- mainly tax-funded
- extremely decentralised: 350 municipalities provide the services
- mainly public service production, little competition
- in international comparisons:
  - average – good outcome indicators
  - low – average total costs
- >100 m€/yr funding for **service** innovation

*several formal evaluations of innovation funding:  
output as renewed services not achieved well enough*

# Why substantial investment on service innovations does not deliver?

- innovation funding in vertical silos with competing goals
- dissemination and implementation of the innovations left to individual projects – with no resources, tools, or networks to do it
- inadequate local R&D&I competence
- weak competition does not create pressure for innovation uptake
- methods for procuring and paying for services do not support new service models

# National Innovation Strategy

- traditional innovation strategies: focus on
  - technology
  - private enterprises
  - industrial and trade policy goals
  - supply of innovations
- the "old school" strategy elements still needed – but unequivocally insufficient
  - why leave 70% of the GDP out? (services)
  - why leave 27% of workforce, or 18% of production out? (public sector)
  - why not coordinate accross policy sectors?
  - why not create demand of innovations?

## Some key messages of the strategy

- widen the scope of innovation policy tools to cover services, public sector etc. – *horizontal innovation policy*
- take into account the *systemic nature* of innovations
  - uptake of innovations depends on legislation, training, organisational structures, competition, incentives, management etc.
- create not only supply of but also *demand for innovations*

*What does this imply in health and social services?*

# How to reshape health & social services through innovation?

## Finnish policies to strengthen **demand** of innovations

- creating dynamics of competition on value: organisations have to deliver to flourish
  - investment in outcome measurement methods
  - fully open publication of provider performance (accessibility, quality, effectiveness, costs)
  - increased freedom to choose service provider
- boosting innovation by *outcome based* ways to procure and pay for services
  - pilots of outcome based service procurement
  - pilots of outcome based "bundled pricing" to come
- enhanced user involvement in service re-design

# How to reshape health & social services through innovation? New structures to harness the power of innovations

- initiatives to support leadership for change
- building regional R&D&I organisation
  - in conjunction to general health and social service provision reform
- strategic partnerships to support horizontal innovation policies
  - "SoTe Programme"
- infrastructure to disseminate and implement service innovations
  - "InnoVillage" innovation environment

# SoTe –Programme (Innovations in Health and Social Services)

- run by Tekes (Finnish Funding Agency for Technology and Innovation, under *Ministry of Employment and the Economy*)
- 240 m€ in 8 years
- wholly new ideology in Tekes
  - the programme implements general goals set by *Ministry of Social Affairs and Health*
  - steered jointly by several actors as a partnership
  - municipalities can qualify for funding
  - new funding tools
- strategic partnership in action - a first time journey to all involved!

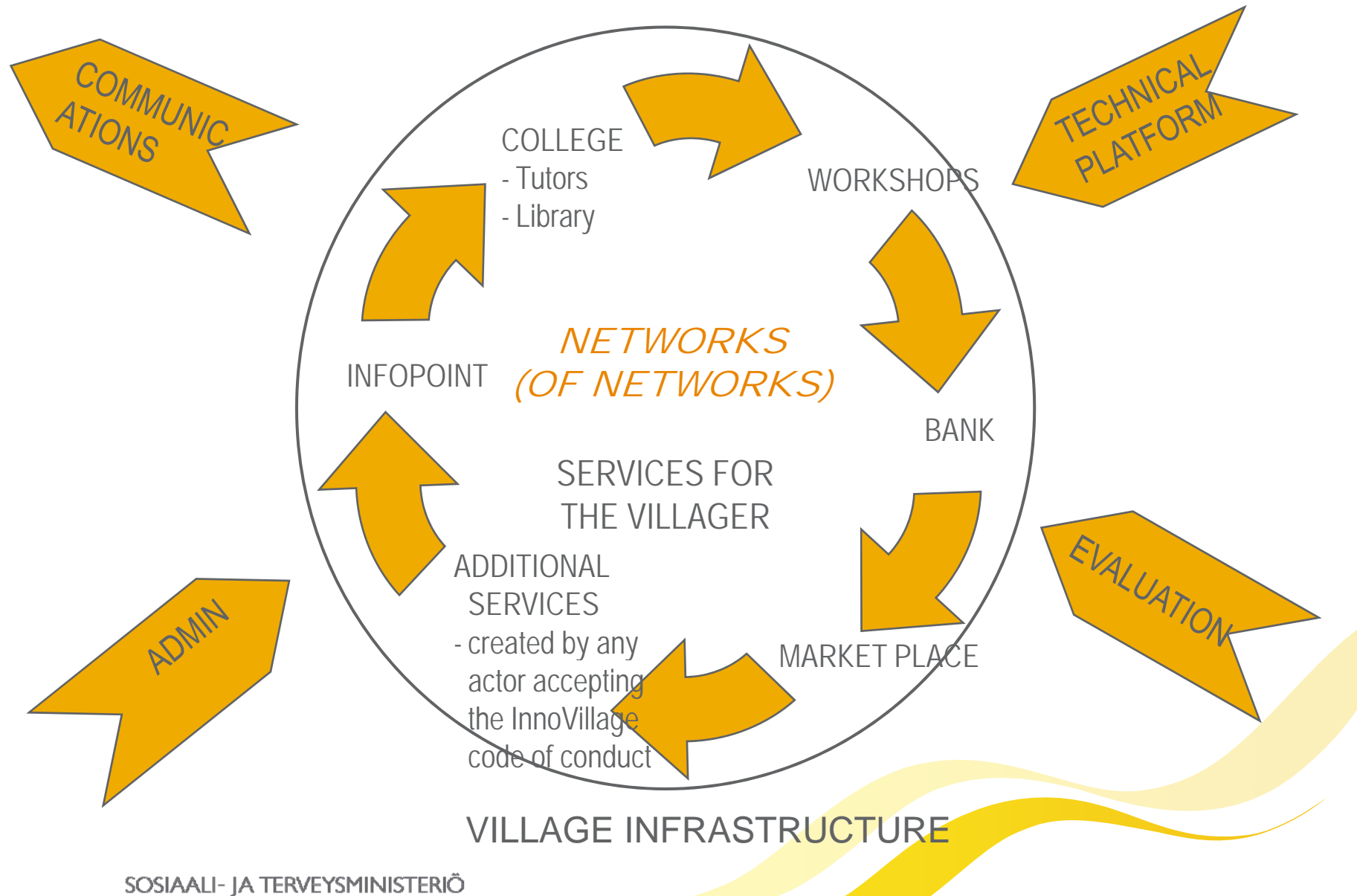
# ”InnoVillage” innovation environment – The Vision

- In 2013, Finland is European leader in exploiting cutting edge innovation environment solutions to reform its health and social care
- InnoVillage is a broad development community consisting of regional and national user, expert, and decision-maker networks...
- ... which exploit a continuously evolving set of social media and other web-based tools and services
- InnoVillage is not a project – it is a permanent and inseparable component of the service system

# InnoVillage – the Mission

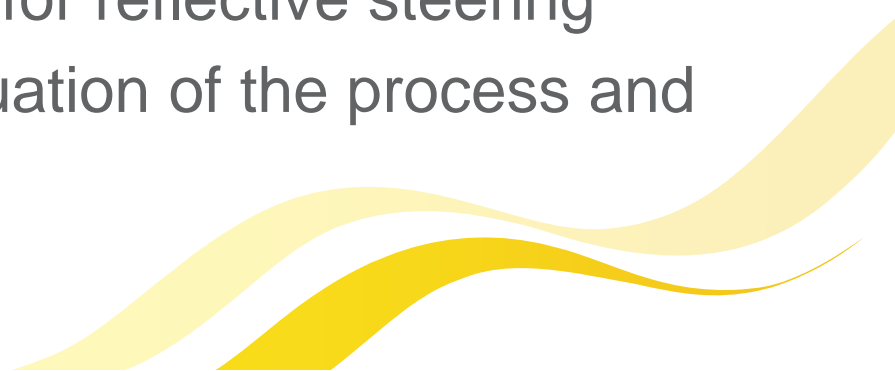
- socially and economically sustainable renewal of the services through enhanced creation, dissemination and implementation of service innovations
- this is achieved by
  - putting the **service user** on the driver's seat
  - utilizing **evidence** on the true effect of an innovation on system performance
  - collating, structuring and **mediating information** on service innovations and their impacts
  - **marketing** service innovations
  - enhancing **interaction** between various networks
  - inviting all **stakeholders to participate** and exploit the common public domain platform

# InnoVillage – the services



## InnoVillage – how to make it happen?

- an ecosystem that cannot be pre-planned in detail – has to grow "organically" according to added value as users find it
- major funding bodies and expert organisations join their efforts
- the funding bodies accept a certain amount of risk...
- ...and recognise the need for reflective steering based on continuous evaluation of the process and its outcomes



## Final remarks

- innovations are a necessary but not sufficient precondition for reshaping services
- "pushing" innovations by innovation funding alone is not enough
- national policies can be used to create systemic dynamics conducive to innovations
- the added value of new partnerships across policy sectors is to be seen in few years time
- InnoVillage actively seeks dialogue with related initiatives elsewhere

***Thank you!***

