

Overseas income generation: A beginners guide for the NHS



Healthcare UK is a joint initiative of the Department for International Trade, NHS England and the Department of Health and Social Care. We help UK healthcare providers to do more business overseas, by promoting the UK healthcare sector to overseas markets and supporting healthcare partnerships between the UK and overseas healthcare providers. We partner with a wide range of UK private and public sector organisations, ranging from NHS Trusts, to academic institutions and the Department of Health and Social Care arm's length bodies.

We work with the NHS to strengthen its capability and capacity to operate and succeed internationally. International healthcare organisations work with us because we offer a trusted route for developing world-class health services. We use our networks to facilitate government-to-government engagement for large healthcare programmes.

As part of the Department for International Trade, we work with our overseas network of Trade and Investment Advisers located in British Embassies, High Commissions and Consulates in over 100 markets, providing tailored support to UK companies.

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Executive Summary

There is increasing overseas demand for UK healthcare expertise and services, and much of this expertise can be found within the NHS.

This publication outlines the basic facts you need to know, and gives examples of best practice to help organisations new to exporting health services to start off on the best possible footing.

NHS organisations with successful international activities need to have formal strategic support from their board.

It is highly recommended that the first step is for NHS organisations to develop an international strategy, approved by the board and linked to a broader commercial strategy, against which specific international opportunities can be considered and evaluated.

Profitable international revenue streams can be developed from in-house skills and expertise using a range of service models, from one-off advice and consultancy through to establishing managed services overseas. Each model requires different resources, has different benefits for the purchaser, end-user and health economy of your trading partner, and involves different risks. The appropriate business model for your organisation must be considered as part of the overall international strategy.

Identifying and managing risk is key to successful international ventures. At each stage in the exporting journey organisations need to develop a deeper understanding of the strategic, clinical, governance, financial, operational and legal risks involved and take steps to mitigate them, dependent on the organisations risk appetite.

Telling potential customers about the specific services you can offer is crucial. Websites and brochures focusing on your organisation's international offers are highly effective marketing tools. Translating these into the language relevant to your chosen markets is a key next step.

Working with a local delivery partner can be an effective route to market. A series of up-front questions can help you decide whether and with whom you should go into partnership and reduce possible wasted effort.

Building relationships and trust with potential customers is essential to successful and sustainable commercial partnerships. Meeting potential customers when they visit the UK is cost-effective, but you will often need to make several overseas trips before winning business.

As with any commercial venture, each opportunity should be evaluated thoroughly in terms of commercial viability and risk. It is important to be clear from the start about the level of costs involved in developing a commercial relationship or making proposals, the up-front finance and capital required if successful, and a potential exit strategy or options.

Overseas customers will often have a problem to solve, rather than a specification. To pitch an offer successfully you need to articulate it as a bespoke solution rather than an 'off the shelf' product.

There are a range of financing options for international activity. If discretionary funds are not available, commercial finance and investments can be considered. NHS organisations could also consider partnering with commercial organisations to share costs and risks as well as insure against late or failed payments.

The quality or extent of NHS services should under no circumstances be compromised by the sharing of NHS expertise abroad. Healthcare UK will help NHS organisations develop their capacity and capability to operate internationally. This can lead to better patient care in the UK. International revenue can be reinvested in innovation and improvement in the UK and an international presence provides opportunities for staff development and recruitment and experience in delivering services to diverse populations.

Healthcare UK regularly supports overseas officials and new businesses to visit the UK and learn more about the NHS, as well as running regular missions to meet partners and customers in our priority markets. These missions are often led by senior government officials or ministers, who are accompanied by UK organisations looking to explore opportunities first-hand.

Healthcare UK – Your Trusted Export Partner

Healthcare UK aims to provide NHS organisations, which have limited international experience, with support to maximise success and minimise risk when beginning their export journey.

Healthcare UK has been successfully working with NHS organisations to support them on their export journeys, and win business overseas, since 2013. In the past two years, we have worked with NHS organisations who have generated export business worth over £100 million.

We are in the unique position of having first-hand experience of the challenges the NHS faces when looking to export and we work with NHS teams to identify their challenges and navigate through these, to generate business opportunities.

Through our global network of teams located in Embassies, we have unparalleled access to senior decision makers in other governments around the world and knowledge of new and exciting opportunities. NHS organisations work with Healthcare UK throughout their export journey, from considering if it's the right path for them and developing the right capability and capacity, to finding suitable opportunities and winning business overseas.

For example, Healthcare UK can work with NHS organisations to generate an international strategy, leading to a successful and sustainable international revenue stream, which can be used for innovation and improvement in UK patient care.

All of this means that we are well placed to help NHS organisations develop the skills and network needed to build overseas business, and also offer additional, expert resource when it is needed to provide extra capacity and hands-on help quickly.

The Healthcare UK Export Catalyst

Our Export Catalyst offers various ways for you to engage with our services, through personalised support, training courses, peer-to-peer support and online resources.

The Healthcare UK Export Catalyst is a new multi-tiered enhanced support service available to NHS organisations, designed to help build organisations' capability and capacity to undertake international commercial activity.

We will be with you right from the start and will provide continued support, right through to finding opportunities and winning contracts.

HCUK Export Consultancy - One-to-one bespoke consultancy to result in a plan, model, strategy or proposition for your organisation

HCUK Export Academy - Training courses to develop key exporting skills and knowledge

HCUK MarketMap - Support to identify and select priority markets, ranging from bespoke consultancy sessions to market overview documents

HCUK MentorNet - Events and other facilitated mentoring and networking activities enabling you to share learning and meet potential partners

HCUK Export Library - Online resources to support your export journey, including: tools, case studies, templates, sample plans and strategies

The Export Catalyst offers support in the form that will most benefit you. You can choose from:

- day to develop your organisation's skills,
- access to online expertise and templates so you can build your knowledge at your own pace and have a starting point for key documents,
- bespoke development support for your organisation when you need an expert pair of hands
- access to peer-to-peer support
- and, most importantly, facilitated engagement with overseas markets and opportunities.

The case for NHS international activity

Sharing UK and NHS expertise is one of the best ways in which the UK can help individual people overseas.

Fragmented models of delivery in high-growth economies are increasingly recognised as unsustainable in the face of increasing demand, rising expectations and the growing prevalence of long-term conditions. Our overseas organisations or governments are moving from heavy investment in infrastructure towards healthcare solutions that increase quality, efficiency and outcomes within the system.

These countries are increasingly open to, and willing to pay for, international expertise to help them 'leapfrog' in the development of their own health systems. There is growing awareness of the systemic cohesion, clinical quality and value for money that the NHS system provides in comparison with other international models. The NHS is often at the forefront of overseas partners' minds.

Revenue generated from international sources can alleviate pressure on budgets and be reinvested in innovation and improvement within the UK. This will improve the quality of domestic services and ensure that the NHS continues to be a world leader in the future.

Operating internationally will give NHS organisations a larger footprint in the global health labour market, increasing the availability of highly trained staff and bringing benefits to both the UK and partner institutions.

Experience in providing services for overseas patients and populations can also improve the delivery of services to diverse patients within the UK.

Why engage in international activity?

The five 'R's

Reputation: international activity enhances the global reputation of your organisation and the NHS.

Revenue: income generated from international sources can alleviate pressure on budgets and be reinvested in innovation and improvement with the UK. This will improve the quality of domestic services and ensure that the NHS continues to be a world leader in the future.

Research and learning: experience in providing services for overseas patients and populations can also improve the delivery of services to diverse patients within the UK. Staff can learn a lot from overseas work; and more formal research partnerships can contribute to breakthroughs in healthcare delivery.

Recruitment and retention: operating internationally will give your organisation a larger footprint in the global health labour market, increasing the availability of highly trained staff and bringing benefits to both the UK and partner institutions. Offering staff the potential for overseas experience also aids staff recruitment and retention within the UK's competitive labour market.

Reach: the NHS is one of the best health systems in the world. Sharing your expertise internationally ensures that a greater number of people benefit from access to world-class healthcare and means that the values and quality associated with the NHS have a global reach.

Underlying principles of NHS international activity

NHS international activity is supported by NHS England, Department of Health and Social Care and the Department for International Trade who jointly fund Healthcare UK to help NHS and DHSC arm's length bodies succeed internationally. Under no circumstances should the quality or extent of NHS services be compromised by the sharing of NHS expertise abroad.

The core purpose of sharing expertise internationally is to generate additional financial resources to reinvest in improvements and innovations to benefit patients in the UK.

The NHS organisations we work with abide by UK and international law and uphold the values of the UK and the NHS at all times, while making the necessary allowances for cultural sensitivity and respect for local practice.

The NHS 'brand' is held in extremely high esteem across the world and by participating in international activity the NHS acts as an ambassador for the UK. It is of utmost importance to protect and promote the reputation of the NHS and the UK at all times.

Kick-starting your international activity

Key steps:

1. Create an international strategy
2. Develop a general service proposal
3. Market your healthcare solution

This section provides best practice, hints and tips for achieving successful and sustainable international revenue streams.

The advice is structured into three key steps: creating an international strategy, developing a general service proposal, and marketing a healthcare solution. It also gives a high-level overview of the types of risks that should be considered throughout. The steps are not necessarily sequential and the boundaries are fluid, but consideration of these steps should provide a good foundation from which to begin.

Step 1: Create an international strategy

NHS organisations that have experienced success in their international activities need to have formal support from their board.

It is highly recommended that your organisation develops an international strategy, which sets out the vision for your organisation's involvement in overseas activity over one to five years and is endorsed by your board.

The first step in developing this strategy should be to take stock of the international activity that your organisation is already undertaking, whether commercial or philanthropic in nature.

For example, clinicians may have research and development links to international institutions, charitable healthcare links to developing countries, educational links such as a fellowship programme, or have familial or professional contacts within healthcare providers.

An understanding of what your organisation does well, matched with what you are already doing internationally and what you are good at domestically, can then be used as a basis upon which to build your international activities.

Once you have identified the services that your organisation

For a wealth of information and advice to help you start, grow or accelerate your international activity, visit www.gov.uk/healthcareUK

might look to internationalise, it is vital that you start thinking about the potential opportunities. The lack of a specific customer or request for your services should not deter you at this stage; but you should begin thinking about potential markets and demand as early as possible, to ensure best use of any time invested in developing a strategy.

As a minimum, an NHS international strategy would typically, contain the following:

- an exploration of the drivers (financial, philanthropic, reputational or otherwise) and the principles upon which your organisation will engage in international activity.
- a high-level outline of the types of international services that your organisation will seek to provide, including analysis of the comparative strengths and weaknesses of your organisation compared to other UK or global providers and amount of resources available for each of these activities.
- clarity on who is responsible for governance, oversight and delivery of the strategy and the safeguards that are in place to assure quality and minimise risk level.
- a decision on which target markets and patient groups to focus on, including any restrictions or limitations.
- a series of high-level, ambitious activities, objectives or milestones aimed at the realisation of the international strategy, including timeframes or deadlines for achievement.

Your international strategy can then underpin all international activity and provide a framework against which individual international opportunities can be considered and evaluated.



Step 2: Develop a clear proposition

Potential service models:

Delivering services remotely from the UK

Providing services to international customers in the UK

Consultancy and professional services

Joint ventures, licensing and franchising

There are many ways that NHS organisations can deliver services to overseas providers, ranging from one-off advice and consultancy, training and development programmes, establishing and delivering a clinical service to patients directly in an overseas market, or providing operational and managerial oversight.

Each model of service delivery has implications in terms of the level of resource and risk involved, and will have different benefits to the purchaser, end-user and health economy of your trading partner.

An international strategy should provide enough direction to create one or more high-level service proposals, outlining the services you would like to deliver to overseas markets.

Healthcare UK can provide advice and support as you develop your proposals and begin to promote your services to potential overseas customers by highlighting your proposition in our overviews of what the UK has to offer as soon as you feel ready. We use these UK Offer overviews to ensure our staff in the UK and in overseas Embassies and High Commissions are fully informed, enabling us to react to specific requests for services from overseas customers, and to familiarise potential customers with what the UK has to offer.

There are a range of potential service models that NHS organisations might consider deploying to generate revenue from outside the UK.

Delivering services remotely from the UK

Advances in communications technology and transportation are increasing connectivity across the globe. Many services can be delivered to overseas customers remotely from within the UK. Examples of services being delivered remotely include tele-consultations, remote diagnostics, screening and testing of samples, and online learning.

The **advantages** of remote service provision include:

- services can often be provided with relatively little marginal cost or capital expenditure by making use of spare capacity within existing infrastructure, systems and services
- it is easier to ensure quality and regulatory compliance because the service is embedded within existing quality assurance and governance processes, and you are familiar with domestic requirements
- you can charge for services in GBP, avoiding issues of exchange rate fluctuation; and you can use existing finance and payment systems and models
- you can reach large volumes of customers across a wide geography and those receiving the service do not have to travel far to receive high-quality, cost-effective treatment.

The **disadvantages** of remote service provision include:

- quality of overseas technology and network connectivity can create limitations
- because the activity takes place in the UK, knowledge and skills transfer to overseas professionals is restricted, limiting the benefit to the health system and economy of international partners.

Step 2: Develop a clear proposition

Providing services to international customers within the UK

International customers are often prepared to travel to the UK to benefit from our world-class services, and this is often an attractive option for UK organisations. For example, you could invite international students to train within your organisation or convene a course for international delegates within the UK. Many hospitals have an existing private patient unit with capacity to increase the volume of international private patients.

Many of the advantages are similar to remote service provision, insofar as the set-up costs are relatively low compared to establishing services overseas.

It may be easier to ensure quality of delivery in the domestic setting, and you will generate your revenue in GBP. However, as with some aspects of remote service provision, delivering services to international customers within the UK may do relatively little to help our international partners improve the quality of their domestic health systems.

Consultancy and professional services

There is potential for NHS organisations to generate international revenue through sharing know-how. Providing professional advice to purchasers and providers of healthcare in overseas markets is one way of doing this.

This might include:

- a baseline review or needs analysis of a system or service
- programme management
- strategic planning
- help with (re)design of clinical pathways or specific services
- any combination of these.

NHS organisations drawing on their direct experience of the delivery of clinical services have a potentially powerful consultancy proposition. Skills and experience in process consulting, gained through clinical and administrative redesign activity, can be commercialised and offered internationally.

However, many existing professional services organisations have international footprints, track records and proven methodologies to draw upon, as well as established relationships with key customers that position them to outcompete NHS organisations entering international markets for the first time.

For this reason, NHS organisations may wish to consider partnerships with commercial entities whose market reach, business development capabilities and commercial expertise could enable them to leverage their own expertise. There is a robust commercial consultancy and professional service sector in the UK that can help you access the international market. You may already have worked with these organisations on domestic programmes and will therefore have good contacts. Care should be taken to ensure that any partnership is well balanced.

Step 2: Develop a clear proposition

The **advantages** of delivering consultancy and professional services include:

- in many cases you will have the experience and intellectual property within your people and organisation to deliver these services, and other health systems are looking to the NHS for clinical, financial and operational lessons learnt
- you will likely have relatively good existing international networks from your clinical and managerial leaders, which represents a good way to access opportunities
- your risk exposure is comparatively low, as long as you structure your contract and deliverables in a sensible way, drawing on professional advice as appropriate.

The **disadvantages** of delivering consultancy and professional services include:

- competition from existing professional services organisations in the UK and overseas
- exploring opportunities and developing proposals takes a significant amount of time and potentially resource investment - certain markets expect needs- analysis to be done pro-bono before paying for recommendations and implementation advice
- you will need to assess a suitable price point for your services in different markets
- revenue streams can be comparatively short-lived

Joint ventures, licensing and franchising

In addition to providing professional advice, it is possible to generate longer-term revenues from making an active contribution to the delivery of your services in another country. There are a range of legal models through which this can be achieved involving partnering with a local entity. There may be a variety of approaches available for commercial arrangements within a general agreement for partnership.

The right business framework is critical to the success of the international expansion and local enterprise.

There is a great deal of flexibility in how a contract can be negotiated and how different needs may be satisfied. It is important to seek advice from a legal firm experienced in this and other areas of international work.

Directly providing managed healthcare services in overseas markets can bring significant rewards, but entails a degree of commitment of capital and resources which may prove prohibitive for many organisations. The exposure to risk is correspondingly greater than other available business models. Therefore, a partnership with a UK investor in overseas healthcare may be worth considering.

Joint ventures

Many international customers prefer the UK organisation to take an equity stake in the new local overseas business, which often signals a long-term commitment to the country and the opportunity. Certain countries have regulations preventing foreign ownership of local entities in the health sector, which prevents overseas organisations from owning a majority shareholding.

UK organisations can also form partnerships to develop and deliver international projects. These partnerships allow organisations to pool resources, share risk and bring together different skill-sets.

Step 2: Develop a clear proposition

Partnerships with private sector organisations can be an effective way of accessing capital.

Joint ventures should be approached with caution. They require initial cash or capital investments and agreements are usually very complex to negotiate (leading to high legal expenses). It can be very hard to exit swiftly and retain the initial capital. Minority shareholders have relatively little control of the business, and dividend payments are taken from profit rather than revenue.

Nevertheless, it is possible to develop a highly profitable business through joint ventures.

Licensing

It is possible to license a local entity to provide your services in market.

A potential contract might include a combination of fees for:

- consultancy, initial scoping studies and other services
- licenses for intellectual property, including know-how, and use of brand names
- block contracts for pre-specified pieces of work
- fees for training courses and other services to be provided by the UK organisation
- clinical software
- use of regulatory and quality control packages
- innovative service models.

Appropriate licenses can be agreed whereby different services provided attract individual income streams over varying lengths of time and reflect different levels of UK input. However, licensors have less control over how the customer actually uses the intellectual property, brand or the know-how than franchisors.

Do you need a delivery partner?

Key considerations

You may decide that the best route to market in a particular country is by working with a local delivery partner. In some countries and sub-sectors, this is the only way to market.

Business development resources are limited. It is therefore imperative that you ask the following key questions before proceeding:

- Can you deliver this opportunity to satisfactory risk levels without partnering with another organisation?
- Are you able to leverage the capabilities of a private sector partner to achieve scale overseas without impacting on your domestic service provision?
- Who is the right partner and what commercial relationship should you look to enter into?
Options include one-off advice through to a long-term partnership agreement.
- How will partners use your brand?
- Use of your brand by a partner could affect your reputation.

Franchising

Franchising is a more complex form of license but one which offers a comprehensive means to deliver a holistic service overseas or to grant rights to a local entity while maintaining strong controls over the local franchisee. Traditionally, a clear definition of how the services are to be provided comes in the form of a manual. The franchisor provides the manual and then monitors the franchisee's adherence to the manual.

Many forms of franchise agreement also include other rights for the franchisor such as control over key staff appointments or access to customer data. They can also contain obligations on the franchisee to undertake training and other quality control measures to ensure that the reputation of the franchisor's brand is not put at risk and that the services are delivered to a certain standard.

The franchisee usually pays an up-front fee for the grant of the franchise as well as other regular fees to the franchisor for services provided. Agreements can cater for both use of the franchisor's brand or 'white label' products and services (where the franchisee can use and grow their own brand with the confidence that the quality behind that brand is of the high standard of the franchisor).

UK organisations can maintain high levels of control of revenues and reduce financial risk, as no up-front investment is required and multiple franchises can run simultaneously. Writing the manual is an up-front cost but once this is done the manual can be used in multiple other contracts. The franchisor can exercise its exit clause if not satisfied with the quality of the service being delivered by the franchisee. Agreements can provide for a variety of fees paid by the franchisee including fees set as a proportion of turnover.



Step 3: Market your healthcare solution

Developing marketing material:

- Do you need a delivery partner?
- Identifying opportunities
- Building relationships with potential customers
- Assessing client suitability
- Pitching your offer
- Assessing opportunities

Once you have put in place an international strategy and have chosen to explore one or more service delivery or business models, you will be able to start refining your specific service proposal.

Developing marketing material

In almost all cases, services available to international customers differ from the services provided within the UK. Ensuring that potential customers are aware of the specific services that they can access is essential.

Giving potential customers something tangible to take away from meetings is a good idea.

An international brochure, which outlines your organisation's credentials, your track record and your unique selling point, as well as the specific services you are able to offer internationally, can be used in meetings and also at overseas events.

In articulating your track record, highlight any previous international activity, so that the customer understands that you can work in different healthcare systems and markets. The esteem in which the NHS is held across the world can act as the basis of your organisation's global unique selling point, but an association with the NHS brand will not be enough in itself to persuade a potential customer to buy your specific services.

NHS organisations are not licensed to use the NHS logo in isolation when operating overseas but are free to use the NHS logo as part of the organisation's name. Use of the NHS title and image within an organisation's name conveys that the organisation's main purpose is to deliver healthcare for the NHS in the UK. It is therefore able to deliver services to high levels of quality and clinical standards.

For example, you may label your overseas services in the following (non-exhaustive) ways:

- licensed to [overseas partner] by [NHS organisation]
- a joint venture between [NHS organisation] and [overseas partner]

Step 3: Market your healthcare solution

It is important to remember that the NHS brand and logo is owned by the Department of Health and Social Care, and its use cannot be included in any commercial agreement between an NHS organisation and a partner or buyer. For example, an NHS organisation could not receive a brand fee from a partner in return for the use of the NHS logo.

In this digital age, replicating the content from your brochure on a web site is a great way to connect with potential overseas customers and allows them to get in touch at a click of a button. It also presents a professional overview of your organisation and builds credibility for your services and expertise. A social media strategy can be effective, depending on which markets you want to access.

Where there is a language barrier to overcome, you should aim to make your international offer available in the language of your customer. At the very least, a translated summary should be made available. You should aim to ensure that an interpreter, fully conversant in healthcare/medical terminology is present at meetings. Country-specific Business Councils will often work with DIT to support you to enter markets.

Identifying opportunities and building relationships with potential customers

Healthcare UK has in-market specialists in our priority countries, who identify and generate opportunities that are suited to UK capabilities. Using the Department for International Trade's network in over 100 countries, Healthcare UK can facilitate introductions to potential customers across the globe.

Healthcare UK acts as a central point of contact for overseas organisations looking for healthcare services and expertise, and can help you build relationships with potential customers in a number of ways:

Inward visits

We recommend that NHS organisations take advantage of the numerous visitors who pass through the UK to learn from the NHS first-hand. This represents a cost-effective way to engage with overseas delegations to educate them about the NHS and service that you deliver domestically, as well as an opportunity to promote the services you can deliver internationally.

Outward missions

Healthcare UK runs a number of trade missions to each of our priority markets every year. These missions are usually led by a minister, a senior government official, or one of the Prime Minister's trade envoys, and they are an effective way to engage with senior decision makers in these markets. There is no substitute for meeting face-to-face with a potential customer and getting a feel for the environment in which your services will be delivered.

Memoranda of Understanding (MoU)

Healthcare UK facilitates government-to-government MoUs, which act as an umbrella for UK organisations to engage with healthcare purchasers and providers in a particular institutional or geographic area. These agreements are legally non-binding but are a commitment by both parties to work together to address specific challenges.

Step 3: Market your healthcare solution

Assessing client suitability - Key considerations

- Have you checked that you are not conflicted in working with the customer on this opportunity before a proposal is submitted, for example are there registered declarations of interest on your board?
- How well do you know the customer and do you know enough about how they work commercially and financially to trust that they will be able to pay you? For example, have you undertaken necessary financial due diligence and anti-money laundering checks?
- Do you have recognised and named customer managers within your organisation, who will lead projects and overall customer satisfaction?
- Do you know how you will price your services, whether this matches the customer's budget and will make you a profit?

Dialogue with potential customers will increase your understanding of the cultural context and healthcare environment within which you aim to operate, and the challenges that the customer is trying to overcome. You will develop a deeper understanding of the health issues and challenges that the country is facing; and therefore how your services can help the country, its people and its commercial potential.

Global Health Development & Aid-Funded Business

Many NHS organisations are already working internationally through philanthropic work in developing markets across the globe. We recommend exploring transitioning to commercial activity to generate income that will help reinforce your philanthropic goals. Healthcare UK can also help you access aid-funded opportunities including the World Health Organisation, NGOs, Regional Development Banks and UK international development funding, including the Prosperity Fund, to share your expertise in global regions that need it the most.

Presenting your offer: **Your offer should be succinct**

Not all overseas purchasers of UK healthcare services have a well-defined set of requirements. Even public tenders and formal requests for proposals may be framed in terms of healthcare challenges to be overcome rather than narrowly defined solutions. Opportunities may equally well arise from introductions to potential customers who need support in finding potential solutions to less easily definable challenges.

You may wish to frame your proposal as the solution to a specific health or healthcare issue and offer a long-term commitment, rather than a discrete product or service.

To do so, you will need in-depth understanding of the context in which you intend to operate and the needs of your customer

Crucially, you will need to develop an understanding of the financial and commercial incentives within the existing system, and how your service will complement or disrupt these incentives. This requires a grasp of the return on investment that the purchaser of your service can expect, whether the purchaser is a government, healthcare provider or patient.

This in turn will enable you to develop a proposal that clearly articulates the vision for your service and the benefits to both the purchaser and end-users within their specific healthcare system.

UK Export Finance can provide guarantees to loans provided by a UK-based bank or provide funding directly to your overseas buyer to allow them to purchase your UK goods and services.

www.gov.uk/uk-export-finance

Step 3: Market your healthcare solution

Assessing opportunities

Each opportunity must be assessed on its own merits, for commercial viability and for risks. The following factors should be taken into consideration when making this assessment. They do not apply equally to each opportunity, nor is the sequence in which they appear chronological. However, they are all important considerations in assessing whether to proceed with any commercial endeavour.

- How well defined is the need?
- Is there a formal request for a proposal?
- What are the likely costs involved in bidding/developing a formal proposal, and up-front costs of delivery if the bid is successful? ensure you consider separately the risks of bidding for and delivering on the contract
- Will you need to raise finance?
- Are there in-house discretionary funds available?
- How are these accessed?
- Will you need to look for commercial finance or loans?
- Could you seek investment?
- Will you require any customer(s) to pay a proportion of the fees up-front?
- Is the business model proposed the right one?
- Could the same financial/ service outcome be achieved with a lower level of risk?
- What is your exit strategy?
- Who are the competitors?
- Are they likely to bid? If not, why not?
- What will your pricing structure be and/or how will prices be set?
- Will you look for immediate profit or market penetration?
- How long could it take until a return on investment is achieved?

In addition to these questions, an in-depth consideration of the risks listed in the following section should be core to any assessment of whether to formally pitch or bid for a given opportunity. Once you have assessed the risks, you should seek approval from your board to proceed.

Identifying and Managing Risk

One of the key internal barriers cited by those with experience of exporting NHS services is an organisational lack of understanding of the risks involved. Prior to approving international activity, your board will want to be confident that you have considered and acted to mitigate the risks involved.

At each of the stages throughout your international journey, you will need to develop a deeper understanding of the risks involved and potential controls and mitigation strategies for reducing risk. As a minimum, you should understand the key risks to your organisation relating to the following:

Strategic

How would the success or failure of international initiatives impact on your organisation's wider commercial strategy?

Clinical delivery

Are you able to effectively balance workforce requirements for clinical and managerial delivery outside of the NHS with day-to-day requirements for core clinical delivery for the NHS? Are you confident you can deliver a quality service to your overseas customers on an on-going basis?

Clinical governance

Do you have adequate understanding of how to manage clinical governance and responsibilities while providing services or advice overseas. Do you understand accountability and potential penalties for individuals and organisations for clinical shortfalls?

Financial

What risks arise from financial liabilities relating to international activity? Have you considered how interest or exchange rate fluctuation might impact on profitability? Have steps been taken to understand the domestic and international tax requirements?

Regulatory and legal

Is there any current legislation or regulation that prevents you from delivering your intended service? Are the legal, policy and regulatory environments stable or likely to change in future? Have you identified organisations with which your organisation could share and mitigate the risk?

Reputational

How will your international activity be perceived by domestic stakeholder groups? What are the potential implications for your organisation's reputation domestically and internationally? How can these be managed?

Ethical

How might the delivery of healthcare outside of the UK differ from the ethical framework within which you operate in the UK?

Have you considered and communicated any ethical 'red-lines' to potential customers?

Safety, security and resilience

Have you considered the likelihood of your staff encountering danger and taken appropriate steps to ensure their safety and security? Have you planned ways in which your services could be made more resilient to major disruptions?

A deep understanding of the risks associated with international activity under each of these broad headings will be necessary as you move towards consideration of specific opportunities and partnerships. At the very least you will need to invest time, which has an opportunity cost, and resources to develop the service proposition and build relationships with international customers.

Getting started

Once you are clear about the international activity your organisation is already involved in, and you have an idea about the kinds of skills and expertise that you wish to provide internationally, Healthcare UK can help you to refine your international offer and become fully export-ready. We can link you with individual overseas opportunities and facilitate market access. We will help you find UK or overseas delivery partners and provide insights on political, cultural and commercial issues to put you in the best possible position to win international business.

Healthcare UK helps NHS organisations kick-start their international commercial activity, maximising your chances of developing, or increasing, successful and sustainable international revenue streams.



Overseas demand for UK expertise

Healthcare UK has identified aspects of healthcare where there is both considerable demand overseas and the UK can offer a depth of experience and innovative solutions.

Clinical services

The NHS has sophisticated, well developed, integrated clinical services. Primary care in the UK is recognised internationally as a leading service. It is based on a high-quality, multidisciplinary model designed to improve accessibility, sustainability and clinical outcomes. It is also a mode of delivery which is underdeveloped in many emerging economies, including Healthcare UK's priority markets.

Historically, NHS hospital and community services have been much admired for their consistent standards of care and expertise. There is a growing recognition that the care pathways being developed in the UK for non-communicable diseases such as diabetes and chronic heart disease offer high-quality outcomes for patients and value for money, especially when applied to large populations of patients.

Similarly, mental health services are very well developed and combine the latest diagnostic and treatment approaches with an ability to offer services at scale across whole communities.

The NHS also has extensive experience in treating an increasingly elderly population, a new challenge now being faced by many of our markets.

Much of the international demand is for NHS assistance in developing and implementing the high-quality clinical services that UK patients have come to expect as standard. It is not necessary to be a world-leading, super-specialist hospital to develop international partnerships; each and every healthcare provider in the UK has something to offer which is in demand.

Overseas demand for UK expertise

Education and training

The demand for high-quality health services is escalating worldwide, driving an expansion of the workforce with the appropriate skills. Training is a top priority in each of Healthcare

UK's priority markets. The UK has an enviable clinical and medical education and training system. And is home to three of the world's top five universities for clinical, pre-clinical and health subjects, producing excellent doctors, nurses and allied health professionals (1). The UK provides high-quality leadership and management training with its world-class postgraduate and specialist training pathways.

(1) Source; <https://www.timeshighereducation.com/student/best-universities/best-universities-medicine>

Health systems development

Through developing and operating the NHS for 70 years, the UK has the know-how to partner with governments and providers to support the design and development of innovative, cost-effective and evidence-based models of healthcare delivery. The UK has one of the more advanced public health systems.

Strategic strengths include:

- public health promotion, protection, improvement, surveillance and screening
- epidemiology
- quality assurance and regulatory standards
- the development and control of drugs, vaccines and immunisation programmes
- system design for major health incident response
- system-wide improvement and transformation.

Furthermore, the UK has an outstanding track record in early-stage and translational health research.

Digital health

The UK leads the way in many aspects of digital health, thanks to a world-leading academic base, its visionary clinicians and policy makers, and support from the NHS through commissioning and delivery of services.

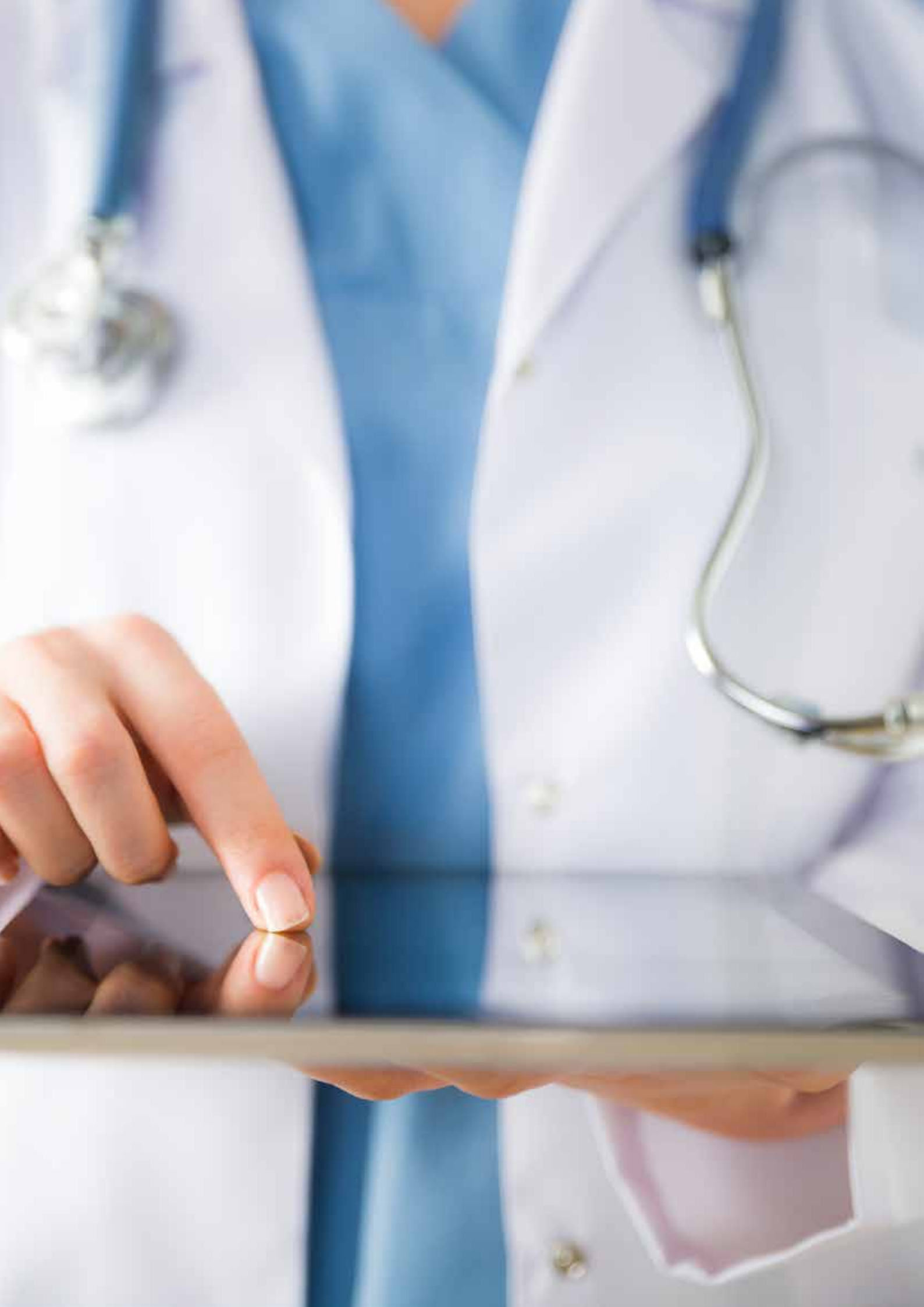
The UK's in-depth expertise includes the design and delivery of national and local electronic health records; the adoption of patient-centric care driven by tele-health and tele-care; the development of effective healthcare IT policies and standards; the creation of powerful population health analytics; and the ability to manage a complex supply chain while delivering regional and national digital healthcare programmes.

Infrastructure services

Many countries are embarking on major healthcare infrastructure developments, ranging from comprehensive state-of-the-art medical cities to front-line facilities for local communities. UK organisations are leaders in the financing, design, build, and operation of healthcare facilities.

The UK is a pioneer in the design of advanced facilities and the integration of communications and information systems. The UK also has significant experience of public-private partnerships, which can enable the provision of efficient and cost-effective public services in modern facilities while reducing the financial risk to governments and healthcare providers.

There is demand for the NHS to advise on effective structuring of public-private partnerships, assist with healthcare facility and service design, and support the operation of services in new-build projects, subsequently transferring knowledge and operations to local providers.



Healthcare UK – About us

Healthcare UK helps British healthcare providers to do more business overseas. We do this by promoting the UK healthcare sector to overseas markets and building strong links with overseas governments, businesses, healthcare providers and academia.

We connect overseas buyers and partners with the unrivalled expertise of the NHS, the UK's thriving commercial healthcare industry and our world-renowned academic sector. As specialists in healthcare partnership working, we act as the bridge between international demand for healthcare service, systems and infrastructure and the rich pool of UK know-how and capability in these fields.

We specifically work with the NHS and other public sector bodies to strengthen their capability and capacity to operate and succeed internationally.

Healthcare UK offers a range of services to help NHS organisations, and Department of Health and Social Care Arms' Length Bodies, to become export-ready, through the Healthcare UK Export Catalyst. These services include training courses, bespoke consultancy, market selection support, and mentoring and networking opportunities, as well as an export knowledge library offering guidance and templates.

Healthcare UK – About us

When NHS organisations are ready to start explore overseas opportunities, Healthcare UK can support them with the following:

- assisting NHS service providers to identify and match the potential needs of overseas purchasers and partners
- providing NHS organisations with an understanding of individual overseas opportunities
- catalysing the formation of consortia of UK organisations (NHS and other) to provide solutions to overseas healthcare challenges and opportunities
- helping NHS organisations to find local partners to facilitate market access
- providing insights on political, cultural and commercial drivers in target markets to enable NHS organisations to position themselves optimally
- helping NHS organisations navigate the negotiation and tender process effectively
- introducing NHS organisations to our network of Department for International Trade healthcare colleagues in overseas markets

To find out more about how Healthcare UK can help you succeed on your export-journey, contact us:

Call : **+44(0) 20 7215 5000**

Email : **healthcare.uk@trade.gov.uk**

Visit : **www.gov.uk/healthcareuk**





Department for
International Trade

www.gov.uk/healthcareuk

Department for International Trade

Department for International Trade is the Government Department that helps UK-based companies succeed in the global economy. We also help overseas companies bring their high-quality investment to the UK's dynamic economy acknowledged as Europe's best place from which to succeed in global business.

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