

Moving Forward: Taking PMS Vendor Management to the Next Level

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Abstract

Health system external software vendors are key stakeholders in the successful delivery of the Ministry of Health's strategic initiatives, such as the Primary Health Care Strategy and a population health approach to health care. This paper will outline the Ministry's current engagement model and lessons and initiatives to-date. It will identify major drivers and opportunities for change, and discuss how the current framework is being further developed and enhanced to take advantage of these opportunities. A proposed way forward will focus on an enabling model that leverages off the business units within the new organisational structure and builds upon the strengths of current Ministry engagement mechanisms and initiatives such as the PMS National Vendor Forum, the Connected Health programme, and the NZ Health IT Cluster.

Introduction

Information technology and innovation, collaboration, coordination and whole-of-system outcomes have become increasingly important to obtaining a person centred, quality and connected health system in New Zealand and overseas.

Health system external software vendors are key stakeholders in the successful delivery of the Ministry of Health's strategic initiatives, such as the Primary Health Care Strategy and a population health approach to health care.

This paper will outline the Ministry's current engagement model, lessons and initiatives to-date, identify drivers and opportunities for change, and discuss how the current framework is being further developed and enhanced. Interviews have been/will be conducted with key Ministry, health system and software vendor stakeholders. Trends, examples and case studies from New Zealand and other countries will also be referred to.

Background

To assist in the management of the relationship between the Ministry and external software vendors, the Ministry in 2003 commissioned a review of the relationship, roles and responsibilities of the parties. A major recommendation from the review was to create a vendor liaison framework that would:

- Improve and foster the relationship between the Ministry and primary care external software vendors, and
- Establish communication mechanisms that would promote and support these working relationships.

A software vendor liaison/advisor role was created in 2004 and with the support from the Ministry and software vendors, the software vendor liaison framework over the past four years has:

- Created a consistent approach for engagement between Ministry and external software vendors
- Established the Primary Care National Vendor Forum
- Centralised Ministry communications to primary care vendors
- Established a higher level of trust between the Ministry and external software vendors.

Historically and for practical reasons the above initiatives to-date have been largely within a primary care, practice management systems (PMS) framework. However, various drivers, opportunities and challenges now present themselves indicating that the current successful PMS model, particularly from an operational/implementation and enabling perspective, could be replicated for the secondary, tertiary and NGO software vendors and stakeholders.

Drivers and Opportunities

There are several drivers and opportunities to further develop the Ministry's external software vendor relationship framework, two of which are discussed in more detail below.

First, various key Ministry strategy documents. The New Zealand Health Strategy (2000)[1] which provides the framework within which organisations across the health sector will operate and which highlights the priorities the Government considers to be the most important, such as improving immunisation coverage and reducing the incidence of diabetes. Sitting alongside this is the Primary Care Strategy (2001)[2] which ensure a strong primary health care system, and key Health Targets (2007/08)[3] to focus resources and improve performance.

Second, in 2007 the Ministry underwent significant changes. Structure and role changes were made at the Executive Leadership Team level, and a capability-building work programme was established. Responsibilities and leadership continue to be strengthened across the organisation, with clear accountabilities being established at the second and third tiers. Infrastructure (ie. health information systems as well as the health workforce) has been identified as one of the areas of focus for 2007-2010 by the Minister.

One of the major roles of the Information Directorate is to provide leadership and consolidate the capacity to manage the sector's information systems. The review and reorganisation of the Information Directorate in March-June 2008 has positioned the Directorate to successfully deliver on its performance objectives. And in particular, has established a leadership team to drive the directorate to achieve roles and deliverables.

Within the Information Directorate is the newly established Relationship Management Group. The responsibilities of this Group include: recognising customer stakeholder interests and needs; and determining and implementing, or overseeing, the implementation of mechanisms for stakeholder involvement and engagement.

External software vendors are key stakeholders in the successful delivery of the Ministry of Health's strategic initiatives and this has been recognised by the establishment of a vendor relationship management team within the Relationship Management Group. This team is currently working on a Ministry-wide engagement framework.

Proposed Way Forward

The new organisational structure will allow the Information Directorate to make decisions about priorities based on health system priorities and enable it to better manage the balance between service delivery activities and strategic/leadership activities. The new structure is designed to leverage capability across business units to create value and which to better anticipate and manage risks. Integration and interaction between business groups and customers will be critical in achieving a person centred, quality and connected health system in New Zealand

A vendor engagement framework will focus on a model that leverages off the business units within the new organisational structure and builds upon the strengths of current Ministry engagement mechanisms and initiatives such as the PMS National Vendor Forum, the Connected Health programme, and the NZ Health It Cluster. The framework will:

- Enable ministry business owners, units and project managers. For example by identifying and establishing and/ or building key support and business mechanisms within the Information Directorate such as the management and maintenance of vendor contracts.
- Enable primary, secondary and tertiary care software vendors, for example, by replicating the current successful PMS model for the secondary, tertiary and NGO software vendors
- Position the Ministry to play a key leadership role towards a more integrated, coordinated health care system whilst strengthening health services we can trust and taking a strategic and operational view of the key underlying enablers.

References

[1] Ministry of Health. The New Zealand Health Strategy (2000), Wellington, NZ.

[2] Ministry of Health. Primary Care Strategy (2001), Wellington, NZ.

[3] Ministry of Health. Health Targets (2007-08), Wellington, NZ.