ACTIONABLE RECOMMENDATIONS FROM THE EIT HEALTH THINK TANK ROUND TABLE SERIES

Funding and reimbursement



In terms of funding for the development of AI tools, participants considered that investors need to develop a good understanding of AI and have knowledge of the expected financial return of a new AI application in order to decide appropriate investment. Not every project will generate high revenue immediately, some will generate income or savings over time, but this needs to be clear from the start. It was recognised that quantifying return on investment can be difficult as the data generated by AI applications has a value in itself and should be considered in this calculation.

It's important to work out what value an AI solution brings – what is the return? Does it save costs, does it make revenue? The biggest challenge in moving AI projects from proof-of-concept to pilot and through to being fully operational is establishing the project's value, and the associated investment required to launch it.

> Marie Wallace, Data Strategist, IBM Watson

Cost-effectiveness of AI applications is an important consideration, and improved methods are needed for its assessment in order to determine whether the positive outcomes that data-driven technologies may bring can be balanced against the costs invested for their research and development. Participants at the Round Table Meeting in Ireland proposed that national funding should be secured for the development of Al use cases to demonstrate their successful application. The need for new financial models focused on outcomesbased/value-based healthcare reimbursement was universally agreed across the Round Table Meetings. A key issue that was identified in many countries was a lack of funding within hospitals, not only for digital transformation, but also for the adoption of AI applications that are not discrete medical devices. These types of AI solutions incur change management costs, workflow adaptations and training, and it is often difficult for hospitals to make such investments.

Case study:

Reimbursement for AI tools based on outcomes

In the US, the first cases of <u>reimbursement of AI tools by the</u> <u>Centers for Medicare & Medicaid Services</u> have been reported. Examples are an application that can diagnose a complication of diabetes that causes blindness and one that alerts a specialist when a brain scan suggests a patient has suffered a stroke.

Improved funding for AI

In Germany, the Hospital Future Act, passed on 20 September 2020, and the establishment of the Hospital Future Fund both offer improved opportunities for Al. Funds for digitising clinic areas became available on 1 January 2021. The federal government has promised to provide €3 billion and the federal states are to contribute a further €1.3 billion.