WHAT ARE THE BARRIERS TO HEALTH CARE INNOVATION IN CANADA, AND WHY DOES IT MATTER?
Thought-provoking new report presents three key recommendations to ensure the sustainability of the Canadian health care system

TORONTO – September 17, 2010 – The sustainability of health care in Canada is tied directly to its ability to adopt and integrate innovations, according to a new white paper on the subject released today. Innovation Takes Leadership: Opportunities & Challenges for Canada’s Health Care System was presented by the Chair of the Ivey Centre for Health Innovation and Leadership, Dr. K. Kellie Leitch. The paper sheds light on where improvements to how Canadian health care adopts innovation, and develops stronger leadership capacity to support innovation, could make a significant positive impact to the sustainability of health care in Canada.

"We need to adopt more innovative technologies, processes and procedures so we can preserve and grow the Canadian public health care system,” says Dr. Leitch, Chair of the Ivey Centre for Health Innovation and Leadership; Director of the Health Sector MBA program at the Richard Ivey School of Business, University of Western Ontario; and orthopaedic paediatric surgeon at the Hospital for Sick Children in Toronto. “Today’s white paper provides a path forward to develop and unleash a ‘knowledge leadership army’ within the health care system to create the innovation adoption culture that our system needs.”

The white paper provides three key recommendations:
• **Grow the leadership capacity** for innovation in Canada’s health care system through education, skills development and team building across all of the health system. For example, every health institution in Canada should make someone responsible for innovation. Doing so will develop a culture that can identify, understand, embrace and enable innovation.
• **Build momentum** for innovation within the system starting with small projects first. The health system is complex and needs to “learn early and fail cheap”, instead of doing the opposite, which is more typical.
• **Create a culture** across the health system that puts focus on adoption and development of ideas and innovations, not just the creation of new knowledge.

“What the report tells us is that while there are systemic challenges limiting the efficiency and effectiveness of our health care system, the potential for improvement is enormous,” says Dr. Anne Snowdon, co-author of the white paper, and Adjunct Faculty Member with the Centre. “By focusing on the right levers within the context of our public health care system, we truly can make health care a source of sustainable competitive advantage for Canada.”

The Centre, established in 2009, is situated within the Richard Ivey School of Business at The University of Western Ontario. It runs the only health-focused MBA program in Canada – the “Health Sector MBA”. The Centre’s mission is to promote the adoption of innovations in technology, business processes and procedures; identify best practices for Canadian health care; and help develop the leadership talent that will create a culture for innovation adoption in Canada.
“The Ivey Centre for Health Innovation and Leadership provides a unique and effective platform for partners to collaborate. The Centre is bringing people together and generating fresh thinking and new ideas,” said Neil Fraser, President, Medtronic of Canada; Chair, Ivey Centre for Health Innovation and Leadership Advisory Council. “Health care provider organizations, government policy makers, health system academics, together with experts from the industry, the high-tech community and other segments of the business community, are all coming together with common objectives to find answers to the challenges facing our health care system.”

About the Report: *Innovation Takes Leadership: Opportunities and Challenges for Canada’s Health Care System* is the result of the newly formed Ivey Centre for Health Innovation and Leadership. The Centre’s inaugural Global Health Innovation Conference in 2009 brought together global health experts and health industry leaders to answer a key question, “*What is the most effective process for innovation adoption in a universal, publicly funded health care system?*” From this question, the four key areas where the Centre will focus were identified as the priority targets.

- **Financial Drivers to Innovation and Sustainability:** Within the context of the Canadian single-payer system, new financial tools and models are needed to promote and support the adoption of innovative technologies, processes and procedures.

- **Health Leadership & Building a Culture of Innovation:** Empowering and encouraging health leaders, particularly physicians, to innovate, and build and sustain cultures of innovation that constantly seek out new and better ways of doing things. The Centre will promote the creation of leadership capacity and knowledge-sharing partnerships between key actors across Canadian health systems.

- **Medical Devices Innovation:** One of the greatest areas with the potential for breakthrough innovations comes from the field of medical devices. Significant barriers to innovation adoption in this area have been identified in the academic literature, yet, at the moment, there is little research that identifies a strategic approach to streamlining the processes that support faster adoption of new medical device technologies. These barriers, including government regulation, approval procedures, and financing, all need to be examined, along with strategies that support rapid prototyping and beta site testing of new medical devices.

- **Health Information Technology Innovation & Adoption:** This priority area has great capacity to improve Canada’s health care system, yet Canada’s health information technology system needs to “catch up” with other industries that have long embraced the transformative power of information technology. Investment in health information technology has been demonstrated to have dramatic effects in terms of reduced medical errors, reduced wait times, better treatment coordination, and more efficient allocation of resources. Despite the evidence, Canada is still struggling with the adoption of these technologies. Again, there has been relatively little empirical research focused on the key components of successful innovation adoption of health information systems in Canada. A greater focus is required on the question of adoption strategies for health IT.
**About the Centre:** The Ivey Centre for Health Innovation and Leadership is situated within the Richard Ivey School of Business at the University of Western Ontario, and was established in 2009. It is dedicated to being a catalyst for health system innovation by:

1. Developing leadership capacity through education programs targeting current and future leaders in the health system,
2. Emphasizing education that equips students to identify, understand, embrace and enable innovation in real business situations through programs like Heath Innovation Demonstration Projects and Ivey Consulting Projects (projects that bring students, entrepreneurs, and stakeholder organizations together to solve problems in real time),
3. Empowering health system stakeholders to collaboratively focus on the maximization of human and tangible resources within the system, to overcome innovation and leadership deficits, and,
4. Supporting and disseminating research that establishes the evidence base for innovative health system solutions that are applicable in the context of the Canadian health care system.

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**Notes to Editors:** Additional quotes are available below.

**From the innovator’s perspective:** “Every day, my lab is moving forward great innovations that could have a huge impact on the quality of life of patients. What I struggle with, however, is how I’m going to get those innovations into practice. Those are the questions the Ivey Centre for Health Innovation and Leadership are looking at, and I’m excited that finally someone is tackling these questions,” said Dr. David Holdsworth, Professor, Surgery & Medical Biophysics, University of Western Ontario; Scientist, Robarts Research Institute; Dr. Sandy Kirkley Chair in Musculoskeletal Research.

**From a student perspective:** “The Ivey Centre for Health Innovation and Leadership’s Health Sector MBA program has allowed me to further develop the skill set, experience, and network necessary to take on key leadership roles within Canada’s innovation economy,” said Andy Haigh, Graduate, Ivey Centre for Health Innovation and Leadership, Health Sector MBA; Analyst, Lumira Capital.

**From an industry perspective:** “In Canada’s single-payer health care model, there is often a disconnect between business innovation and health care innovation. Creating an avenue for collaboration and knowledge sharing between both of these groups will help build a bridge and provide creative solutions to maintain a sustainable Canadian health care system,” said Sue Paish, CEO, Pharmasave Drugs (National) Ltd; Member, Ivey Centre for Health Innovation and Leadership Advisory Council.
From a government perspective: “Lessons from other industries tell us that information technology has the power to transform and modernize the delivery of a service. Health care is no different and we must embrace innovations in information technology if we are going to have a sustainable health care system that is better for patients, is more cost-effective, and creates a competitive advantage for Canada. The Ivey Centre for Health Innovation and Leadership is developing the leadership talent and capacity that will drive the changes necessary, and will overcome the challenges to innovation adoption we have encountered in health IT so far,” said Graham Scott, Chair, Canada Health Infoway’s Board of Directors; Member, Ivey Centre for Health Innovation and Leadership Advisory Council.

From a research perspective: “There is a clear link between innovation and productivity. Productivity, in turn, generates higher standards of living and greater wealth. There is no reason why we can’t turn the innovations we generate in health care into higher productivity and a competitive advantage for Canada. Indeed, we must,” said Dr. Henry Friesen, Past Chair, Gairdner Foundation; Former President, The Medical Research Council of Canada who spearheaded its transformation into the Canadian Institutes of Health Research; Founding Chair, Genome Canada; Member, Ivey Centre for Health Innovation and Leadership Advisory Council.

For the perspective of a front-line worker (nurses): “Innovation in the health care system will require nursing leadership to navigate the cultural change in health systems, in collaboration with their physician colleagues and allied health professionals. The largest, and the only health workforce who delivers professional health care services 24/7 are nurses, and it is this group who will need to lead the cultural change towards innovation across the entire health care system,” said Dr. Anne Snowdon, co-author of the white paper; Adjunct Faculty Member, Ivey Centre for Health Innovation and Leadership.