

## **Innovative funding model addresses the lack of new capital within the NHS to help Trusts meet the Government's paperless strategy**

- Medical records scanning and CCube EDMS now available as a managed service
- New service is VAT recoverable resulting in a 20% saving for Trusts and Health Boards – money then available directly for patient care

February 15, 2017 – The funding pressures in the NHS are widely reported with constrained resources meaning the health system is buckling under the strain of trying to meet demand yet maintaining standards and services.

A new type of funding model – announced today by CCube Solutions and Genmed - will help address the current lack of additional capital available within the NHS to support key projects like EDMS<sup>1</sup> and scanning so that Trusts and Health Boards meet the Government's deadline that they should be paperless at the point of care by 2023.

CCube Solutions is collaborating with Genmed to offer NHS Trusts and Health Boards a cost effective bespoke managed service which will allow them to easily fund the transformation from paper to digital medical records.

Robin Modak, Genmed's chief executive officer says, "The NHS is experiencing a capital famine at the moment. The huge upfront capital costs of software systems and back scanning make it very difficult for Trusts and Health Boards to introduce the new services they have been instructed to by the Department of Health. Our managed service model provides a practical, straightforward revenue based way to solve the paper problem as it spreads the costs out and means it's treated as an operational not a capital expenditure."

Genmed and Cube Solutions will work in partnership with Trusts and Health Boards to create a bespoke solution which will include CCube's electronic document management software, project management, IT hardware, support, maintenance and crucially all the legacy records back scanning irrespective of whether this is outsourced to a third party or processed in-house. The cost to Trusts and Health Boards will then be packaged by Genmed using an umbrella contract with the service billed monthly or quarterly.

The Genmed managed service is HMRC compliant for VAT recovery and importantly off balance sheet which is critically important for Trusts and Health Boards with no CRL<sup>2</sup> headroom. On balance sheet treatment of contracts can be a deal breaker for Trusts and Health Boards.

Vijay Magon, CCube Solutions' managing director, says, "The demand for EDMS is there but not the method, given it has been a struggle for finance directors to get budget. All Trusts and Health Boards know they need to get rid of paper and transition quickly to digital delivery. With Genmed, we'll be targeting those who have yet to do so by providing an efficient and risk free way to not only buy our software, but all the associated components required to close costly medical libraries."

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<sup>1</sup> Electronic Document Management Software

<sup>2</sup> Capital Resource Limit is the cap on capital spend in a year which a Trust cannot exceed.

The introduction of digital medical records is well proven and accepted to enhance clinical effectiveness, reduce operational costs, ensure compliance with CQC guidance about records and data management, and ultimately boost patient safety and care.

### **Managed services is more than just equipment**

Modak adds, "It's important to understand that Genmed is not a managed equipment provider or a finance house. Our remit is much wider. We support Trusts and Health Boards through carefully designed managed service contracts. We're more consultative working with them to ascertain what clinical facilities or technology they need, their workload issues, finding and selecting suppliers, driving product costs down, putting together the finance, managing the contracts, paying subcontractors and taking all the risk upfront ourselves. We're unique in the manner we provide managed services in the market as a result."

Genmed helps NHS organisations to increase their efficiencies and streamline their practices by removing the administration overhead and burden of managing suppliers, dealing with orders and invoices, in addition to contract and administrative management.

Importantly, Genmed is vendor neutral such that if a Trust or Health Board wants particular equipment from a variety of companies, this can easily be incorporated under the managed service contract with clinicians not forced to have products they don't want. This contrasts to OEMs<sup>3</sup> who often don't like to have other companies products included in their own contracts because of the perceived risk as well as other suppliers who do not want their commercially sensitive pricing revealed to an OEM acting as the managed equipment service provider.

### **Transparent pricing for managed services which is VAT recoverable**

Genmed's actual pricing for its managed service contracts is completely transparent. Modak explains, "We charge a 6% fee on cash flows. So, if a contract is £100,000 per quarter, the customer will be billed £106,000 plus VAT. It's simple and straight forward with the whole approach tax efficient making our approach extremely compelling."

Not only can Trusts and Health Boards now spread out the cost of shifting to digital records, but under HM Treasury directive rules for contracted out services, public sector organisations including the NHS can recover the VAT which means a 20% refund by HMRC on Genmed managed services – money which can then be used for front line activities to treat patients.

Both Genmed and CCube Solutions are approved suppliers on various NHS Framework agreements including NHS London Procurement Partnership, QE Procurement, NHS Shared Business Services and the Crown Commercial Service's G-Cloud 8 framework. This means that NHS organisations avoid having to go through the time-consuming and costly OJEU tender process to procure and buy services.

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<sup>3</sup> Original Equipment Manufacturers

### **About Genmed**

Currently Genmed's contract portfolio totals around £430 million. Founded in 2007 and based in London and Wales, Genmed is a managed service provider specialising in the health sector. It works with 40 NHS Trusts and Health Boards around the country where, to date, it has 220 contracts supporting a variety of clinical disciplines such as pathology, surgery, endoscopy, imaging along with IT and facilities. Genmed' asset finance requirements are funded by large blue chip partners including Societe Generale, GE Capital, Macquarie and Lloyds Corporate. ,

Genmed is headquartered in Weybridge, Surrey. For further information about its services, visit [www.genmed.eu](http://www.genmed.eu)

### **About CCube Solutions**

CCube Solutions is an award-winning provider of enterprise content management solutions, comprising electronic document and records management, workflow, electronic forms, portal software, and systems integration.

Founded in 1995, it has a proven track record working with the police, local government, NHS and in the private sector providing cost effective and scalable solutions, tailored to meet the individual requirements of customers.

An AIIM Advisory Board member, CCube Solutions is active in developing and guiding the future direction of the ECM industry, and upholds AIIM's principles of good information management, know-how applied on every customer engagement.

CCube Solutions is headquartered in Milton Keynes. For further information, please visit [www.ccubesolutions.com](http://www.ccubesolutions.com)

**For further information, please contact**

**Tom Herbst**

**Tom Herbst PR**

**T:07768 145571**

**Email: [tom@tomherbstpr.co.uk](mailto:tom@tomherbstpr.co.uk)**