Key Principles of Smart Procurement for Medical Devices

**INCORPORATE QUALITY AND COST OF CARE DELIVERY**
- Implement value-based Procurement by balancing costs and quality to achieve holistic value in procurement decisions
- Use the best price-quality ratio as Most Economically Advantageous Tender (MEAT) method
- Look at best value for money over time thereby encouraging innovation aiming to achieve long-term efficiencies in the most economic way

**INVOLVE STAKEHOLDERS & DEVELOP PARTNERSHIPS**
- Encourage clinical/carer’s input in all procurements
- Engage early and appropriately with industry experts
- Assess the true cost of care and outcome throughout the lifetime of a patient/product or service

**FOSTER GOOD PROCUREMENT PRACTICES**
- Develop consistent and transparent practices to ensure sound procedures
- Professionalise procurement to improve process outcomes
- Reduce red tape

**MAINTAIN COMPETITION**
- Critically review the excessive use of centralised procurement avoiding seriously risks impeding competition (monopsony power)
- Ensure centralized procurement practices do not reduce participation of SMEs
- Competition on quality and value should be the ultimate objective to offer best healthcare for patients/carers

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**Background**

Public procurement in Europe is evolving quickly. At EU level, procurement is increasingly spoken of as a tool for fostering innovation and growth. Public authorities in the EU spend approximately 17% of GDP on the procurement of goods, services and works. For medical devices, it is estimated that 70% of products go through a tender process.

**Some trends in public procurement for Medical Devices**

A number of key trends have been observed in recent years that influence the way in which medical devices are purchased. The most obvious driver is European-wide efforts to contain public sector spending. In some countries, this has accelerated a shift from physician-led decision-making towards purchasing led by hospital management and towards centralized procurement which may lead to put at risk the quality of care offered to patients impacting the sustainability of Health Care delivery in Europe.

The latest international recommendations in the field of procurement such as the WHO one reinforce the need that all players in the health care sector place a strong focus on the patient and its needs by balancing cost, quality and overall value to the system.

Ethical relationships between companies and health professionals and growing interactions between purchasers and suppliers are necessary and healthy. In this environment, the professionalization of procurement can contribute to the ultimate goal of ensuring healthcare spending in a most economically advantageous way.

Understanding and optimizing the true whole-life cost of products and services and benefits for all stakeholders is imperative and would lead to smarter procurement.

**About MedTech Europe**

MedTech Europe represents the medical technology industry in Europe. Our mission is to make modern, innovative and reliable medical technology available to more people. MedTech Europe promotes a balanced policy environment that enables the medical technology industry to meet the growing healthcare needs and expectations of society.

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