

## 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

### SMART PROCUREMENT FOR MDs

### 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.