

Elaboration of the value proposition of Value Based Procurement

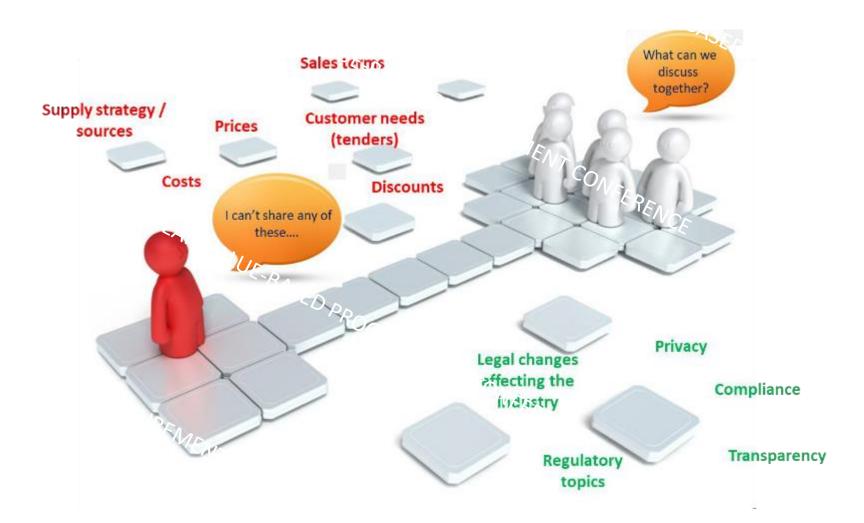
Applied to MedTech stakeholders (suppliers and actors) in Healthcare

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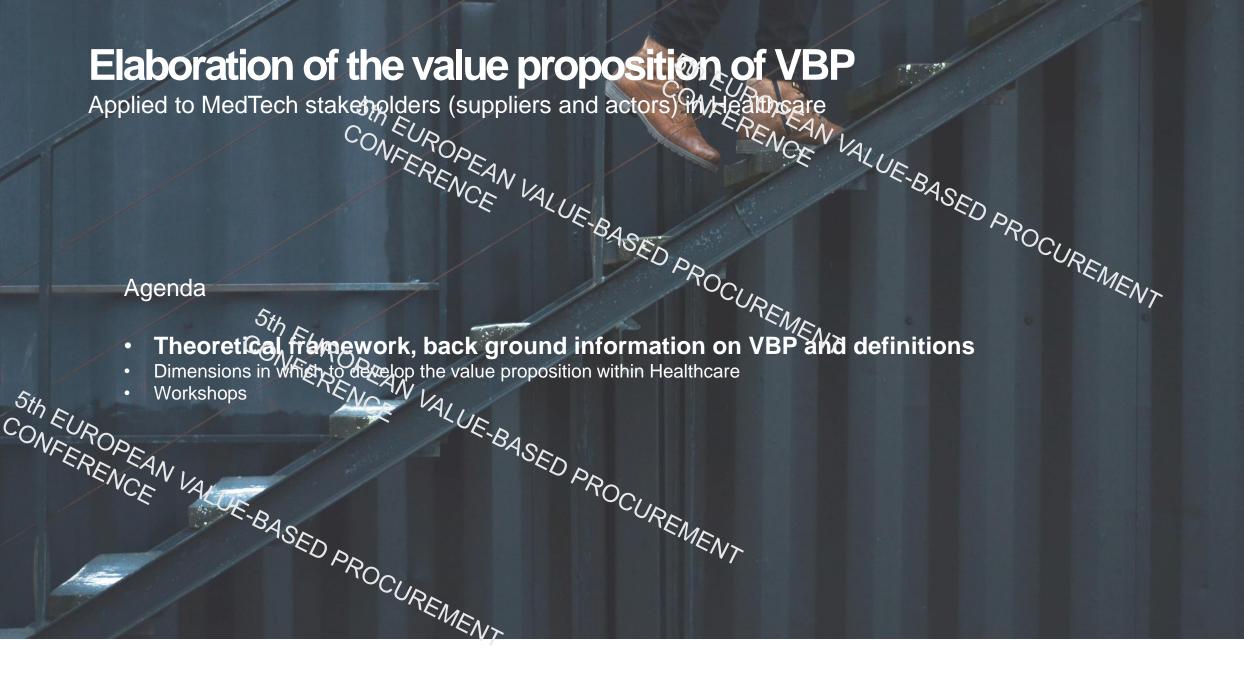
Competition law reminder





- Dimensions methodevelop the value proposition within Healthcare Workshops

 AN VALUE-BASED PROCUREMENT 5th EUROPEAN VALUE-BASED PROCUREMENT



- Back ground information and relevant definitions (PANISA)

 1. Patient outcomes:

 Definition: Patient outcomes in healthcare refer to the impact of a healthcare service or integreention on the overall patient recovery and well-being after treatment. These outcomes can include:
 - Patient health status or quality of life: This encompasses the overall well-being and health-related quality of life experienced by patients after receiving care or treatment
 - Patient, provider, and population attitudes and behavior: It for lyes understanding how patients, healthcare providers and the broader population respond to different interversions and services.
- delivery of delivery of delivery of the UROPEAN Relevant litterature: WWW. Relevant PROCUREMENT New exidence research, prevention strategies, treatments, and care models: Outcomes are influenced by advancements in medical knowledge, preventive measures, treatment effectiveness, and changes in care delivery approaches

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Elaboration of the value proposition of VBP Back ground informations of the later by the

2. Health economic outcomes

- Definitions: HEOR (Health Economic Outcomes Research) provides a framework to define dealthcare issues, generate relevant evidence, and guide decision-making in this dynamic space. Healthy individuals and populations contribute to higher economic output, making the link between better bealth and future economic well-being plaus tole.
 - Integrated Evidence Generation & Synthesis Programs. With the abundance of data and literature, it's assential to identify and utilize the most appropriate information. . Alto R, also conduct real-world evidence research and explore the burden of illness and unmet needs
 - Health Economic Modelling: Decision-makers often face the challenge of allocating limited healthcare budgets. Health economic models provide crucial information for these decisions. These models include cost-
- effectiveness and budget project assemble to the action of the action of

Back ground information value of the value o

- - - Competitive differentiation is how a company's product or service is distinct from what its properties offer. It is based on what customers value, such as functionality, brand, pricing, or customer service.
 - In healthcare, a key role of competition in health care if the potential to provide a mechanism for reducing efficiencies that would high health service fees high health service fees esture: Every MALUE BASED PROCUREMENT health care costs - without compromising delivering quality of care. Competition generally eliminates mefficiencies that would otherwise yield high production costs, which are ultimately transferred to patients via
- 5th EUROPEAN VALUE-BASED PROCUREMENT

Back ground information vand relevant definitions (14) VALUE BASED

4. Value based healthcare

• Definition:

- - - Value-based healthcare is a healthcare delivery model in which providers, including hospitals and physicians, are paid based on patient health outcomes. Under value-based care agreements, providers are rewarded for helping patients improve their health, reduce the effects and incidence of chronic disease, and live healthier was in an egidence-based way.
- > Value based care differs from a fee-for-service or capitated approach, in which providers are paid based on the amount of Healthcare services they deliver. The "value" in value-based healthcare is derived from measuring Patients spend less ...

 Providers achieve efficiencies and green

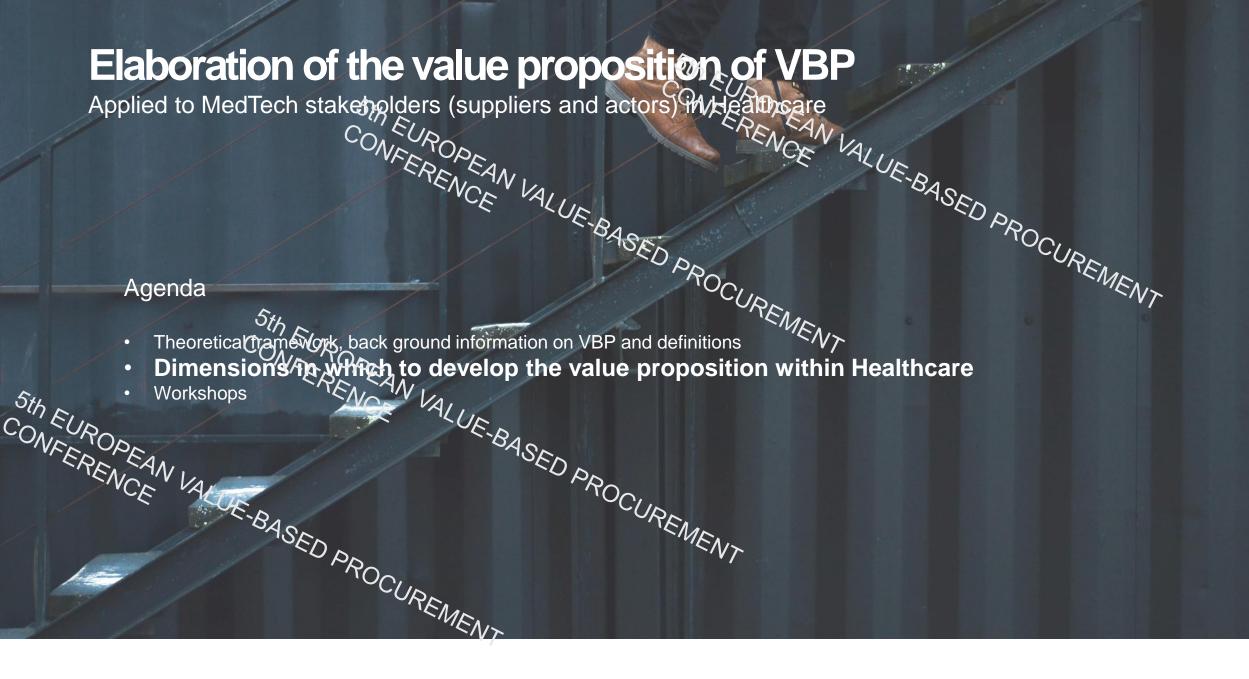
 Payers control costs and reduce risk

 Suppliers align prices with patient outcomes

 Suppliers align prices while reducing overall healthcare spending.

 **Tor/Elizabeth Teisberg: Redefining Healthcare (IS) health outcomes Against the cost of delivering the outcomes.

 - Relevant literature: Michael Porter/Elizabeth Teisberg: Redefining Healthcare (ISBN 978-1-59139-778-6)



Dimensions in which to develop added value through applying VBP/VBH principles

1. Patient level

What are the possible improvement outcomes which can be generated at patient level?

What is the relevance of improvement patient outcomes in the purchasing decision?

2. Health Economic level

- Efficiency how many healthcare resources are deployed for what general ed outcome?
- Efficace whow healthcare resources are deployed for what generated outcome?
- What can be the trigger increasing efficieny/efficaccy in deploying healthcare resources? LUE-BASED PROCUREMENT

Sth EURO 3. Competitive and Converge As MedTech supplier As MedTech supplier As Healthcare institution

4. Economic level

- Price per product Ottaditional transactional relationship supplier / customer
- Cost of ownership during economic lifetime of usage of the product



pplied to MedTech stakeholders (suppliers and actors) PM-Leature AN VALUE-BASED PROCUREMENT

Theoretical framework, back ground information on VBP and definitions Dimensions in Which to develop the value proposition within Healthcare Workshops

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How to translate VBP into Value Based Health / billetyenue?

- ❖ How to assess the customer baked 'in stitutional readyness' for shifting from the traditional transactional business relationship to a VBP/VBH based business relationship?
 - - What are metrics to assess this readyness?
 - How to plan for the consequences for this shift in business relations (What can be consequences of this business shift on? Internal competency profiles, capacity planning P/L based (revenue vs profit development)
 - How ready are the customers to make the shift?
 - What are metrics to assess this readyness?
 - How are stakeholders align on the concept of introducing/acting in view of VBP
 - Remuneration...
 - Governance structures and metrics...
 - Secucation and expertise...
 - Definition of the necessity bilateral 'rights and duties' within a VBH partnership



How to translate VBP into Value Based Health / billes le revenue?

- ♦ How to reformulate patient anc realter economic outcomes propostions into SIGART business propositions?
 - Within the capital purchase business proposition
 - Within the tender business propositions
 - How to 'prove' promised outcome improvements
 - ✓ Science based healthcare litterature
 - ✓ ADpased simulations...
 - RWE data documented..

How to translate VBP into Value Based Health / billetyle 14 yenue?

- * How to reformulate patient and health economic outcomes to the various decisional stakeholders within a care institution?
 - Stakeholders: like Payor (procurement institution, insurance company, government,..), HCP's, Patient and Regulator

Thoughts

- O How to reform that ecurrent (product feature and benefit focussed) commercial Go2/Market strategies and propositions in view of VBP/VBH to the various stakeholders?
- How to communicate these updated Go2Market strategies to the various stakeholders in view of strategic selling principles?
- O How to measure in a SMART way the realised outcomes vs the promised outcomes? (means, competencies needed,
- * Now to reformulate patient and health economic outcomes propostions into SMART business propositions?
 - Within the capital purchase business propositions
 - Withir the tender business propositions
 - How to 'prove' promised outcome improvements
 - Science based posithcare litterature
 - ✓ Al based simulations/
 - ✓ RWE data documented.../

How to translate VBP into Value Based Health / billetyle have nue?

- **❖** How to invoice for the realized improved patient and health-economic outcomes:
 - Within the capital purchase business propositions
 - Within the tender business propositions

Thoughts:

Risksharing business thopositions with recurrent on site measurements of agreed metrics relevant to the promised outcomes

- base line setting on 'as is' situation and recurrent delta measurements during agreed upon timeline how to control /mitiagate impact variables or sealised vs priomised improved outcome improvements.
 - eductation local staff on 'stateof art' care processes

 o use of delivered equipment as per intended in focus, of care path
 - o support of relevant staff within care institution for principles of VBP/VBH within the risksharing agreements

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How to translate VBP into Value Based Health / billetyenue?

- * How to assess the customer based 'institutional readyness' for shifting from the traditional transactional business relationship to a VBP/VBH based business relationship?
- * How to reformulate patient and health-economic outcomes propostions into SMART business propositions
- * How to reformulate patient and health-economic outcomes to the various decisional stakeholders within a care institution of the various decisional stakeholders within a
- How to reformulate patient and health-economic outcomes propostions into SMART business propositions?

How to invoice for the realized improved patient and health-economic outcomes?





Thank you

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