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Healthcare Procurement in 2023: Let's Shape the Beginning from the End!





# Governance and Leadership

### Healthcare Procurement in 2023: Let's Shape the Beginning from the End!

Let's professionalise procurement by giving decision-makers (doctors, board, ...) decision-making tools that bring objective, patient-centred and cost-oriented VALUE to the hospital sector. Procurement is part of healthcare management and holds the key to all topics that are lessons learned from COVID-19: supply chain management, sustainability, transparency, digitalisation, patient experience, innovation & economies.

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#### key points

- How do we in healthcare procurement manage the start of procurement from the end?
- Value in healthcare means procurement with view on the whole ecosystem.

There is no doubt that procurement increasingly includes a dimension that we have to call value. Price is in the foreground; in these times of crisis, it remains a must. A transparent vendor neutral description of products and services puts procurers in the public health system in a position that in football is called the one who passes the ball. And that is towards the specialists in each field.

In 2023, public tenders are meeting points where engagements are taken in all transparency. Every stakeholder in the health system - be they a doctor, a manager or a nurse - should not have their decision-making authority taken away from them. These people are the professionals and the procurer has the task of providing these people with objective criteria. This requires expertise, digital tools and a spirit of innovation, courage and diplomacy on the part of the procurer.

But how can the third dimension, the VALUE discussion, the measurement of output, the inclusion

of patient experience be integrated? In short: how do we in healthcare procurement manage the start of procurement from the end?

Or to put it another way:

Can we optimise healthcare systems through comprehensive governance in procurement?

Let's start with a dream that has been set in almost all other sectors for generations: let's imagine that the hospital board has a C-level procurement officer, a CPO. After all, procurement affects between 30 and 40% of an average hospital budget. So the area should be represented by a professional.

Procurement, like medicine, patient experience, has the potential to accelerate health system reforms and address current challenges to deliver better quality, more accessible, more efficient, personalised, integrative and value-based care. However, many healthcare organisations still lack a holistic approach to implementing procurement governance.



Good procurement in the triangle of hard price criteria, objectification in description, integration of patient-experience requires digital, innovative foundations that first create transparency, legality, responsiveness, crisis preparation, supply chain security and continuity, and last but not least, sustainable purchasing in a circular economy.

and value in execution can be measured.

Agree on instruments for governance in procurement: how do I specifically incorporate topics such as sustainability, supply chain, innovation - where is the strategic focus of my institution?

Determine who is in charge and gather all stakeholders who have the critical resources.

## Let's imagine that the hospital board has a C-level procurement officer, a CPO

Only then will there be justice between requirements and application, effectiveness and political regulations, which will keep our sector capable of acting regionally, but which will be value-oriented and global in procurement. Let's work on the C-level to end the fragmentation of procurement, it weakens our sector.

Value on an equal standing means: setting up the process with the involvement of all stakeholders between the health care sector and partners from industry and business, in such a way that solutions and investments are made possible, whereby there is a return on investment for all parties involved and not, as is the case today: a sector in (often) the red and an industry that still draws correct margins from the publicly financed health care sector.

As a procurer, co-define your health enterprise, identify all stakeholders and users and engage them from the outset with a clear focus on the immediate must-cannice-to-have issues of procurement.

Agree on what data should be collected so that quality

Adopting a clear, transparent and well-communicated procurement policy is essential for managing procurement.

Implement accountability and promote the improvement of the health system towards patient-centered and integrated care.

Review, update and continuously adapt the institution's procurement governance to the changing needs of the health system as innovative development continues.

Not losing sight of the broad objectives to ensure equitable and affordable access to quality health services and to improve and protect the health of the population.

Procurement with a value-based approach should move health systems forward, as well as medicine, and must lead to transparent measurable health management in the ecosystem of the partners of 2023.

#### **Conflict of Interest**

None.

