

IMPLEMENTING VALUE-BASED PROCUREMENT (VBP) IN KIDNEY CARE

PROCURER ROUNDTABLE AT THE BELGIAN DIALYSIS SYMPOSIUM

On the 26th of April 2022, the VBP roundtable was held in Hasselt, Belgium. This was hosted during the Belgian Dialysis Symposium organized by the National Society of Nephrology in collaboration with Fresenius Medical Care BeNeLux. Hospital representatives including procurement, healthcare professionals, and technicians came together to explore opportunities of Value-Based Procurement (VBP) in kidney care.



From left to right: Hans Bax (Head of Value-Based Procurement Community of Practice), Dr. Koen Stas (Medical Head Nephrology Jessa Hospital), Luc Vonckxs (Dialysis technician University Hospital Brussels), Brian Mangan (Value-Based Procurement Project Lead NHS Supply Chain).

What is VBP?

In tendering for supply contracts and making buying decisions, Value-Based Procurement (VBP) evaluates medical technologies, services and solutions on a holistic value assessment rather than taking a buying decision on the lowest purchasing price only ([Value-Based Procurement Community](#)).

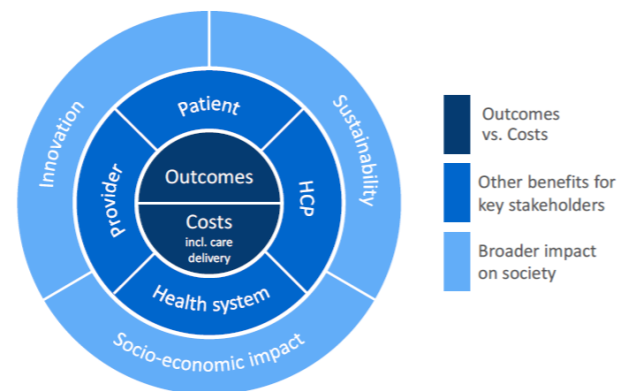


Figure 1: VBP Framework

Why is it needed?

As a consequence of volume-based payment schemes and high budget pressure, hospitals are traditionally asking the supplier for the lowest product prices. On the short-term, hospital costs can be reduced, yet, on the long-term hospitals often face subsequent costs (e.g., readmission to the hospital) as the total treatment costs are not considered. Hence, there is a need to change from volume-driven pricing (i.e., standard procurement) towards value-driven pricing (i.e., VBP).

VBP targets the pathway challenges to improve the organization of care and improving patient outcomes rather than merely focusing on the goal of purchasing a medical technology at lowest price. It should be based on selected value drivers and include concrete outcomes such as efficiency, sustainability, and patient satisfaction (see figure 1 VBP Framework).

Who should be involved?

A multidisciplinary team coordinated by the procurer should be set up (supported by C-level management in a hospital) encompassing patients, physicians, nurses, IT, and technicians. Including this team from the beginning is key as they can help to identify the needs of the provider organization as well as assist during the tender discussion in selecting the most suitable technology. For example, patients have a different perspective on technologies and what they should fulfil in comparison to the other stakeholders.

How to get started?

A sustainable and effective VBP process should follow a problem-based approach. First, identifying areas of improvement in the care pathways and incorporating hospitals' strategic objectives. Second, clear outcome parameters need to be defined that are instrumental in monitoring target achievements. In the procurement process the industry then has to tailor an offering that provides a solution and provides a demonstrable impact to the problem, next to partnering with the hospital to achieve the desired outcomes.

Successful implementation of the VBP procurement process (see box on the right) also requires good relationships between the provider and the supplier, which then allows for shared learning and a sustainable working partnership. VBP education is needed to establish a common understanding, language, and template for all stakeholders.

Conclusion

VBP is an opportunity for achieving the desired outcomes of all stakeholders implementing proven value-add technologies at the best budget impact. To get started in Belgium, let's continue the discussion and start with a pilot.



Therefore, the role of the hospital and the industry must change. The hospital should redefine the procurement process (e.g., profile/responsibilities of procurer), whereas the role of the industry is to prove a) that their solution is of added value, as well as b) change the engagement with the hospital (e.g., change towards multidisciplinary customer engagement). Early exchange between the two parties and shared ownership for delivery of objectives can increase the likelihood of success.

- Stakeholders – Engage key stakeholders
- Targets – Clear outcome definition
- Assurance – Proof of value add
- Relationships – Shared partnership & ownership
- Terminology – Create a common language