

An introduction to Value Based Procurement in Healthcare

Brian Mangan FCIPS MSc

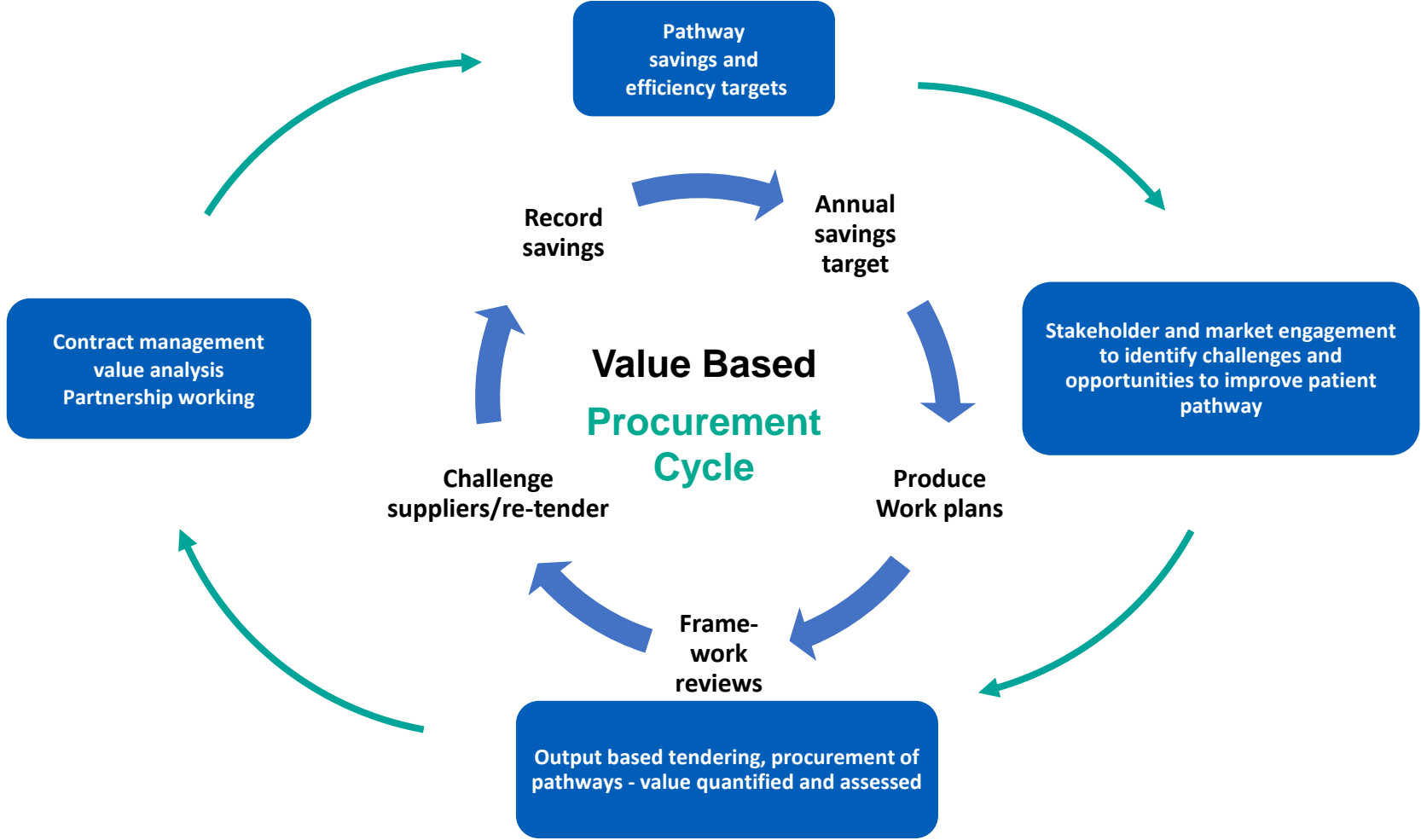
Managing Director, Brian Mangan Associates



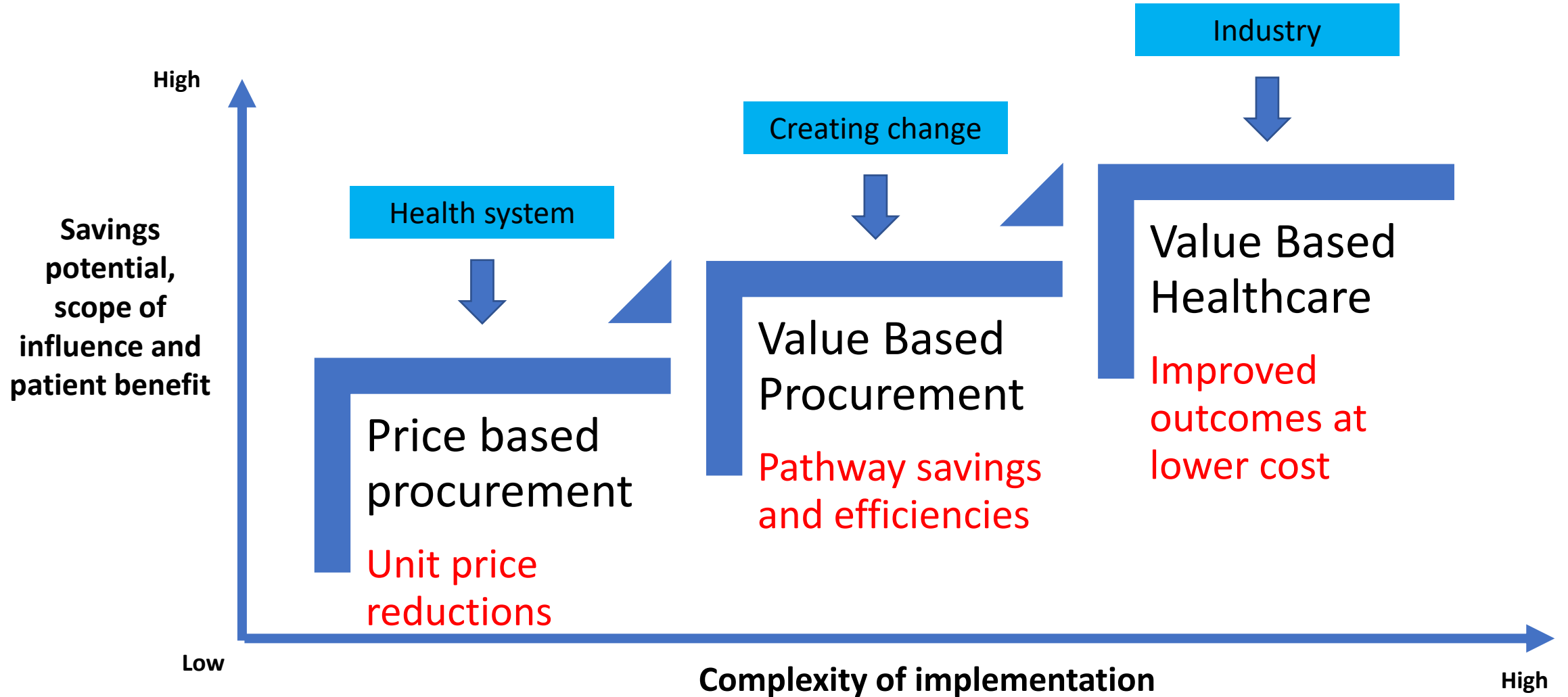
Areas covered

- Value Based Procurement (VBP) the why and the what..
- VBP journey
- Case study - NHS Supply Chain Value Based Procurement project
- A CLEAR direction for VBP
- Summary

Value Based Procurement – Why and what?



VBP v VBHC



VBP journey

Interest ↑

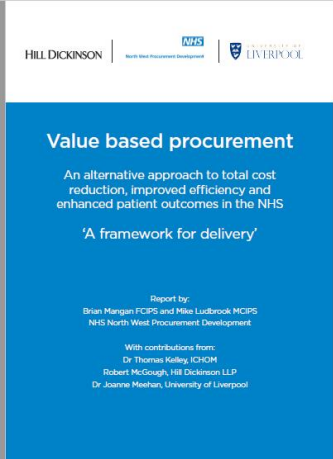
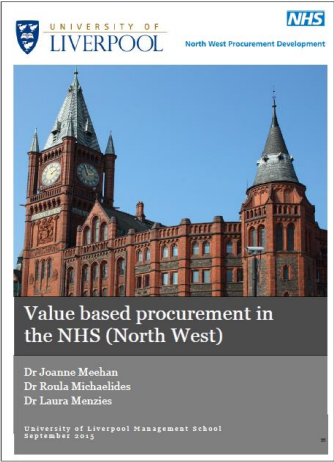
Adoption?

Acceptance

Awareness

Denial

Oblivious



Head of Procurement
NHS Trusts



2004

2015

2018

2019-21

Time →

NHS Supply Chain VBP case study - The approach

Phase 1 Pilots

Reduction in
consumption

In patient to
daycase

Change in
patient
pathway

Operational
efficiency

Reduction in
infection

Value

Phase 2

Engage

Educate

Execute

Embed

Moving forward – Set a CLEAR direction

C = Commitment to change.

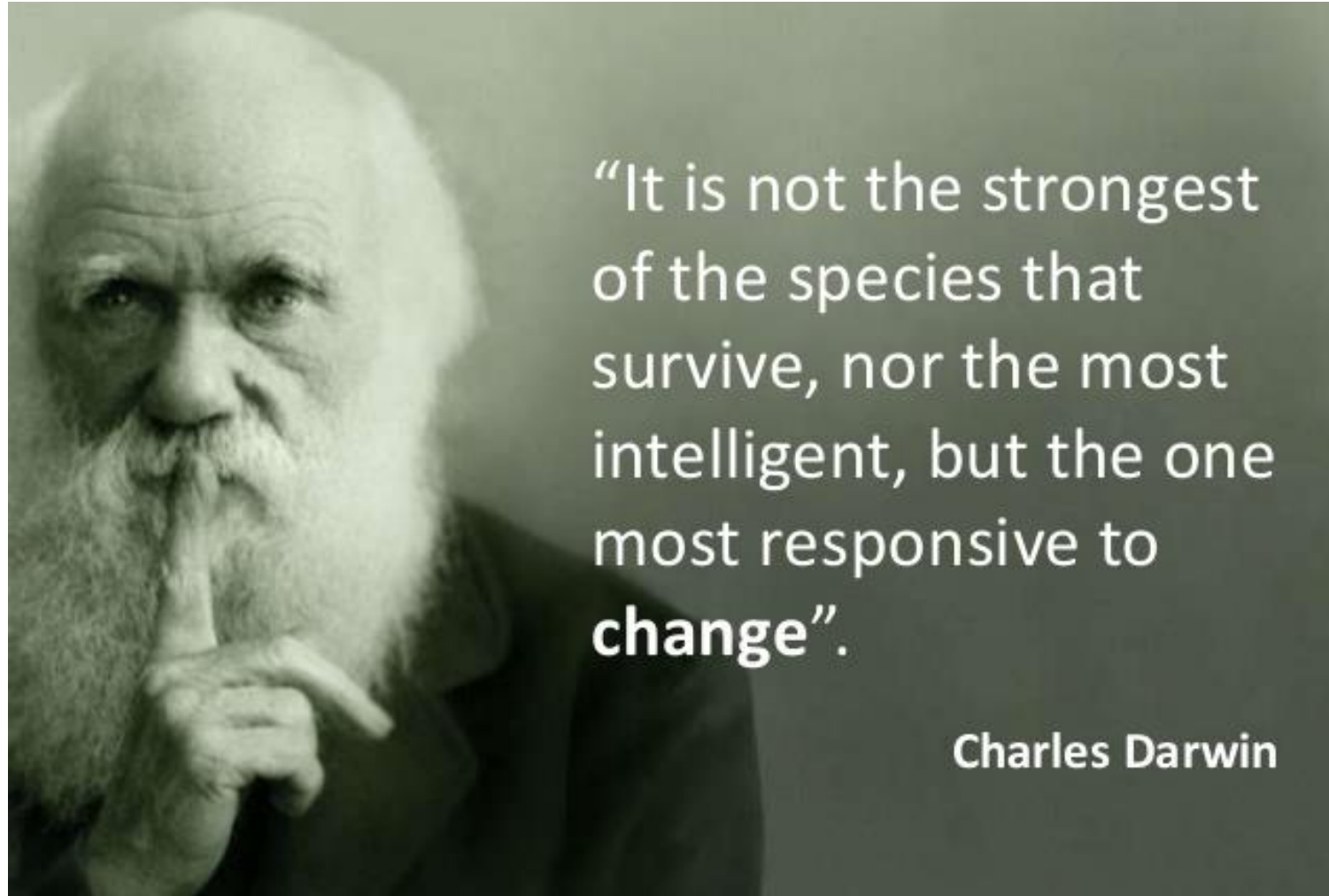
L = Linear – engage clinicians at the start, to map pathways and identify the level of material changed needed to generate a tangible benefit.

E = Evidence – determine the data that is needed to provide evidence that value is being created. Measures should be simple, transparent and accepted by both sides.

A = Assurance – What does the buyer need to provide to reassure Hospitals that benefits will be delivered - what is the supplier willing to offer.

R = Results - To deliver VBP objectives requires commitment from both buyer and supplier to work in partnership. Contract management is a key activity necessary to deliver results.





“It is not the strongest of the species that survive, nor the most intelligent, but the one most responsive to **change**”.

Charles Darwin

In summary

Thank you for
your attention

Questions?

Brian@bmassociates.co.uk

www.bmassociates.co.uk

*“Transforming Healthcare through
Value Based Procurement”*