

## Evaluation of the procurement process and outcome

### Presenter

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### Linked to EAHP Statements

The following statements are covered by the synergy masterclass:

Section 1 - Introductory Statements and Governance: Statements 1.1, 1.2, 1.3, 1.5, 1.6

Section 2 - Selection, Procurement and Distribution: Statements 2.1, 2.2, 2.3, 2.4, 2.5, 2.6

Section 3 - Production and Compounding : Statement 3.1

Section 4 - Clinical Pharmacy Services: Statement 4.1

Section 5 - Patient Safety and Quality Assurance: Statement 5.1

Section 6 - Education and Research : Statement 6.2

### Abstract

Procurement is central in the process of providing the best possible treatment for patients within the available budget. However, whether the procurement process went as expected and has achieved the intended result at the end of the tender period should be assessed for learning purposes.

One way of performing evaluation of the procurement process is to divide findings into process measures and outcomes:

- Outcomes comprise the use and cost of the procured drug potentially compared to its competitors or to the drug in a comparable setting.
- Process measures include several indicators of how the process went:
  - Collaboration with and contact to the drug industry. How was it done, and how did it work?
  - Content of the tender e.g. length of the tender, use of MAE, etc. How was the decisions on the content made, and how did it affect the outcome
  - Supply of the drug during the tender period, e.g. lack of drug supply/drug shortage
  - Collaboration with the clinicians. Did they support the tender?

To be able to perform a sufficient evaluation of the procurement process and outcome, it is necessary to plan the evaluation before the process begins, including considering how the data should be collected.

## **Learning objectives**

At the end of this lecture, participants will be able to:

- recall potential process measures and outcomes used for procurement process evaluation
- discuss how evaluation of procurement procedures may be planned
- discuss how evaluation may be used for improving future procurement processes

## **Educational needs assessed**

To ensure continuous improvement of the procurement process, the participants need to learn how procurement and tendering may be improved based on systematic evaluation.

## **Keywords**

Procurement procedures, tender content, evaluation, process measures, outcomes

## **Problems related to procurement – what are they and how can they be solved?**

## **Presenter**

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## **Abstract**

Drug procurement is a part of an everchanging environment. Some examples of what can impact on the procurement process are:

- Drug treatment guidelines are constantly updated depending on the most recent research, which have an impact on required drugs for patient treatment.
- Drug shortages may arise due to unforeseen circumstances like a higher demand in the clinic, insufficient forecasting, production problems etc.
- The size of the market (i.e. small countries/small amounts of drugs required) may lead to a drug company not finding the market attractive.
- Logistical challenges caused by e.g. short shelf-life of the drug, special storage requirements etc.
- Demand for non-registered drugs, which may be difficult to locate
- Legal issues
- Collaboration with the industry
- Characteristics of the existing tender
- Etc.

Sometimes several solutions exist for a single problem related to procurement, but in other cases, it is necessary for procurement staff to think “out of the box” to ensure drug availability to treat patients.

### **Learning objectives**

At the end of this workshop, participants will be able to:

- list problems influencing the procurement environment
- discuss possible solutions to problems associated with procurement

### **Educational needs assessed**

To ensure that necessary drugs are available for patient treatment, participants should be able to predict and identify potential problems related to the procurement process and find solutions to the problems, before an impact on patient treatment arises.

### **Keywords**

Procurement, tenders, drug shortage, market size, non-registered drugs, storage conditions

## **How do we ensure implementation of procurement results?**

### **Presenter**

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## **Abstract**

The procurement process is not finalized, when the tender contract has been signed. All the work done to achieve the best possible procurement result has to be implemented in clinical practice to harvest the intended effect. In the literature, various publications on implementation science exist, which may be applied to the process of implementing procurement results. The implementation strategy should be considered, which could be using “carrot” and/or “stick” motivational techniques, where an understanding of barriers to implementation is of importance. The most appropriate technique may be individual and differ from product to product, e.g. the strategies used for implementing a new PPI winner compared to a new biosimilar winner may differ considerably.

The implementation strategy is dependent on the level of the procurement (i.e. hospital, national, international), and may involve the hospital pharmacy, clinicians, hospital managers, politicians, DTCs etc., and maybe patients.

The channels used to disseminate the procurement results may also be of great importance, e.g. emails, change in electronic systems, ward meetings etc., and provision of written support material may be relevant.

Monitoring the drug use continuously may be necessary to ensure consistent adherence to the implementation, and if unexpected drug use is detected, action to address this the best way should be determined.

## **Learning objectives**

At the end of this workshop, participants will be able to:

- list aspects influencing implementation of procurement results
- discuss strategies to ensure implementation of procurement results

## **Educational needs assessed**

To ensure that the procurement procedure is not wasted due to use of non-tender drugs, participants should be able to understand the complexity of implementing procurement results to plan and act on implementation of procurement results.

## **Keywords**

Procurement, tenders, implementation strategy, healthcare professionals

# The art of negotiation in hospital practice

## Presenters

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## Abstract

A key element in achieving the best possible price for a drug is negotiation. Drugs may of course be purchased according to the list prices, but the industry may be interested in negotiating a contract with the hospital including a lower price in return of e.g. non-published prices, MAEs, specified length of contract, minimum turnover etc.

In order to achieve a contract beneficial for the industry as well as for the hospital, it is essential to establish a good relationship. Secondly, preparation before the meeting is important, where the Best Alternative To Negotiated Agreement (BATNA) is determined. That includes considering, when no contract is preferable i.e. which criteria should as a minimum be fulfilled to sign a contract.

Various measures of pressure may be used from both sides during the negotiation depending on, how important the drug is for the hospital/company, existing alternatives for treatment, competition approaching through the pipeline, demand in the clinic, budgets etc.

## Learning objectives

At the end of this workshop, participants will be able to:

- discuss aspect influencing price negotiation of drugs in a hospital
- describe the concept of BATNA

## Educational needs assessed

To achieve the best possible drug price and tender content, it is essential for participants to understand the concept of negotiation and how this is done in practice.

## Keywords

Tenders, industry collaboration, negotiation, BATNA

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## Links

[1] <http://www.eahp.eu/http%3A/www.eahp.eu/synergy-masterclass/events/procurement/Speakers-hanneplet> [2] <http://www.eahp.eu/http%3A/www.eahp.eu/http%253A/www.eahp.eu/synergy-masterclass/events/procurement/Speakers-lene-kjeldsen> [3] <http://www.eahp.eu/http%3A/www.eahp.eu/synergy-masterclass/events/procurement/Speakers-James-kent> [4] <http://www.eahp.eu/http%3A/www.eahp.eu/synergy-masterclass/events/procurement/Speakers-antonio-gouveia> [5] <http://www.eahp.eu/http%3A/www.eahp.eu/synergy-masterclass/events/procurement/Speakers-despina-makridaki>