



BALANCING SAVINGS WITH EFFICIENCY

Peter Hogarth started his career in nursing, specialising in paediatrics, and now works as a corporate account executive for Cook Medical. He works with customers in procurement and supply chain, and clinical business leads across the UK, Ireland, and the Netherlands. Here, he shares his thoughts on how suppliers can support trusts in generating savings while maintaining efficiency.

We are constantly reminded that healthcare budgets are stretched to breaking point. It's no wonder we annually receive the message ATTENTION – SUPPLIERS ... You are entering a ZERO INFLATION TRUST. I endorse this direct approach to communicating the trust's position. The focus on short-term savings continues into 2017 with the Carter report on NHS productivity and the Purchase Price Index and Benchmark (PPIB) tool remaining front of mind. As suppliers, we recognise that we must work harder to provide transparent, easy-to-understand price models. It's not all about price, though. We must also engage with clinical and procurement teams to support long-term efficiencies.

Hospital procurement and clinical teams have thousands of suppliers visiting them, so a well-managed supplier relationship management (SRM) process is needed to ensure suppliers follow policies and deliver the best possible value. It is imperative suppliers support hospital staff in achieving good patient outcomes in a more cost-effective way. Meaningful clinical engagement takes time, but in order to drive commercial solutions, suppliers must partner with both clinical and procurement teams; the hurdles are fewer and the track to success is shorter if we follow the rules.

Does clinical engagement conflict with cash savings?

Coming from a clinical background, I can understand the clinical concern that buying

cheaper alternatives could result in sub-optimal patient outcomes. A hospital's approach to supplier rationalisation and product standardisation should focus on patient safety. This is not consistent with the line-by-line price comparisons that happen in reality. This impacts the hospital's efficiency because, even though they may get the lowest price for an individual product, it's likely they lose out on the added-value a supplier can offer. Lack of supplier training and support on how to correctly use a device reduces clinical productivity and increases waste in the long run. Creating short-term savings is not always the best result.

Suppliers need to help procurement teams see the efficiency benefit of the products and provide clinical teams with the benefit of training and education. When we help both parties see each other's perspectives, cash savings can be achieved and both parties will be happy.

What does good clinical engagement look like?

Have I seen many changes since 1986? Yes. A far more co-ordinated effort is happening because good procurement and dedicated clinical teams are all working towards doing the right thing for the patient. The biggest challenge for procurement teams trying to engage with clinical staff is their available time to meet. Sometimes clinical engagement can be seen as an additional task to the job rather than part of it. A key person who can help resolve this issue is a

clinical procurement nurse specialist. This person is involved in supporting clinical purchasing decisions and ensuring those decisions do not negatively impact patient care. Not all trusts are fortunate enough to have this person in place. For trusts that don't have a clinical procurement specialist, suppliers can help facilitate these discussions. Suppliers can work with clinical teams, often called health technology evaluation teams or user groups, to ensure there is no negative impact on patient care and that the procurement team meets their objectives.

The future

In my experience, when procurement teams have a clear SRM process and a team willing to drive projects with clinical leads and suppliers, success is achieved. Achieving a successful product evaluation and driving to conversion and implementation can deliver savings while maintaining high quality and patient outcomes. With clinical engagement at the heart of many discussions, and teams trying to follow recommendations from Carter and NHS Improvement, I can see a new culture developing in the NHS where healthcare professionals view collaboration with industry as more essential than ever to ensure we have a sustainable future and are doing the right thing for the patient.

FOR MORE INFORMATION

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