## Assessing Medical Technology Innovation

### Clinical Value

- Faster & easier to use
- Reduced procedure time
- Faster and better diagnosis; better targeting of therapy
- Fewer complications; faster recovery
- Better short-term and long-term outcomes

### Economic Value

<table>
<thead>
<tr>
<th><strong>Who Benefits?</strong></th>
<th><strong>When Do They Benefit?</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospital</td>
<td>At time of procedure</td>
</tr>
<tr>
<td>Physician</td>
<td>During an annual budget cycle</td>
</tr>
<tr>
<td>Patient</td>
<td>Over the life of the patient</td>
</tr>
<tr>
<td>Payors</td>
<td></td>
</tr>
<tr>
<td>Healthcare Budget</td>
<td></td>
</tr>
<tr>
<td>Society</td>
<td></td>
</tr>
</tbody>
</table>
Eucomed Perspective

Principles of smart procurement

• Quality and value – “economic” advantageous

By using Most Economically-Advantageous Tender (MEAT) criteria, public procurers can encourage technological and procurement innovation and achieve long-term efficiencies.

Economically advantageous -> cost-containment (solution, over lifetime product/ cost of treatment, social and economic benefit patient, societal economic benefit of being socially and economic active

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Principles of smart procurement

- Involve stakeholders, develop partnerships

\textit{Clinical input remains an important element of effective procurement of medical technologies. Early engagement with industry can also be mutually beneficial.}
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Principles of smart procurement

- Maintain competition

*The excessive use of centralised procurement risks seriously impeding competition by excluding (SME) companies from the marketplace.*
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Principles of smart procurement

• Good Procurement Practices – Professionalize MedTech procurement

To ensure public procurement is transparent and consistent, standards, good practices should be made available and guidance for procurement professionals and industry developed
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Procurement a key role in access, innovation, health care sustainability.

First point of Market Access
Eucomed Perspective

Procurement can stifle Medtech innovation - Value

<table>
<thead>
<tr>
<th>Innovations</th>
<th>Hypotheses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Increasing procurement centralization</td>
</tr>
<tr>
<td></td>
<td>Reduced innovation adoption</td>
</tr>
<tr>
<td>DES 3rd generation</td>
<td>✓</td>
</tr>
<tr>
<td>Endoprosthetics: MB knee implants*</td>
<td>✓</td>
</tr>
<tr>
<td>Spinal implants: Cervical plates</td>
<td>✓</td>
</tr>
<tr>
<td>High-end radiology equipment</td>
<td></td>
</tr>
<tr>
<td>Customized OR procedure trays</td>
<td>(✓)</td>
</tr>
<tr>
<td>Incontinence pants</td>
<td>(✓)</td>
</tr>
<tr>
<td>Integrated patient monitoring systems</td>
<td>(✓)</td>
</tr>
<tr>
<td>Safety medical devices</td>
<td>(✓)</td>
</tr>
<tr>
<td>DES 1st / 2nd generation</td>
<td>(✓)</td>
</tr>
<tr>
<td>Insulin pumps with CGM</td>
<td></td>
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<tr>
<td>Negative pressure wound therapy</td>
<td></td>
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<tr>
<td>Spinal implants: Artificial disc replacement</td>
<td></td>
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<tr>
<td>Transcatheter aortic valve implants</td>
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</tr>
</tbody>
</table>

Group 1: Negative impact

Group 2: Impact depends

Group 3: No exposure to or no impact of PC

✓ Confirmed, (✓) Partially confirmed, × Not confirmed, -- No exposure to PC

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Principles of smart procurement

Engage with procurement agencies to develop a method for most economic advantageous tendering
Nature of Medical Technology Innovation

- Rapid innovation & short product life cycles (18-24 months)
- Collaboration with physicians, hospitals, universities
- Small & medium enterprises (95% of companies)
- Incremental to breakthrough innovation

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