

About the speaker



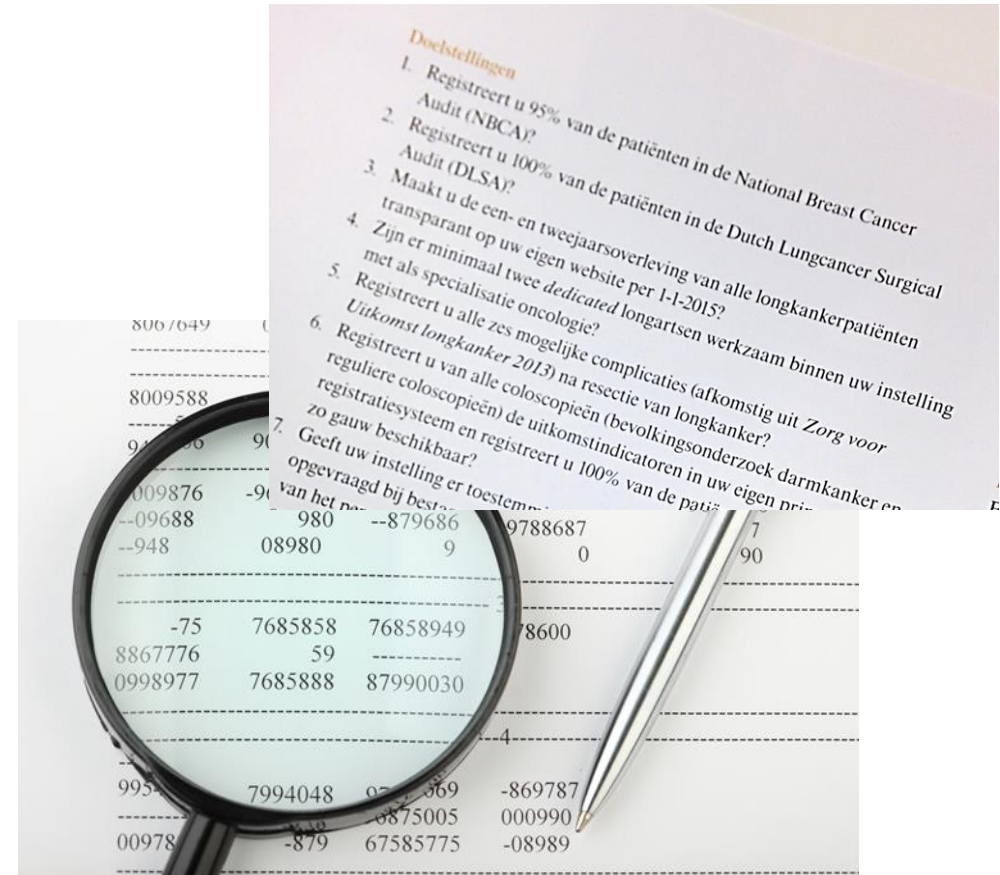
Peter Dohmen is a researcher at the Rotterdam School of Management, Erasmus University Rotterdam and a consultant in health care procurement associated with the Best Value Group. In both his work as a researcher and as a consultant he focuses on changing business relationships between purchasers and providers of health care services and the implementation of value based procurement strategies. Peter holds a master's degree in health science and a bachelor's degree in law.



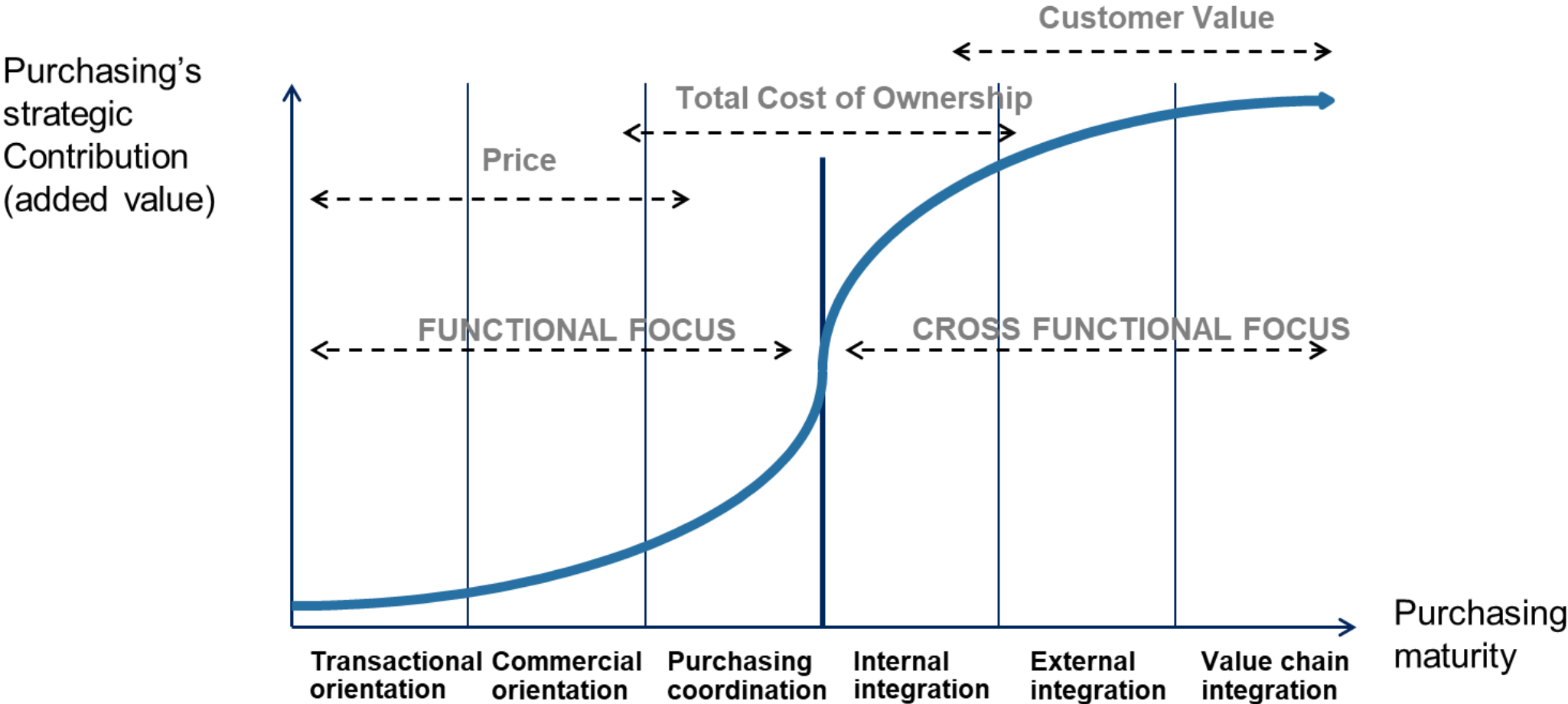
Value based procurement: How to add value as a buyer?

Traditional procurement

- Price-based
- Volume-based
- Technical specifications
- Minimum requirements
- Selecting & Contracting
- Monitoring, directing and controlling
- Many details
- Win-Lose

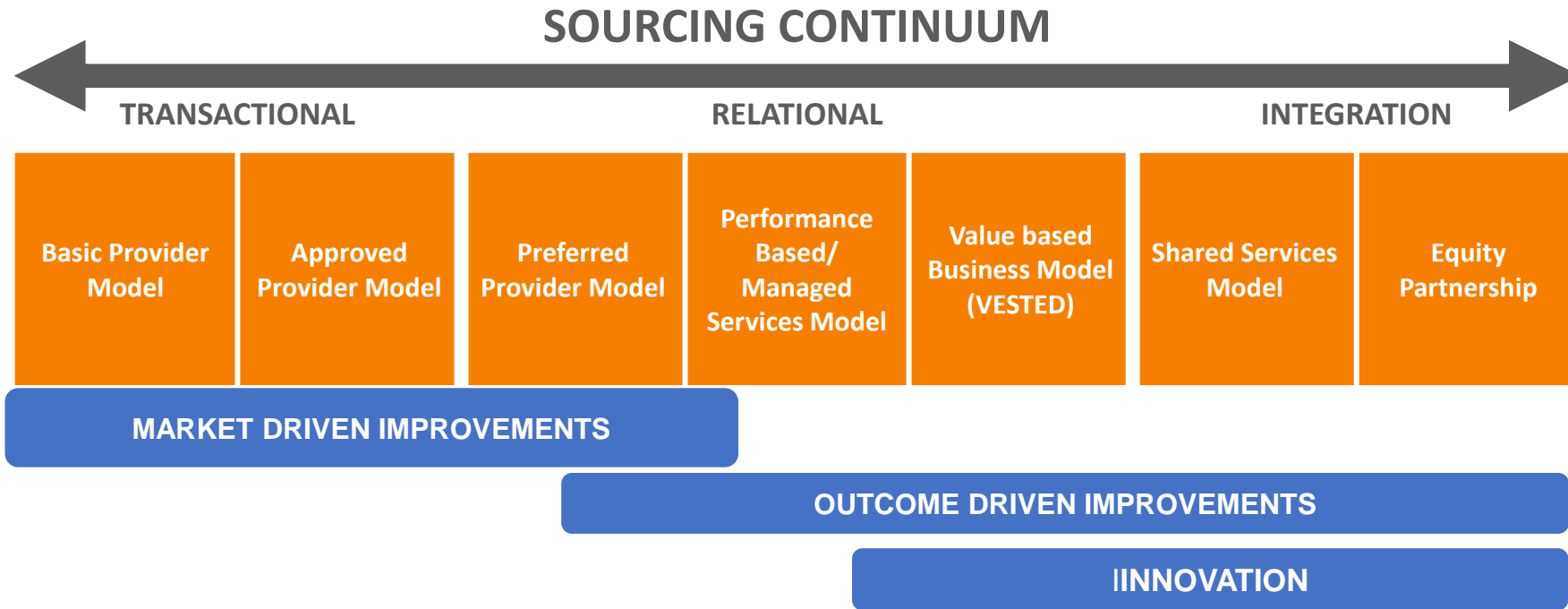


Importance of purchasing maturity



Based on Rozemeijer (2009); Van Weele (2010)

Sourcing Business Model and Innovation



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Source: STRATEGIC SOURCING IN THE NEW ECONOMY: HARNESSING THE POTENTIAL OF SOURCING BUSINESS MODELS FOR MODERN PROCUREMENT, Keith, Vitasek Manrodt & Kling, Palgrave 2015

Value as the compass



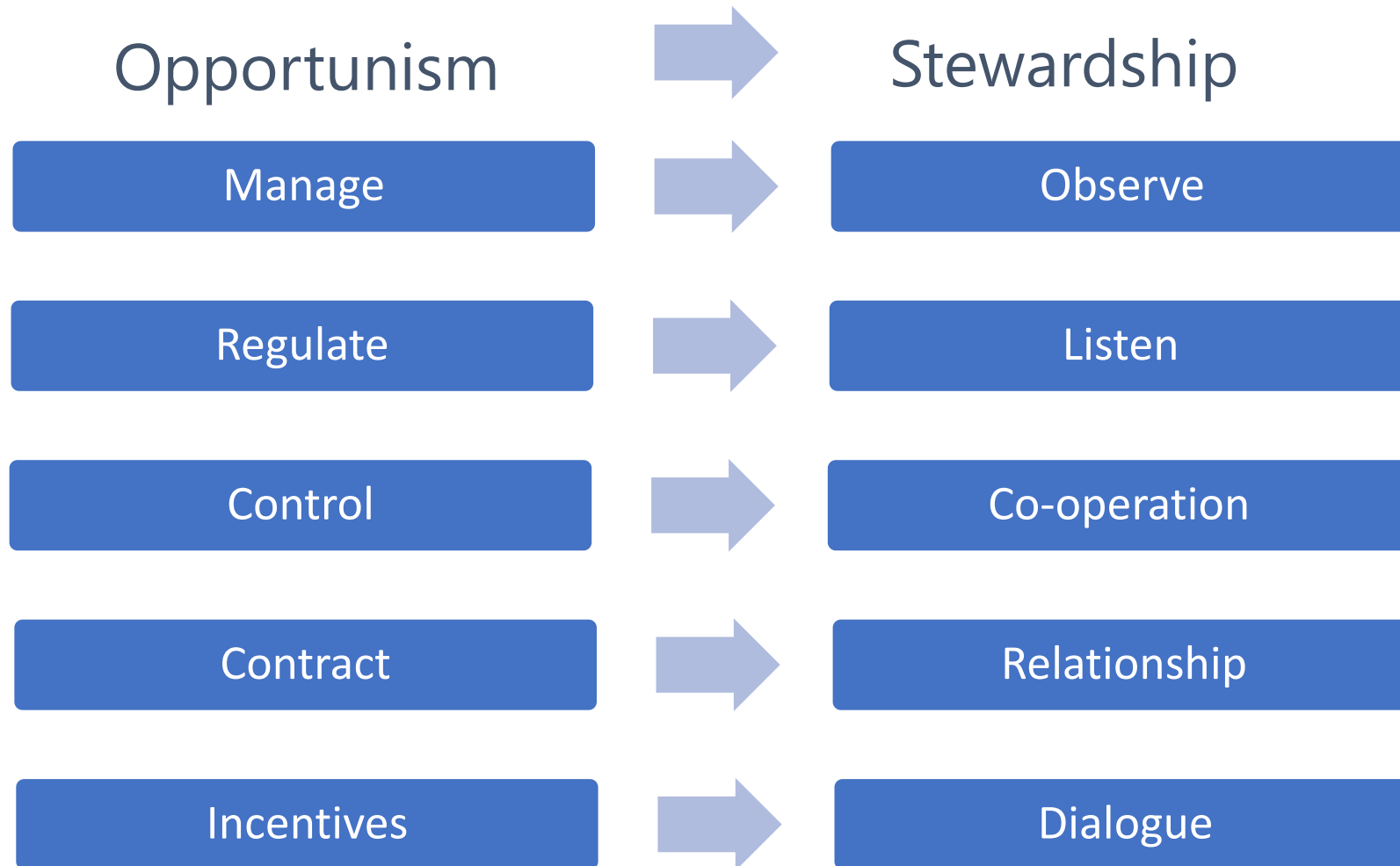
How do we know that we adding value?



Quality performance indicator	Agreed performance level	
Perioperative complications	Max. 1%	
Postoperative complications	Max. 1.2%	
Conducted front vitrectomy	Max. 0.2%	
Corrected visual acuity ≥ 0.5	$\geq 96\%$	
Patient satisfaction of outpatient visit	$\geq 90\%$	
Average grade by patients (0-10 scale)	≥ 8	
Net promotor Score (NPS)	≥ 55	
Availability of operating room	100%	
Lead time first hospital visit-operation	Max. 30 days	
Patient satisfaction re. waiting time	$\geq 90\%$	

Example of a value based contract cataract surgery (Zilveren Kruis/The Netherlands)

What about our own attitude and behavior as a buyer?



Find the balance

		If the buyer sees the other as...	
		Opportunist	Steward
If the supplier behaves like ...	Opportunist	Emphasizing on minimizing costs through contract	Buyer is angry and feels betrayed
	Steward	The supplier becomes frustrated and feels unnecessarily controlled	Emphasis on maximizing value through relationship

Based on: Davis, J. H., Schoorman, F. D., & Donaldson, L. (1997). Toward a stewardship theory of management. *Academy of Management review*, 22(1), 20-47.

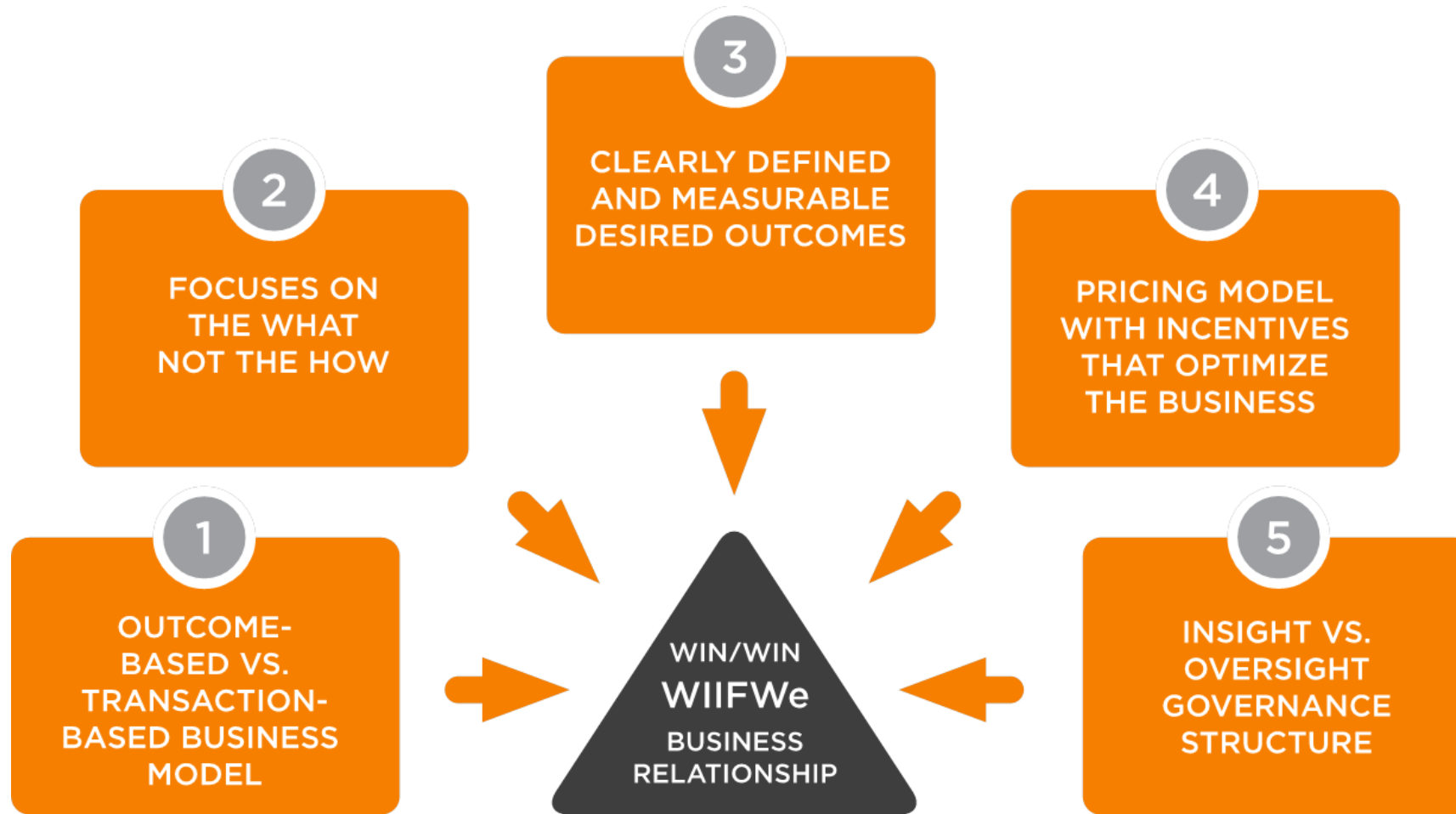
How should we pay for added value?



Outcome-dependent
layer

Base payment,
independent of
outcomes

The 5 Rules of Value Based Agreement (Vested)



Source: Vested®



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Structure of a Value Based Agreement (Vested)

