



PROSPECTUS

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# The Future of **Value-Based Procurement** and Medical Technology in Europe

A report prospectus developed by Vamstar Ltd.







# Introduction

In the last decade there has been a recognized need to improve the efficiency of procurement in healthcare to maximize budgets, improve product quality and innovation, and deliver better value for money. This has led to a process referred to as value-based procurement (VBP) which includes introducing standardization to reward innovation, with more emphasis on decision-making by involving procurement and finance professionals into the decision mix. However, as procurement professionals are typically not directly involved in the clinical practice and are isolated from procedure outcomes, cost reduction has been prioritized over long-term clinical benefits—a situation that does not necessarily achieve the goal of delivering increased value. As a result, physicians are again being included in the decision-making process, along with many other stakeholders, as procurement organizations try to understand value-based healthcare concepts and how to achieve them. This is not an easy task for many reasons, including the potential for countervailing incentives from fragmented health systems, lack of a quick feedback loop due to long billing cycles, privacy laws that may impede merging data for analysis from varied sources, and a general mistrust among parties due to a lack of knowledge. This report will provide clarity on VBP as it stands today in both quantitative and qualitative terms, along with an outlook for the impact of VBP on medical technology for the next several years. This prospectus includes background on Vamstar Ltd., report table of contents, methodology, timeline for report development, and pricing.



# Who will benefit from this report?

This report is designed for use by anyone involved in healthcare purchasing including hospital management, policymakers, contracting authorities, medical technology procurers, and suppliers. However, it is expected that the most value will be experienced by the following industry professionals:

- > Supplier sales, market access, and business development professionals that seek better success in highlighting the value of innovation and the potential for long-term cost synergies for buyers. With 70% of medical technology purchased through procurement, it will be increasingly important to understand the scope and structure of VBP contracting
- > Procurement professionals that seek to develop a framework that effectively identifies and awards those medical technologies that provide the most holistic value, such as the Most Economically Advantageous Tender (MEAT) criteria-based contract awards

# Why Vamstar Ltd.?

As the largest healthcare marketplace bidding platform, Vamstar is uniquely placed to produce this report. Vamstar’s marketplace aggregates \$2 trillion of demand for healthcare products and services using machine learning, providing real-time market insights to enable faster bidding. Vamstar provides clients with insights and perspective on what really matters by isolating cause and effect, as well as risk and opportunity, in ways that empower clients to make well-informed decisions. As VBP contracting requires a deep knowledge of the buyer environment, Vamstar indexes the criteria on its platform where the system dissects the entire contracting landscape in a way that recognizes when VBP is possible and extracts a template to implement a win-win VBP contract. Beyond this unique capability to identify VBP, Vamstar is further qualified to:

- > Size markets with a holistic view of the demand environments at the region, country, sector, and channel level
- > Assess risks and opportunities in over 75+ countries and 20 medical technology sectors with analysis of key regulatory, economic, and operational factors impacting the supply-and-demand environment
- > Forecast market trends with analysis of the factors impacting business conditions using Vamstar’s AI-based Marketplace Platform™, key buyer and supplier indicators, and industry expertise
- > Plan for alternative outcomes with a cutting-edge forecasting model that links interdependent markets, and access to highly experienced analysts, researchers, and consultants

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# Methodology

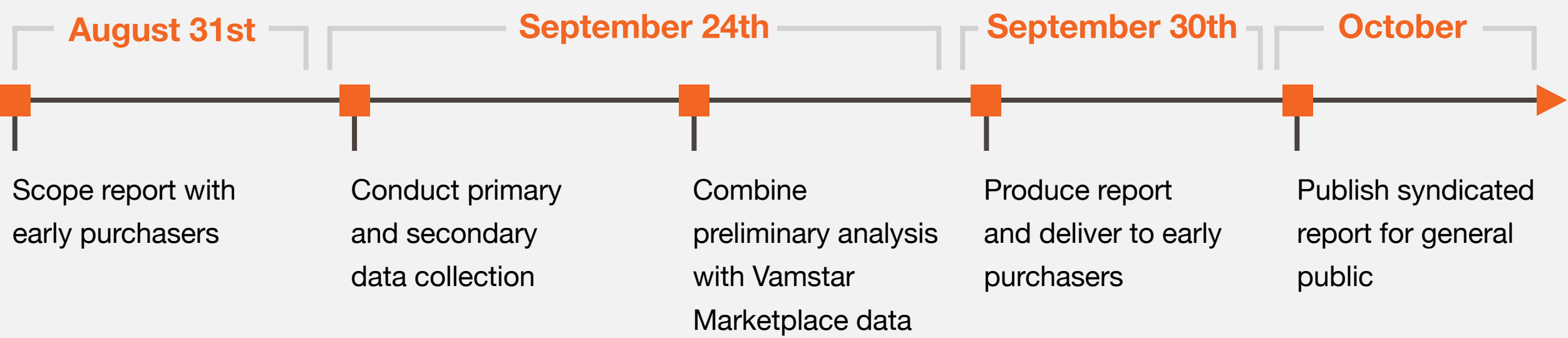
- Information for this report will be gathered from a variety of sources including:
- > Vamstar’s AI which scans millions of procurement data sources daily
  - > Briefings with key personnel at leading hospitals and their suppliers
  - > Industry and financial press
  - > Technical articles and conference proceedings

Historical data will come directly from Vamstar’s AI-Based Marketplace Platform™. Forecast market estimates will be built using a bottom-up approach, utilizing data obtained from hospitals, manufacturers, distributors, and other sources. These estimates will then be compared with estimates using top-down analyses to identify and rationalize any variances. The forecast modeling is based on expectations from vendors, the knowledge and expertise of Vamstar’s analysts, and the unique procurement insight obtained from the company’s novel AI platform.

# Pricing

- > The final price for this report after August 31, 2021 will be \$11,500
- > Prior to August 31, 2021, early purchasers will receive discounted pricing of \$9,750

# Timeline for Report Development



*The early purchase discount period ends August 31,*

*2021.* The benefits of early purchase include:

- > Influence the final scope of the report
- > Receive 15% discounted pricing

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**For more information,  
Please contact**



● **Shane Walker**

Research Director at Vamstar

+1 229 280 4023

shane.walker@vamstar.io

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