

Aim

To improve the manner in which medical equipment is procured by RCSI Hospitals.

Context

The manner in which capital equipment is purchased is not standardised across the Group and is reliant upon HSE template specifications that may not always be appropriate. While centralised framework agreements are in place, current purchasing strategies do not deliver optimum value-for-money, and routinely fail to take account of the whole life cost of equipment ownership.

Additionally, the prevailing approach to the purchase of equipment by the HSE is to rely upon capital expenditure for the procurement of equipment. Given serious constraints regarding access to capital funding, the purchase of medical equipment is therefore frequently delayed, which leads to an over-reliance upon dated technology.

What are we trying to accomplish?

- The development of template procurement documentation for use in managed equipment service (MES) contracts or equivalents, with a particular focus on support and maintenance and associated costs.
- The development of a template supply and support contract to govern MES contracts or equivalents.
- An analysis of the suitability and relevance of MES contracts, or similar equivalents, in the context of RCSI Hospitals' procurement objectives.

Team

- Andrea Fottrell, Principal Clinical Engineer, Beaumont Hospital
- Gareth Enright, Clinical Engineer, Beaumont Hospital
- Greg O'Leary, Procurement Manager, Beaumont Hospital
- Maurice Friel, General Services Manager, Connolly Hospital

What We Did

1. Plan

We considered the current national approach to the procurement of medical equipment and identified recurring deficiencies, limitations and risks (both financial and clinical). We researched current NHS procurement models and private sector purchasing models involving strategic rental agreements and managed equipment service strategies.

2. Do

We drafted and implemented a standard support and maintenance specification that builds upon and improves existing support and maintenance documentation currently in use. Additionally, we developed a standard contractual document for use in MES-type purchasing strategies. Finally, we considered the overall suitability and appropriateness of strategic MES-type contracts in the context of RCSI Hospitals procurement activities.



3. Study

Through stakeholder engagement, we extensively tested the appropriateness of our proposed documentation and sought legal advice confirming the validity of MES contracts in the health sector.

4. Act

Taking into account all feedback and suggestions, we sought and attained approval to conduct, as a pilot project, a tender competition for the provision of endoscopic stack systems to Beaumont Hospital. This competition is utilising all documentation produced over the course of the project and will result in the award of a managed equipment service contract.

What We Achieved

- We have produced a set of template procurement documentation and associated instructions, incorporating a complete assessment methodology and a draft specification for use in MES-type contracts. This documentation has been tested in a pilot study that will result in Beaumont Hospital procuring endoscopic stack systems for use high-end neurosurgical / ENT procedures, the support and maintenance of the equipment in question and all related consumables without recourse to capital expenditure. The competition is ongoing.
- We have developed a supply and support contract that will codify the relationship between Beaumont Hospital and the successful tenderer and that accurately addresses the genuine whole life cost of the equipment and related services for the duration of the contract.
- We have confirmed that the approach adopted by Beaumont Hospital for this pilot study can be replicated by RCSI Hospitals in its own right, or by any of its constituent hospitals. In this regard, all documentation produced has been drafted in 'template' form to facilitate its ready utilisation by any other purchasing organisation. All documentation includes instructions regarding its appropriate use.

Key Learning

- Correct specifications, particularly in respect of support, maintenance and ultimate cost, mitigate financial and clinical risk.
- At present, the whole life cost of equipment is generally inaccurately assessed during procurement competitions across the health sector; this can be readily resolved.
- A centralised RCSI Hospitals procurement strategy (incorporating revised procurement templates) would reduce delays in the procurement of medical equipment, thereby reducing a reliance upon dated technology.
- MES-type contracts offer a valid alternative to the traditional capital purchase of medical equipment