

# HEALTH PURCHASING VICTORIA **IN FOCUS**

High performing supply chains are good for public health

# INTRODUCING HPV



HPV exists to support public health care services deliver high quality patient care through ensuring their supply chain is strong.

Megan Main  
Chief Executive  
Health Purchasing Victoria

When Health Purchasing Victoria (HPV) was first established in 2001, it comprised a team of three people, a limited budget and a wide-ranging legislative mandate under the *Health Services Act 1988* to collectively manage contracts on behalf of Victoria's public health services.

Each year, approximately \$4 billion is spent within Victoria's public health supply chain and so far, HPV manages an estimated \$625 million of this spend as at 30 June 2014.

Most importantly, this contract value translated to an estimated \$59.2 million in financial benefits (including cost avoidance and cost reduction) released to the sector in the 2013–14 Financial Year.

A crucial element of HPV's ongoing success has been our extensive collaboration with Victoria's health sector who shape our sourcing program. Our reference groups and contract management groups are essential to ensuring that HPV applies its collective buying power to source the categories that will deliver the most value to the health sector.

Beyond savings and contract outcomes, HPV is working towards driving supply chain reform across Victoria's health sector through a number of key initiatives such as championing the supplier adoption of the National Product Catalogue.

Without a strong underlying platform of common data identifiers for health products, we cannot have a high-performing supply chain.

In 2014, HPV also increased its presence 'in the field' with regional procurement advisors actively engaging with all hospitals and health services across Victoria to ensure they are 'procurement reform ready' and provide direct support and advice on how to untap new savings through providing guided resources, templates and tools.

As HPV continues to grow its value under contract and expand into non-clinical sourcing, its mission to achieve best-value supply chain outcomes will remain paramount.

**Megan Main**  
Chief Executive

# ABOUT HPV

**At Health Purchasing Victoria (HPV) we help public health care services deliver high quality patient care by ensuring they have a reliable and agile supply chain.**

## We do this by:

- > Partnering with public health care services to organise collective contracts for the goods and services they purchase
- > Providing advice and education on how to get their supply chain working at its best
- > Ensuring Victorian Government purchasing policies are complied with

## Why?

Because good procurement practices ultimately benefit the health and finances of all Victorians by creating health services that provide better care with high quality outcomes that are more financially efficient.

Good procurement is no longer about picking the cheapest product or service, but chooses the product or service that demonstrates the best value across its entire life cycle. For example, 'best value' can mean that a product or service produces better clinical outcomes, or lasts longer, or is of better quality.

## KEY STRATEGIC GOALS

HPV aligns its annual Business Plan and key performance outcomes to the following key Strategic Goals that form part of the 2012–17 Strategic Plan:

- 1 Increase the benefit to Victoria's health sector from collective procurement of goods and services
- 2 Achieve economies of scale in equipment procurement
- 3 Drive measurable end-to-end supply chain efficiencies
- 4 Support procurement and probity practice improvement
- 5 Improve the integrity and availability of the information used to drive supply chain decisions
- 6 Build capability and capacity
- 7 Improve Pharmacy sourcing management

# ACHIEVING BEST-VALUE OUTCOMES

Number of health services accessing HPV contracts  
(75 mandated and 17 non-mandated)  
as at October 2014

**92**

Number of HPV contract categories

**55**

**100%**

of all health services have been engaged by HPV to ensure they are prepared for procurement reform

Total estimated collective HPV contract value

**\$625M**



VICTORIAN PRODUCT CATALOGUE SYSTEM

**255,000+**

contracted and non-contracted items in the Victorian Product Catalogue System

**31**

HPV contracts and PRICING DATA

loaded in the Victorian Product Catalogue System which equates to an estimated equivalent of

**\$356M**

OF HPV CONTRACT SPEND

**286**

National Product Catalogue supplier subscriptions

## KEY FINANCIAL OUTCOMES FOR VICTORIAN HEALTH

Total financial benefits achieved for health sector:

**\$59.2M**

(comprising Cost Reduction and Cost Avoidance)

Cost Reduction **\$15.3M\***

\* Cost Reduction is measured for the first 12 months of a contract.

Cost Avoidance **\$43.9M**

Cost Avoidance: costs which are avoided e.g. holding prices fixed for a period of time.

Further Opportunities **\$4.6M**

Additional opportunities identified for even greater cost reduction.

## RECALLNET

**26** VIC HEALTH SUPPLIERS REGISTERED OR LIVE ON RECALLNET

**48** MANDATED AND NON-MANDATED HEALTH SERVICES REGISTERED OR LIVE ON RECALLNET

As at December 2014. Recallnet Healthcare is an online therapeutic recall notification system.

**280** HEALTH SERVICE STAFF participated in a Reference Group in 2013–14



**354** supplier and health service representatives attended an HPV event in 2013–2014

(regional and metro HPV Forums, annual Supplier Briefing)

**1443**

registered health service and supplier

HPV website users

as at December 2014. HPV's website was re-launched in July 2014.

**GREENFIELD SAVINGS**

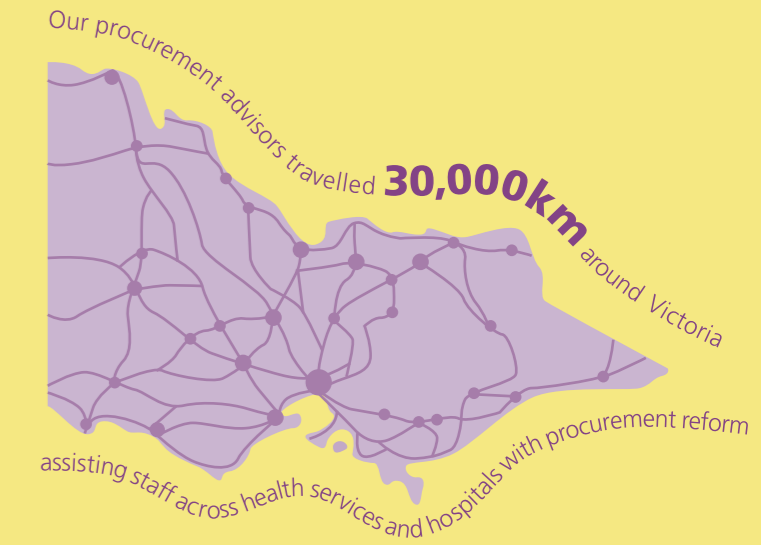
UNTAPPING NEW BENEFITS

Maintained a minimum of 10% on average savings for all Greenfield sourcing events.

**56** CHIEF PROCUREMENT OFFICERS\*

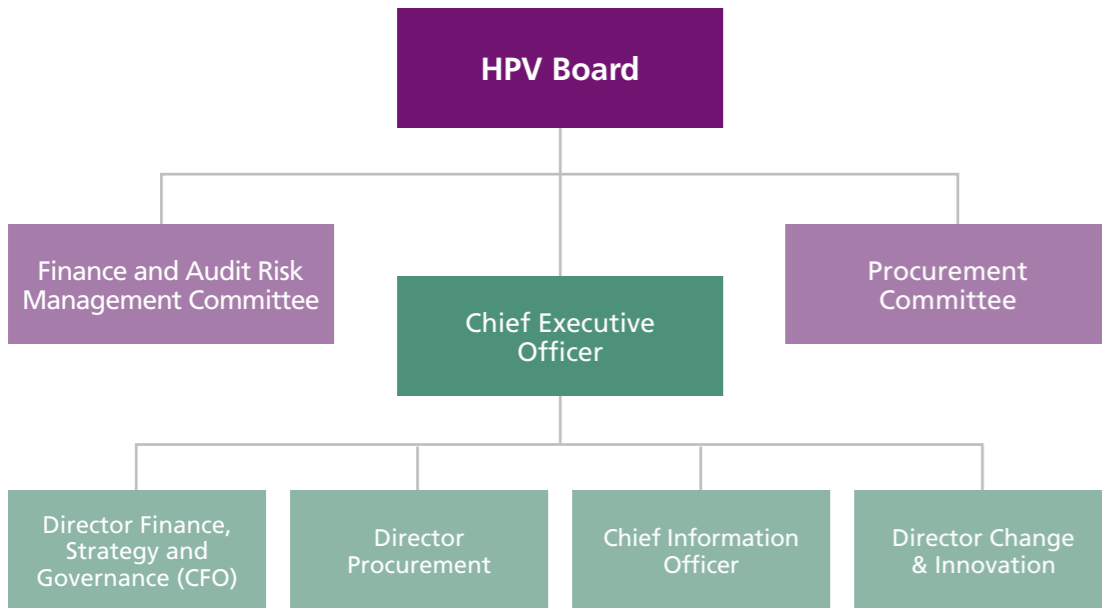
APPOINTED BY HEALTH SERVICES AS AT JANUARY 2015

\* The new Health Purchasing Policies require the establishment of a CPO role (or integration into existing role) that has visibility and oversight of the entire non-salary spend profile of a health service.



# OUR STRUCTURE

HPV's Board comprises three health service CEOs, two health service executives and five independents.



## GOVERNANCE

HPV's Board is appointed by the Governor in Council and reports to the Minister for Health. The composition of the Board is critical to ensure that health services are represented – currently it comprises three health service CEOs, two health service executives and six independents. Similar to a health service, HPV has governance committees that are responsible for the governance of HPV's operations.

## KEY BOARD COMMITTEES

The following sub-committees advise the Board:

### Finance and Audit Risk Management Committee (FARMC)

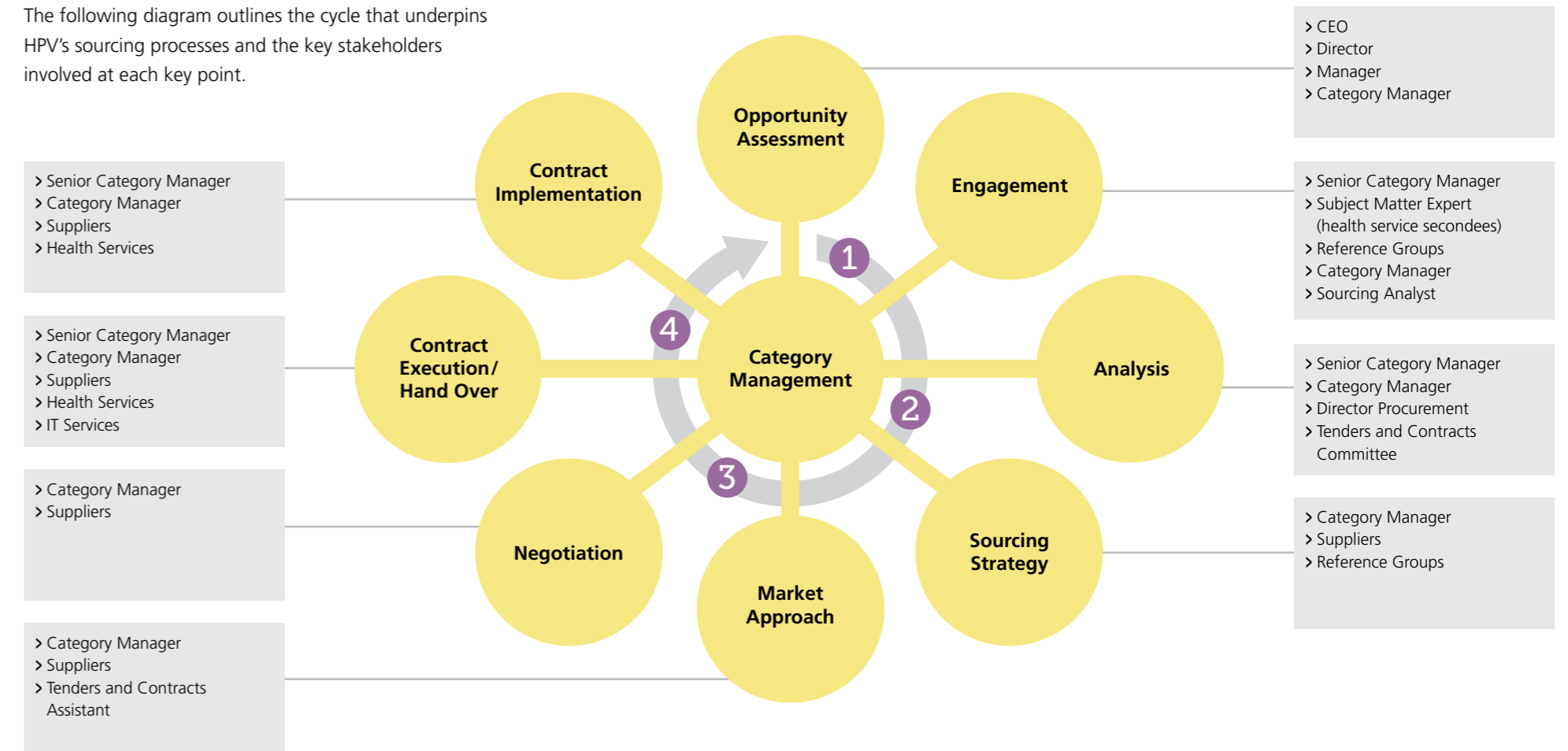
The FARMC advises the Board in key areas of governance, ensuring that accurate, timely and relevant reports are produced on the financial operations of HPV. The FARMC advises the Board on matters relating to financial strategies, the internal audit function and also oversees the risk register and effectiveness of internal control systems in maintaining legislative compliance.

### Procurement Committee (PC)

The PC advises the Board in achieving its fiduciary duty through the execution of the sourcing program, while maintaining appropriate segregation of powers. The PC's independent review and makes recommendations to the Board regarding HPV tendering and contracting activities.

# HPV'S PROCUREMENT PROCESS

The following diagram outlines the cycle that underpins HPV's sourcing processes and the key stakeholders involved at each key point.



**1 Checkpoints**  
(Procurement Committee and/or Board)

Increasingly, HPV's buy profile is broadening to include non-clinical categories such as equipment, electricity and language services. HPV's procurement process is underpinned by ongoing supplier relationship management throughout each key stage of the procurement process that aims to ensure:

- > Alignment to health service needs delivering the most cost effective patient treatment outcome
- > Alignment to market needs rather than fixed or arbitrary measures
- > A strong focus on delivering value at sourcing event and throughout the contract life



# HPV'S SOURCING PROGRAM

HPV's sourcing program is developed to meet the diverse clinical and operational needs of our health sector.

## 2014–15 HPV CONFIRMED ANNUAL SOURCING PROGRAM

Developed in collaboration with clinicians and subject matter experts from across Victoria's hospitals and health services, our [Confirmed Annual Sourcing Program](#) reflects the categories that are in scope for HPV and for mandated public health services (*Schedule 1 and 5 of the Health Services Act*), outline the categories from which they are required to purchase through HPV.

Non-mandated public health services are also able to access the HPV contracts, following amendment to HPV's access legislation. Increasingly, the non-mandated health services accessing contracts include community health centres, women's health services and a range of general health services including Ambulance Victoria.

### MEDICAL CONSUMABLES AND PHARMACEUTICALS

#### Greenfield Sourcing

- > Neurosurgical Cranial Prostheses and Consumables
- > Aids and Appliances (Opportunity Assessment only)

#### Re-Sourcing (current contracts)

- > Hypodermic Needles, Syringes and Oral Dispensers
- > Sterilisation Consumables
- > Operating Room and Wound Drainage Consumables
- > Interventional Radiology
- > Interventional Cardiology
- > Drapes and Clinical Protective Apparel
- > Sutures, Skin Staples and Tissue Adhesives

#### Option Decisions

- > Enteral Feeds
- > Trauma Implants
- > Biopharmaceutical – Filgrastim
- > Medical Industrial Gases
- > Pathology Consumables

#### Contract Management Phase

- > Examination and Surgical Gloves
- > Continence Management Products
- > Hand Hygiene and Domestic Paper Products
- > Intravenous Access Devices and Administration Consumables (previously Administration Sets)
- > Peritoneal Dialysis Products
- > Orthopaedic Prostheses
- > Surgical Instruments Open and Laparoscopic
- > Contrast Media and Non-radioactive Kits
- > Radiopharmaceuticals
- > Heart Valves
- > Monitoring Products
- > Respiratory Products
- > Wound Care
- > Surgical Dressings, Tapes and Bandages

### INDIRECT MATERIALS AND SERVICES

#### Greenfield Sourcing

- > Waste Management
- > Non-Emergency Patient Transport (NEPT)
- > Security Services
- > Electricity (small sites – <160MWH)
- > Telecommunications
- > Laundry, Bedding and Linen Services

#### Re-sourcing (current contracts)

- > Natural Gas (< and > 5TJ p.a.)

#### Contract Management Phase

- > Office Requisites
- > Catering Supplies
- > Language Services
- > Natural Gas (> 5TJ p.a.)
- > Natural Gas (< 5TJ p.a.)
- > Electricity > 160 MWH
- > Cleaning Products, Equipment & Consumables
- > Agency Labour – Clinical and Support (previously Nurse Agency Services)
- > Hand Hygiene and Domestic Paper Product

### MEDICAL EQUIPMENT

#### Greenfield Sourcing

- > Medical Imaging (extended scope)
- > Ventilators

#### Option Decisions

- > Infusion Pumps

#### Contract Management Phase

- > Haemodialysis
- > Defibrillators
- > Part A: Physiological Monitoring Equipment & Part B: Anaesthesia Gas Delivery
- > Beds and Mattresses
- > Mattress Hire (addition to existing Beds and Mattresses contract)



This information is correct as at January 2015, see the HPV website for updated information about our sourcing program.

# COLLABORATING WITH HPV

## CLINICAL ENGAGEMENT

Clinical Engagement is fundamental to the development of HPV's annual sourcing program and helps ensure that we identify best-value outcomes for the sector that reflect diverse clinical requirements.

A key element of clinical engagement is the development of reference groups that are engaged to help guide HPV to determine the requirements for each tender or sourcing event, and the basis by which the tender is to be evaluated.

These reference groups review and recommend the selection of appropriate clinical and non-clinical products and services on behalf of Victoria's public hospitals. Reference group members provide HPV with direct insight and advice into how product use varies across health services and are chosen for their background, knowledge and extensive experience with the products under consideration for HPV contracts.

Appointed by their health service chief executive, reference group members review and advise HPV on the selection of appropriate clinical and non-clinical products and services on behalf of Victorian public hospitals.

They comprise a representative range of personnel from a number of metropolitan and regional health services selected according to the types of products or services under consideration. In the 2013–14 Financial Year, 280 health service staff across metropolitan and regional Victorian health services participated in a HPV Reference Group.

Key responsibilities for Reference Group members include:

- › Identifying and confirming the range of products to be tendered for
- › Identifying relevant product or service standards and development of specifications
- › Identifying key clinicians and users of products under contract
- › Developing tender evaluation criteria
- › Identifying relevant local, regional and SME factors that must be considered as part of the tender
- › Recommending product recommendations via HPV's Procurement Committee to the Board regarding particular contracts

In order to ensure the highest standards of probity, members of Reference groups are bound by a code of conduct and confidentiality agreement to ensure the strictest principles of professional ethics and probity apply.

## NOMINATIONS

Each year HPV seeks nominations for product reference groups via health service chief executives, either via a blanket request or directly to specific health service chief executives. Nominations can also be made by health services to HPV and are considered on the basis of skill base, skill mix and appropriate health service representation.

**For more information about the Reference Group nomination process, contact HPV's Head Medical and Pharmaceutical Program, Colin Hui, [c.hui@hvp.org.au](mailto:c.hui@hvp.org.au)**



## DRIVING ONGOING VALUE

HPV aims to drive value throughout the life of a contract and our Contract Management Groups (CMG) are a key conduit for achieving this.

The CMG assesses supplier requests for mid-contract product or service additions. These Groups also provide a consistent opportunity for health service staff to provide ongoing input into HPV contracts to ensure they are still meeting the required needs as established at the beginning of the sourcing event.

Reference Groups give health services a say on the sourcing decisions guiding HPV's collective contracts



In health, the growing demand always challenges our capacity to supply services and care to the levels desired by patients, communities and funders alike.

The role of HPV is central to our capacity in stretching the funding envelope and ensuring that healthcare has a sustainable future. HPV has made an enormous effort to engage and involve the health sector's senior leadership and key clinicians in its strategic decision-making.

As a member of the supply chain advisory group that HPV has established, I see first-hand the benefits of this collaboration – it's a terrific opportunity for key health service leaders to be given a tangible opportunity to directly shape the future health supply chain.

In my role, having ongoing access to a central resource such as HPV provides me with the added assurance that there is support for health services to think outside the box when it comes to optimising our non-labour costs. Ultimately, we're all working together to help ensure a more sustainable health sector.

Alan Lilly, Chief Executive, Eastern Health



# SUPPLY CHAIN REFORM

Reforming the supply chain is critical to ensuring the financial sustainability of the health sector

## What are the key elements required to shape the Victorian health supply chain of the future?



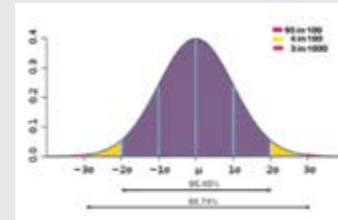
### Data is critical

- > Transactional data
- > Benchmarking
- > Evidence
- > Single source of product data via National Product Catalogue



### All on board

- > Top-down
- > Committee structure
- > Clinical Council – evaluate product performance (clinical excellence)
- > Suppliers supporting health services to identify efficiencies



### Standardisation

- > Reduce variation, common systems, GS1, Recallnet, Lean, eCommerce, eProcurement, collective procurement with a category management focus



### People

- > Invest to succeed
- > Focus on attracting strong Supply Chain talent from other industries to health sector



### Procurement efficiencies

- > Collective procurement, billing efficiency and order efficiency

In a climate of increasing healthcare costs, reforming the supply chain is a critical key to ensuring the financial sustainability of the health sector. Healthcare spending has doubled in Australia from \$58 billion in 2000–1 to \$130 billion in 2010–11<sup>1</sup>.

Furthermore, healthcare spending is projected to grow to \$290 billion by 2032–33 (in 2010–11 dollars), increasing from 9 per cent of Gross Domestic Product (GDP) to more than 12 per cent of GDP by 2033<sup>2</sup>

<sup>1</sup> From 2000–01 to 2010–11, *Australian Institute of Health and Welfare* (2012)  
<sup>2</sup> Goss (2008)

Health Purchasing Victoria has published a preliminary feasibility study to identify potential health supply chain models and the incremental group procurement efficiencies, logistics consolidation and IT systems required to deliver and support them.

The feasibility study is backed by the Victorian Department of Health and is part of a long-term supply chain transformation project that aligns to one of HPV's key Strategic Goals to Drive measurable end-to-end supply chain efficiencies. For more information about the project, contact HPV's Director Change and Innovation, Eileen Keane, on [e.keane@hvp.org.au](mailto:e.keane@hvp.org.au) or 03 9947 3761.

# HPV FAQs

## FAQS: GENERAL

### Who can use HPV contracts?

In line with our Principal [Purchasing Policy](#), all 'Victorian public hospitals and health services' are compelled to use HPV contracts – they are defined as:

- > public hospitals (as defined in Schedule 1 of the *Health Services Act 1988*)
- > public health services (as defined in Schedules 3 and 5 of the *Health Services Act 1988*)

However, at its sole discretion, HPV can grant the following organisations access to HPV contracts:

- > public denominational hospitals (as defined in Schedule 2 of the *Health Services Act 1988*)
- > public hospitals operated by the private sector (as defined in Schedule 4 of the *Health Services Act 1988*)
- > health or related services (as defined in Sections 3(1) and 131(a) of the *Health Services Act 1988*) which may include publicly funded community health, pharmaceutical, ambulance, aged care, disability or palliative care services.

### How does HPV decide what products are on contract?

Our annual sourcing program is developed in close consultation with clinicians and key health service personnel to ensure that we continue to meet the diverse clinical and operational needs of the sector. Reference Groups are established prior to the commencement of each tender to help guide the development of tender specifications.

## FAQS: SUPPLIERS

### I am a supplier with products that may be of interest to health services – can HPV share this information with health services?

HPV is not a marketing body that can distribute product information to health services. HPV relies on health services continuing to trial and evaluate products and services with suppliers.

### How do I find out about upcoming sourcing events and tenders?

HPV publishes details of all upcoming Invitations to Supply via its website. Go to our homepage, select Tenders and Contracts and then filter by 'Sourcing Events' to find details of all upcoming sourcing events.

### Does HPV's contract price include delivery to Health Services?

Yes, the tendered pricing must include the delivery to the Health Service sites, or hospitals. This is specified in the Request for Tender in Part 3, clause 3 and is called delivery Free Into Store, or FIS. Therefore, it follows that contract pricing is also inclusive of delivery FIS.

### I am a supplier with a log-in to HPV's website but can't access all contract details?

HPV has to ensure that strict controls around probity and commercial privacy are maintained. HPV has a responsibility to observe the commercial privacy of contractors. Any documents containing commercially sensitive information may be exempt from disclosure under several provisions of the *Freedom of Information Act*.

# HPV FAQs

## FAQS: HEALTH SERVICES

### I have recently joined a health service and I'm involved in procurement – how do I get access to the HPV contract information I need?

The best way to keep in touch with HPV news is to ensure you are subscribed to the newsletter (subscribe via the homepage) and have a log-in to our website (simply register your details via our homepage and your request for website access will be automatically emailed to the 'super-user' HPV has registered for your health service. If your health service isn't yet registered or there is no super-user, your request will go directly to HPV.

Once you are logged in, personalise the information you receive from HPV and choose the frequency you receive notifications under My Account. By adding 'Favourite' to specific categories you will ensure that you receive direct email updates when there are changes, e.g. changes to pricing schedules etc.

### How do I find out if a particular product is on HPV contract?

You can contact one of our Category Managers directly or search for the product terms that you require on HPV's searchable index, which is found on the [Tenders and Contracts](#) landing page on the HPV website.

### Do I have to use all items under contract with HPV?

At present, all hospitals and health services are obliged to use HPV contracts unless an exemption is granted pursuant to the *Health Services Act*. Generally, exemptions are only granted to one category in a contract. Therefore, the rest of the contract would still apply.

In order to gain an exemption from contract, you need to show that your hospital cannot use what is on contract. This may mean working with suppliers to trial alternative products. Any enquiries regarding contract variations should be flagged with a Category Manager or via [contracts@hvp.zendesk.com](mailto:contracts@hvp.zendesk.com)

### I work for a regional health service and we regularly purchase goods from local businesses. Can we keep buying from these local suppliers even if there is an HPV contract in place for those goods?

One of the factors to which HPV must have regard, under Section 133 of the *Health Services Act 1988*, is the effect of its tendering and contracting processes on the viability of small and medium-sized businesses. A health service may request an exemption from a HPV contract via the normal exemption request process on the basis of local business impact.

### What happens if we experience issues with contracted suppliers such as delayed deliveries?

Any problems experienced with contracted suppliers should be flagged with the relevant HPV Category Manager so that HPV can work with your health service and the supplier to understand the problem and identify a solution.

### How do we report supplier performance issues (product, quality or delivery) to HPV?

You can complete a category-specific survey on the website – simply log in, select the relevant category and select 'Submit Contract Feedback' on the left-hand side of the menu.

Alternatively to keep HPV in the loop of critical supplier performance issues, add the [contracts@hvp.zendesk.com](mailto:contracts@hvp.zendesk.com) in the CC of your email to the supplier as this will open up a ticket in Zendesk allowing relevant HPV staff to have central visibility of the query.

# SUPPORTING SUPPLY CHAIN EFFICIENCY

## Paper-based therapeutic recalls will soon become a thing of the past with GS1's Recallnet Healthcare providing a central electronic notification system for suppliers and health organisations alike.

HPV strongly endorses the adoption of GS1 standards as a critical step to ensure hospitals, health services and health organisations have greater visibility of spend and a 'single source of product truth'. A key initiative supporting this is Recallnet Healthcare, which will be critical to supporting a robust supply chain.

Recallnet is a one-stop, electronic, therapeutic recall notification system that eliminates manual processing and disparate email notifications of product recalls.

HPV coordinates the registration of Victorian health services on to Recallnet and also plays a key role in ensuring Victorian health suppliers register to use Recallnet through GS1. In many new contracts, being registered on Recallnet is a key contract compliance measure.

Michelle Killick, Clinical Products Advisor from Austin Health, is already seeing some promising benefits. Previously therapeutic recall notices were issued from various points by email and fax, making it a manually intensive and time-consuming process. "I find the process of reviewing notifications fairly easy and the ability to update progress instantly is a fantastic feature. Having the ability to receive and provide instantaneous information to suppliers and end users with a few clicks of the mouse is a key benefit."

GS1 has reported that Recallnet can reduce the processing time from 4-6 weeks in its current paper-based state to, in some cases, less than 24 hours.

For more information about Recallnet visit HPV's website or email [recallnet@hvp.org.au](mailto:recallnet@hvp.org.au)



Image re-published courtesy of GS1.



# DRIVING PROCUREMENT REFORM

Good procurement practices benefit the health and finances of Victorians.

Health Purchasing Victoria's new Health Purchasing Policies provide a strategic framework for health services covering the areas of Procurement Governance, Procurement Strategic Analysis, Market Approach, Contract Management & Asset Disposal and Collective Purchasing (HPV's role on behalf of the State).

The new overarching policies will govern the procurement practices of health services and are aligned to Victorian Government purchasing policies. The new Health Purchasing Policies (to align with *Health Services Act 1988* terminology) were gazetted on 26 June 2014.

The policies are subject to a two-year transition phase (until June 2016) when they will replace HPV's existing Principal Purchasing Policy, and compliance will become mandatory for all Schedule 1 and 5 public hospitals and health services. HPV will work directly with health services during the transition period to assist them to implement the new policies.

The new policies are designed to ensure that health services are not only compliant but that they are supported to deliver good procurement, which strengthens the supply chain.

Good procurement practices consider the big picture. They are:

- > Owned by a senior role in the health service
- > Easy to understand
- > Procurement decisions made with an accurate picture of the current landscape
- > Measurable

## The first step to good procurement?

The key requirement of the Health Purchasing Policies is the nomination of a Chief Procurement Officer (CPO) who holds a senior executive role in the health service and has central oversight of the health service's procurement spend.

Essentially, the CPO provides expert advice and guidance to the Executive, CEO and their health service's board regarding procurement governance.

In line with best practice, the CPO must be a senior executive or the role may be incorporated into the role of an existing senior executive such as a CFO or the CEO.

As at December 2014, Victorian health services nominated 40 CPOs and a significant amount have submitted procurement reform transition project plans to their respective Boards.

## Resources and support for health services

HPV directly supports hospitals and health services across the State to ensure they have all processes in place to transition to the new Health Purchasing Policies. Our Regional Procurement Advisors regularly visit health services across the state to provide procurement advice and assist in the transition.

Health services with a secure log-in to our website can access more than 20 customised procurement templates, tools and resources covering transition planning and procurement policy through to Invitation to Supply templates and market analysis tools.

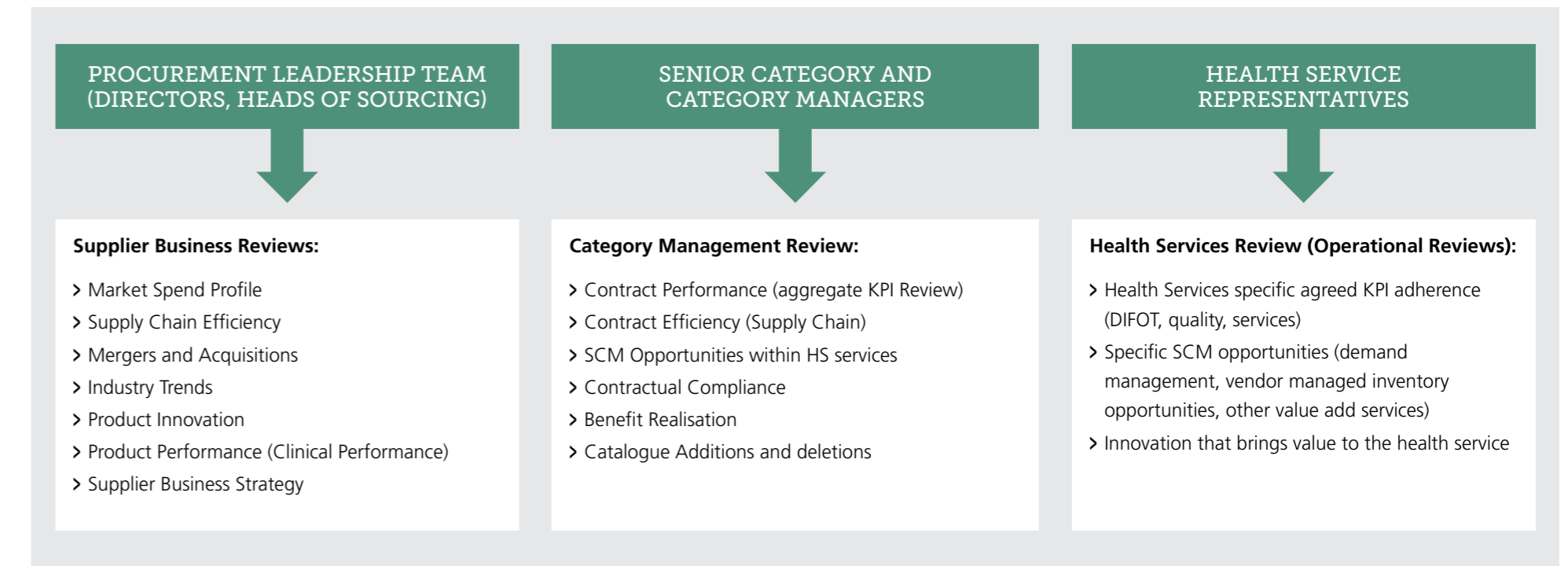
For more information, email [processimprovement@hpv.org.au](mailto:processimprovement@hpv.org.au) or visit our website.

# A CATEGORY MANAGEMENT FOCUS

HPV is increasingly focused on category management as being a driver of contract value.

Through category management, HPV will work more closely with suppliers and health services during a contract to identify new cost efficiencies, such as changes in ordering patterns and quantities.

The following information outlines the key role that HPV's leadership, category management team and health services play to promote supplier engagement.



# SUPPLY CHAIN: THE DATA CONNECTION

A defining challenge of healthcare procurement has always been the fragmented nature of the supply chain – with more than 85 health services reporting to independent Boards, using disparate information systems, the lack of supply chain visibility has traditionally impeded collaborative and strategic sourcing models.

With hospital expenses managed by various areas across a health service such as corporate, engineering, maintenance, supply – there is no single point to access all non-labour expenditure data.

The development of the [National Product Catalogue](#) (NPC) driven by the [National e-health Transition Authority](#) (NeHTA) is forging a pathway for data standardisation.

The NPC acts as a master platform for medical product data to communicate standard and accurate price data electronically to Australian health departments and private hospital providers. In Victoria, HPV's development of the Victorian Product Catalogue System (VPCS) matches and merges product and pricing information from the NPC with HPV contract information.

All Victorian mandated public health services now have access to the Victorian Product Catalogue System (VPCS). Users have access to a central product repository that has details for close to 300,000 products. Users have easy, central access to search, extract and compare details for both HPV-contracted and non-contracted healthcare items published to the National Product Catalogue (NPC).

The initial release will deliver search, filter and extract functionality at hospitals and health services that have unrestricted access to HPV contracts and will primarily be for Supply Directors/Managers and their staff. Functionality will be increased in subsequent regular releases allowing the user community to drive priorities.

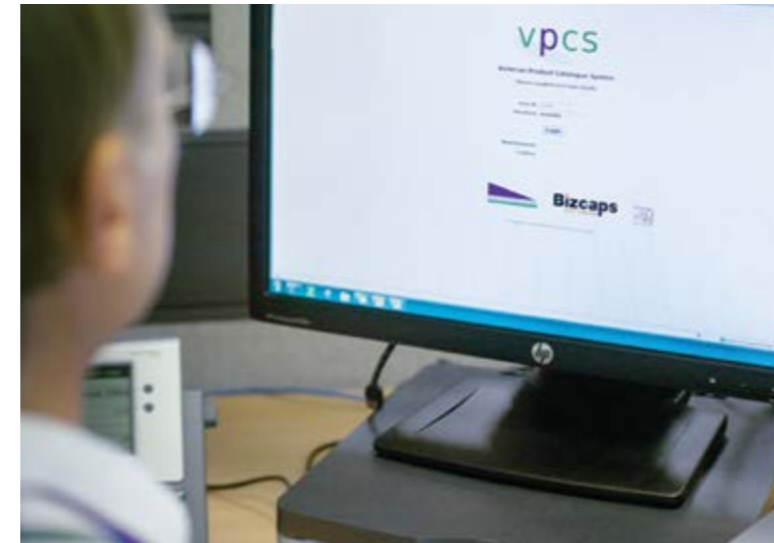
HPV's Victorian Catalogue Team (VCT) maintains the VPCS. Together with GS1 Australia, they work with suppliers to ensure that product and pricing information in the VPC is correct and complete.

How the health supply chain of the future will look depends greatly on the technology that drives it.

**More information:** If you are a current HPV supplier, contact [vct@hvp.zendesk.com](mailto:vct@hvp.zendesk.com) to ensure the data you publish to the NPC is accurate – note suppliers only need to provide data to the NPC as it is the master source that populates the VPC.

**For more information about the VPCS and details on training for health services, visit our webpage [Home > Resources > Victorian Product Catalogue](#) or email [vct@hvp.zendesk.com](mailto:vct@hvp.zendesk.com).**

*Note the VPCS is not available to suppliers, however suppliers can access information on publishing their products to the National Product Catalogue, information of which is found on the HPV webpage.*



# PROCUREMENT TRAINING FOR THE HEALTH SECTOR

The cornerstone of HPV's industry training offering is the Procurement Professionals Program (PPP). Developed in consultation with peak procurement industry body, the Chartered Institute of Purchasing and Supply (CIPS), the course is designed to equip procurement practitioners across health services with industry best practice techniques that have direct application to their work.

The 12-month part-time PPP is an internationally recognised qualification covering key areas including:

- > Procurement Framework and Planning
- > Tender Process
- > Contract Negotiations
- > Contract Management
- > Purchasing Contexts
- > Managing Purchasing and Supply Relationships



The key impacts and outcomes of healthcare procurement staff completing the PPP are diverse and include:

- > Greater ability for students to identify and realise saving opportunities in their health service operations and in major expenditure activities such as tenders
- > Development of 'procurement champions' who can impart knowledge to their colleagues and lead improvement initiatives
- > Delivery of assessment tasks that are relevant to health service job requirements so that assessment is integrated with real-life procurement scenarios
- > Contributing to a more professional procurement culture within health services
- > Offering professional development pathways for participants
- > Developing stronger networks across health services, with HPV enhancing sharing of information and ideas.

The program was recognised in 2012 with a CIPSA Procurement Award for 'Best People Development Initiative'.

**More information and enrolment details:**  
Contact [feedback@hvp.zendesk.com](mailto:feedback@hvp.zendesk.com)

## PROBITY IN HEALTH SERVICES

One of HPV's functions under the *Health Services Act 1988* is to ensure that probity is maintained in purchasing, tendering and contracting activities in public hospitals.

This is an area that HPV will continually focus on by developing probity adherence and improvements for the health sector in the coming year. This will be completed through planned and scheduled visits to selected health services to assess activities and suggest any improvements or modifications to ensure comprehensive probity adherence by public hospitals.



## HPV categories

For the latest information on all HPV categories, including agreements and invitations to supply, visit the HPV website or scan the codes below to view the latest information.



Current agreements



Invitations to supply

## Accessing HPV's website

HPV's website is the central source of communication for all HPV's Invitations to Supply (Tenders) and Agreements (Contracts). Contracted suppliers can access all information and files relevant to the HPV categories they supply, such as their agreement with HPV via their secure log-in.

Upcoming Invitations to Supply details are also published on HPV's website.

If you have a log-in to the HPV website, you can customise the information you receive by adding 'favourite' or subscribing to particular categories of interest, which will ensure you receive direct email notifications in a frequency of your choice: instant, daily, weekly or monthly. If you are a prospective supplier, you can apply for a website log-in that will allow you to receive direct email notifications for categories you choose to 'favourite'.

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