



## **MEDIA RELEASE**

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### **MTAA LAUNCHES VALUE-BASED PROCUREMENT REPORT: PIONEERING SOLUTIONS FOR A RESILIENT HEALTHCARE SYSTEM**

The Medical Technology Association of Australia (MTAA) is proud to announce the release of its highly anticipated Value-Based Procurement Report, a comprehensive analysis of Australia's readiness to use value-based procurement to drive meaningful health outcomes for Australians.

Every year Australia spends \$11.4 billion<sup>1</sup> on medical devices, representing 5.2% of total healthcare expenditure. This report looks at how value-based procurement (VBP) can be used to achieve better value for this spend to improve patient outcomes and help eliminate waste and inefficiencies in the health system.

In an era marked by an aging population and rising chronic diseases, coupled with economic uncertainties, the sustainability of healthcare delivery has become a paramount concern. The Value-Based Procurement Report delves into these challenges, presenting a roadmap to help safeguard the future of Australian healthcare.

Governments and the healthcare sector are focused on implementing value-based healthcare (VBHC). The VBHC delivery model improves health systems, to the benefit of patients, in a way that considers health outcomes and the total costs across the entire continuum of patient care. This model must be delivered to ensure the sustainability and performance of the Australian healthcare system.

However, to-date, there has been relatively little focus on how purchasing decisions through procurement processes are made to support the objective of VBHC. VBP ensures patient outcomes are the primary decision-making criteria in purchasing. The procurement decision is often the most critical decision which determines the health technology the patient receives.

The MTAA VBP Report is an extensive deep dive, looking at each state and stakeholder type to understand the VBHC and VBP landscape in Australia, assessed by the readiness of Australians federal and state stakeholders to move forward.

The Report highlights the importance of cross-stakeholder collaboration and the essential role governments can play to lead discussions and implement VBP policy.

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<sup>1</sup> MTAA Value of MedTech Report 2023

Recommendations include the need to build a supportive ecosystem and clinical leadership, the use of real-world evidence, the implementation of innovative funding approaches and cross-sectoral expert advice.

MTAA CEO, Ian Burgess, said the comprehensive White Paper, backed by rigorous research and expert insights, showcases VBHC and VBP as integral components of a resilient healthcare system.

“By drawing on international successes and best practices, the report paves the way for a collaborative effort to navigate the challenges facing Australian healthcare,” Mr Burgess said.

“There are opportunities to deliver so much more for patients and healthcare systems from value-based procurement through policy leadership and collaboration.

“MTAA is committed to ensuring that the medical technology sector plays a pivotal role in shaping a sustainable and prosperous future for Australian healthcare.”

For further information and to download the full report, visit:

[www.mtaa.org.au/valuebased-procurement-australia-report](http://www.mtaa.org.au/valuebased-procurement-australia-report)

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## **About MTAA**

The Medical Technology Association of Australia (MTAA) is the national association representing companies in the medical technology industry. MTAA aims to ensure the benefits of modern, innovative and reliable medical technology are delivered effectively to provide better health outcomes to the Australian community.

MTAA represents manufacturers and suppliers of medical technology used in the diagnosis, prevention, treatment and management of disease and disability. The range of medical technology is diverse with products ranging from familiar items such as syringes and wound dressings, through to high-technology implanted devices such as pacemakers, defibrillators, hip and other orthopaedic implants. Products also include hospital and diagnostic imaging equipment such as ultrasounds and magnetic resonance imaging machines.

MTAA members distribute the majority of the non-pharmaceutical products used in the diagnosis and treatment of disease and disability in Australia. Our member companies also play a vital role in providing healthcare professionals with essential education and training to ensure safe and effective use of medical technology.