



Public Procurement in Denmark

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Denmark – 5 hospital regions

Figure 2.5 The Five New Regions



Total population: 5.5 mi

GDP: € 225bn

Hospital exp.: € 12.5bn

Med.dev. exp.: € 1bn

Note: Number of inhabitants as per 1 January 2005.

Denmark – 5 procurement organisations

- Each Region has its own central procurement org. responsible for the purchasing of all goods and services in the region – ex. pharmaceuticals.
- They operate independently of each other, but co-ordinate national tenders to some extent.
- Purchasing of medical devices (consumables and capital goods) are covered by tenders (EU tenders or local announcement) covering about 60% of the market.

The Tender Process

- Good intentions in the policy documents
 - Building purchasing capacities and skills like the best private companies
 - Building strategic relations to suppliers
 - Open and transparent competition through competitive tendering
 - Involvement of professional users in the tendering processes
 - Including a number of criterias such as price, quality, running costs, healthcare economics data, etc.
 - Minimizing red tape

But not all intentions are met

- Heavy bureaucratic burden especially for SME's
- Price increasingly dominating criteria
- Professional users not sufficiently involved
- The tender process heavily influenced by the legal framework
- The purchasing organizations have their own (narrow) success criteria

2015 hospital purchasing strategy

- The purchase of all relevant goods and services are covered by contracts after competitive tenders
- Systematic involvement of professional users
- 100% implementation of contracts
- 35% of all goods and services contracted after national tenders
- Reduced EU and national bureaucracy
- Common green and ethical criteria

Need for change

- Urgent need over the next 5-10 years to switch health care delivery systems to a new reality
 - Demography
 - New disease pattern
 - Budget constraints

- Innovation Europe

Health care and enterprise hand in hand

- Health care need for innovative technology to overcome the challenges
- Europe need to facilitate European companies to develop and produce innovative health care technology

New centre/left Government in Denmark

- Intelligent public procurement
 - Purchasing seen as a strategic tool to support changes in processes and structures
 - Facilitate public/private partnerships
 - Health care and elder care
 - Environment and energy

The future - some initiatives to be taken

- Purchasers and Industry should create a common ground to define the concept of total cost in relation to investments in medical technology.
- Health care systems and Industry should invest heavily in R&D and share financial risk when implementing new technology

Thank you