

Working with health services to deliver safe, affordable and sustainable healthcare for all Victorians

About Health Purchasing Victoria

Health Purchasing Victoria (HPV) partners with Victoria's health sector to identify and procure best-value goods and services to advance safe, affordable and sustainable healthcare.

HPV negotiates and manages common-use contracts on behalf of Victoria's public health services, leveraging hospitals' collective buying power to deliver better value across the sector. Health services purchase the goods and services they need from the suppliers that are party to HPV contracts.

As a state-wide health procurement organisation, HPV establishes policies to guide and foster fair and ethical procurement practices and financial accountability, and assists health services in understanding and meeting these requirements.

HPV is an independent public authority under the *Health Services Act 1988* (Vic) responsible to the Minister for Health.

HPV works with Victoria's health sector to:

Facilitate the supply of goods and services.

Provide advice and training.

Develop policies and practices to promote best value and probity in health procurement.

Monitor health service compliance with HPV Health Purchasing Policies.

Foster supply chain process and productivity improvements through the use of e-commerce and other systems.

Maintain and provide useful data with value-added analytics and tools.

Ensure probity is maintained in health services' purchasing, tendering and contracting activity.

HPV Web Resources: *About Us*

Eligible services

Health services – funded by the Victorian Government in full or in part – may be eligible to access one or more HPV Collective Agreements (contracts). Eligible services include:

Community health services

Women's health services

Ambulance services

Denominational hospitals

Aged care facilities

Bush nursing hospitals

Disability services

Multi-purpose services

Other 'health or related services' as defined under the *Health Services Act 1988*.

For more information on how healthrelated organisations may access HPV contracts, contact the HPV Health Service Helpdesk on (03) 9947 3900 or healthservices@hpv.zendesk.com.



Towards more strategic procurement

A sector-wide approach to procurement

HPV works in partnership with Victoria's health sector to implement a more agile and tailored approach to procurement.

HPV's procurement strategy centralises categories best suited to state-wide procurement. HPV supports groups of health services with specific requirements to collectively procure goods and services using 'cluster' sourcing or other forms of collective procurement.

HPV's procurement strategy makes explicit our intent to meet the Victorian Government's Social Procurement Framework objectives. It means that value-for-money is not solely focused on price and encompasses social, economic and environmental benefits.

Complementing the strategy is HPV's Benefits Management Framework which is designed to capture the full range of benefits derived from collective purchasing.

HPV Web Resources: About us > Publications



Access to HPV contracts and services

HPV contract information

General information about HPV's contracts for health services is available on our website. Confidential information relating to the contracts – including detailed contract guides and price lists – is available on HPV's secure health service portal.

Visit the HPV website to register for access (https://www.hpv.org.au/register/).

To stay up-to-date with contract changes relevant to your health service, please 'favourite' the relevant contracts on the HPV website and register for regular updates.

HPV Confirmed Annual Sourcing Plan

HPV consults with public hospitals and health services each year to agree the categories that are in scope for HPV to go to market, and in line with Health Purchasing Policies.

Once published, this list becomes HPV's Confirmed Annual Sourcing Program (CASP), and is available in the Contracts and Tenders section of the HPV website.

HPV encourages health services to work with us to review the CASP and identify reference group opportunities, ensuring health service requirements are reflected in HPV's product and supplier selection.

HPV Procurement Portal: sourcing and contract management tool

HPV's procurement portal is a powerful contract management tool for the health sector offering a rich data source in a single location.

The HPV procurement portal is available for health services to implement strategic tender, contract, and/or supplier performance management.

Health services can also gain access to HPV-contracted supplier profiles via this tool

Ask us for more information about whether the Bravo/Jaggaer procurement platform is suited to your health service.

HPV Reference Groups

HPV's Reference Groups provide specialist health sector expertise in developing the goods or service specifications and evaluation criteria for each HPV tender. Reference groups are fundamental in shaping future HPV contract outcomes and help ensure patients receive the best possible healthcare.

Reference group members are experts in their field and play a key role in making sure health service requirements are met.

For more information see the Contracts and Tenders section of the HPV tenders website. In most cases representatives can attend meetings in person. However HPV understands that some regional health service representatives may have difficulty traveling to attend these reference groups and are invited to participate by teleconference.

HPV Web Resources: Contracts and Tenders > Information for health services > Reference Groups



Transitioning to new HPV contracts

When HPV enters into a common-use contract, Victoria's health services are required to purchase the relevant goods or services from suppliers who are awarded under the contract.

Health services purchasing from suppliers not party to the new contract will need to make transitional arrangements with the HPV-contracted supplier(s) so they can realise benefits.

All health service contracts should include a transition clause to enable health services to terminate existing arrangements and access the benefits of new contracts.

HPV can assist health services in the transition by:

Providing insight into the opportunities available under the new contract.

Guiding health services through HPV's transitional resources, such as the:

Contract User Guide and Price Schedule.

Transition Guide.

Victorian Product Catalogue System (VPCS).

Impact reports.

Assisting with applications for exemption, should they be necessary.

Exemptions

A health service may choose to submit an application for an exemption to a HPV contract when:

The health service has a pre-existing contract still in place for the contracted goods or services.

The contract's good or service does not meet a health service's clinical needs.

There are operational issues that preclude a health service from using the contract.

There is a potential detrimental effect on local small or medium-sized businesses, or local employment growth or retention.

The exemption process is applied consistently by HPV's Procurement Committee – comprising senior health procurement practitioners from across Victoria's public health sector – and decisions are made on a case-by-case basis. Health services considering applying for an exemption can do so via the Exemption Portal on the HPV website.

If you require assistance contact the HPV Health Service Help Desk (03) 9947 3900 or email healthservices@hpv.zendesk.com.

HPV Web Resources: Contracts and Tenders > Information for health services > Exemptions

Victorian Product Catalogue System

HPV manages a consolidated and searchable catalogue of products, including most HPV-contracted items. The Victorian Product Catalogue System (VPCS) provides:

Product and pricing details for a range of HPV contracted products.

User-centric functionality that allows health services to create favourite views of their data.

Side-by-side comparison of items including information gathered during the tender process.

Identifies the majority of products on HPV contract.

HPV Web Resources: Resources > Supply chain > Victorian product catalogue system



Common Catalogue

The Common Catalogue - a single source of product and pricing information - will significantly improve management of the Victorian public health supply chain, supporting new initiatives to improve patient safety.

Benefits include:

Duplication of products in order systems will be minimised. There will be fewer calls and emails between health services and suppliers, greater accuracy for invoicing, easier switch to electronic trading, faster contract transition and improved data analysis.

Functional equivalents can be easily identified, allowing clinicians to focus on patient care - products in the same family can be easily identified to replace unavailable products. Better data supports initiatives to track products, ensuring the right products are sent to the right place at the right time.

Melbourne Health was the first health service to introduce the Catalogue which will be progressively rolled out over two years. Health services are able to implement the catalogue in stages as contracts are rolled over or new agreements are put in place.

The first step in introducing the Catalogue at your health service is to organise a change impact assessment to help identify appropriate training for your employees and the best implementation approach. Please organise this through the Health Services Help Desk: Phone: (03) 9947 3900 or email: healthservices@hpv. zendesk.com.

Impact reports

Impact reports analyse the impact of new HPV contracts on individual health services based on their purchasing history, and are sourced from either:

Purchasing data provided by the health service (for greenfield events).

Supplier sales data for re-sourcing (although some health service data may be used if new sub-categories have been added).

Health services use impact reports when transitioning to new contracts.

HPV Web Resources: Access via your Dashboard

Recall Health and Recall

The Recall Health platform is used to notify electronic therapeutic recalls, and Recall is used for non-therapeutic product recalls such as food products.

HPV introduced Recall services to enhance patient safety and improve the speed at which hospital and pharmacy or food service staff receive recall notifications, as well as coordinate of recall event execution and reporting.

Recall services are managed by GS1 Australia and are used extensively across the health sector.

HPV Web Resources: Resources > Supply Chain > Recall and Recall Health



Probity and compliance

Health Purchasing Policies

HPV Health Purchasing Policies govern health services' internal procurement practices and are designed to ensure consistency and probity in procurement practice within Victoria's public hospitals and health services.

Compliance is mandatory for all public hospitals and health services listed in Schedule 1 and 5 of the *Health Services Act 1988* (Vic).

HPV Web Resources:
Compliance > Purchasing Policies

Probity training and guidance

HPV has developed online probity training tailored to specific health service roles. The training is designed to fit around health service employees' work commitments, and is available through the HPV eLearning system ECHO, accessible via health services' HPV website user accounts.

HPV Web Resources: Resources > Training > Online Probity Training

Compliance reporting

Under the *Health Services Act 1988* (Vic), health services are required to meet ongoing reporting requirements set out in the HPV Compliance Framework.

For more information on health service compliance reporting requirements, please contact the HPV Health Service Help Desk (03) 9947 3900 or email: healthservices@hpv.zendesk.com

Rolling three-year Audit Program of compliance with the Health Purchasing Policies:

Every three years health services complete and submit an audit report to HPV by the end of the nominated financial year. Details of the audit schedule are available on the CPO portal audit page

Annual Compliance Self-Assessment – due 31 May each year:

Compliance with HPV Collective Agreements and the HPV Health Purchasing Policies.

Attestation in the annual report – due July/August each year:

Attestation in a health service's annual report of operations on its compliance with HPV Health Purchasing Policies.



Stay up-to-date

Contact us

Consider subscribing to our monthly newsletter *HPV Update* – subscribe via our website: www.hpv.org.au

HPV Health Service Helpdesk: Phone: (03) 9947 3900 or email: healthservices@hpv.zendesk.com

