



Equipment Sourcing Process

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Health Service Guide

Health Purchasing Victoria's (HPV's) equipment sourcing process is designed in line with HPV's shared management model. HPV's shared management approach to procurement seeks to maximise the expertise of subject matter experts across HPV and health services.

With this approach HPV establishes pre-qualified supplier panels and provides the tools, templates and guidance to enable health services to run specific procurement events independently, producing improved results for both the health service and the broader sector. Health services also have the opportunity to participate in coordinated 'group buy' events to maximise supplier competitive tensions to improve health service pricing.

This Health Service User Guide provides an overview of the steps involved in sourcing medical equipment within scope of HPV's equipment sourcing stream. It includes a summary of key benefits, tools and templates, HPV's Equipment category scope, sourcing process information and additional resources.

Key benefits

Efficiencies and reduced procurement processing time

HPV has mechanisms and tools to assist health services in reducing the time required for medical equipment procurement activities, including:

- Pre-qualified supplier panels
- Pre-negotiated terms and conditions
- Centralised product catalogues
- Statement of requirements templates
- Contract pricing (including volume breaks) for selected categories

HPV's equipment sourcing process provides flexibility and autonomy for health services to conduct procurement in line with their own requirements, timelines and internal procurement procedures while remaining compliant to HPV Health Purchasing Policies (HPPs).

HSV group buy opportunities

HPV actively investigates opportunities to obtain additional volume discounts and value-adds across multiple health services via HPV-led group buy events. Offers obtained are presented back to health services to determine which supplier provides best value for their requirements. There is no obligation for all participating health services to select the same supplier.

Participating in HPV group buy events allows health services to maximise the value obtained through economies of scale and avoid potential breaches of the Competition and Consumer Act 2010.

Guidance and support

HPV's Equipment Sourcing team comprises procurement specialists who provide support when purchasing medical equipment. The team can advise on procurement process planning, requirements development, product evaluation, negotiation, probity and price benchmarking.

HPV Reference Groups: HPV consults with clinical specialists nominated by health services to ensure available tools, templates and product ranges cater to a wide variety of health service requirements.

Equipment sourcing stream agreements/categories

HSV's equipment sourcing stream includes the following HPV collective agreements or categories.

Equipment sub-stream	HPV agreement/category	Open panel	Contract pricing	Secondary procurement	Product catalogues / SOR templates
Medical Imaging Equipment (HPVC2015-077)	CT Scanners	Yes	No	Allowable (pricing must be obtained via request for quote (RFQ) or direct negotiation)	Yes
	MRI Scanners				Yes
	Angiography and Fluoroscopy Systems				Yes
	Ultrasound Systems				Yes
	X-Ray Systems				No
	Mammography Systems				No
	Nuclear Medicine Systems				No
	Linear Accelerators				No
	Contrast Media Injectors				No
	Advance Visualisation Workstations and Thin Client Servers				No
Pathology Equipment (HPVC2018-115)	Anatomical Pathology	Yes	No	Allowable (pricing must be obtained via RFQ or direct negotiation)	No
	Chemical Pathology				No
	Molecular Pathology				No
	Haematology				Yes
	Microbiology				No
	Point of Care Testing				No
	Generic Equipment				No
	HPVC2019-060 – Beds, Mattresses, Patient Trolleys and Treatment Chairs	Yes	Yes	Allowable for equipment (for volumes greater than 1 base unit), options/accessories and service and maintenance	Yes
	HPVC2019-075 –Physiological Monitoring and Anaesthesia Gas Machines	Yes	Yes	Allowable for equipment (for volumes greater than 1 base unit), options and service and maintenance	Yes
	HPVC2019-070 – Defibrillators and Associated Consumables	Yes	Yes	Allowable for equipment (for volumes greater than 1 base unit), options and service and maintenance	Yes
	HPVC2016-076 – Ventilators	Yes	Yes	Allowable for equipment options and service and maintenance only	Yes

Equipment Devices	HPVC2016-055 – Infusion Pumps	Yes	Yes	Allowable for equipment options and service and maintenance only Health services may enter into an amortisation arrangement (equipment, service and maintenance incorporated into consumable pricing)	Yes
	HPVC2018-155 – Haemodialysis and Peritoneal Dialysis	Yes	Yes	Allowable for equipment options and service and maintenance only Health services may enter into a price per treatment (PPT) arrangement	No

Equipment sourcing process pathways

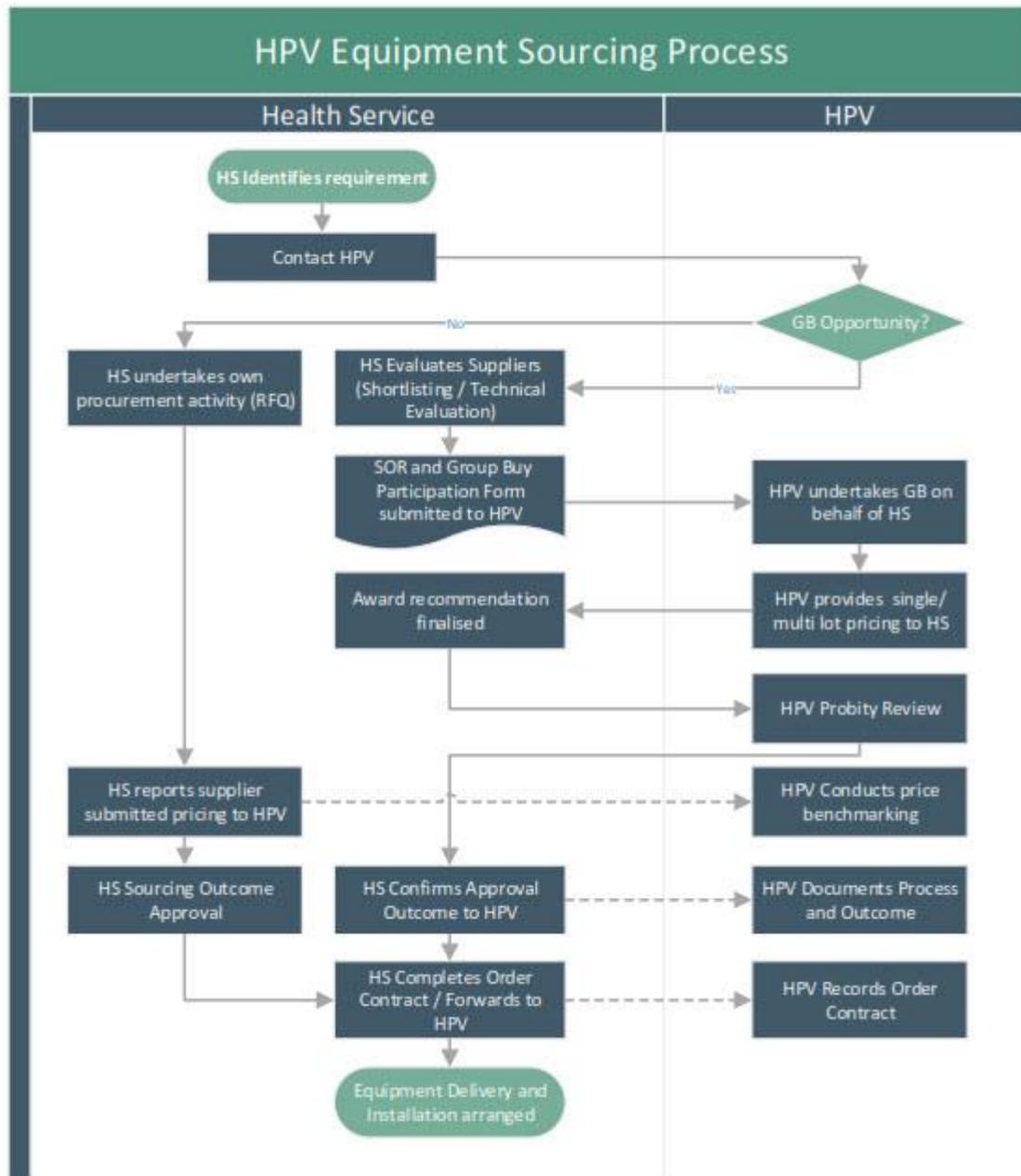
The HPV equipment sourcing process provides two secondary procurement pathways:

HPV group buys: Where there are opportunities to align and aggregate requirements across multiple health services, HPV will conduct a coordinated group buy to seek additional volume-based discounts and value-adds.

- **Stage 1 – Health service-led shortlisting:** Health services complete technical assessments of systems available from panel suppliers, and develop a shortlist of systems which best meets their individual requirements.
- **Stage 2 – HPV-led group buy:** HPV conducts an aggregated Request for Quote (RFQ) to obtain additional volume-based discounts and value-adds on behalf of multiple health services. Offers obtained are presented to health services to determine the supplier that provides the best value for their requirements. There is no obligation for all participating health services to select the same supplier.

Health service-led RFQs: Where there are no opportunities to align multiple requirements, health services may conduct end-to-end RFQs (restricted to panel suppliers) in accordance with the HPV HPPs and the health service's internal procurement procedures.

The process is outlined in the diagram below:



Frequently asked questions (FAQs)

Do I need to consult my procurement department before conducting an RFQ?

HPV strongly advises health services to consult their internal procurement department or Chief Procurement Officer (CPO) before conducting any procurement activity for medical equipment. This is to ensure adherence to all internal procurement procedures and policies, and the HPV HPPs.

Do I need to follow the model process for health service led RFQs?

HPV recommends all procurement activities be conducted as a competitive process with at least two RFQ rounds:

- Round 1 for shortlisting systems prior to equipment demonstration/trial
- Round 2 for obtaining final quotes post-equipment demonstration/trial

Please note that health services may undertake an alternative process, so long as it is completed in accordance with the HPPs, the health service's internal procedures and policies, and any rules of use applying to the relevant HPV collective agreement.

Do I need to seek quotes from all suppliers under a HSV collective agreement?

No. Health services may approach one or more suppliers under a HPV collective agreement, so long as it is done in accordance with all internal health service procurement procedures and policies, and the HPPs.

Can I order equipment using my own health service's contract terms and conditions (T&Cs)?

No. To ensure compliance with HPP5: Collective Purchasing, health services must use the HPV T&Cs for the relevant HPV agreement.

Where can I obtain a copy of the T&Cs for the HSV agreement I want to use?

T&Cs for each HPV agreement can be downloaded via the "Contracts and Documents" section of the HPV website <https://www.hpv.org.au/contracts-and-documents> (note: you must be logged into the website to access agreements). Click on the agreement you want to use, then click on the "Contract Files" link on the left of the agreement page to view the links to download the header agreement for each supplier.

Can HSV provide further guidance or assistance with RFQ processes?

Yes. The HPV Equipment Sourcing Team can provide further guidance on RFQ processes conducted within the scope of HPV collective agreements for medical equipment. Please see the contacts page for HPV Equipment Sourcing Team details.

Can I purchase from a supplier not on panel?

No. To ensure compliance with HPP5: Collective Purchasing, health services must enter into contract with a supplier on panel. Please note there may be opportunities for new suppliers to join an open panel, subject to meeting supplier pre-qualification requirements. Please contact the HPV Equipment Sourcing Team for more information.

What is product equipment catalogues have not been published on the HSV website for the category of equipment I want?

HPV is progressively implementing equipment catalogues across all medical equipment categories. If equipment catalogues are unavailable for a specific category, please obtain specification information or product datasheets from the applicable supplier(s) as part of the health service's RFQ process.

How do I order equipment?

The process for ordering equipment varies according on the agreement (i.e. purchase order, order contract, etc.) For further guidance, please contact the HPV Equipment Sourcing Team.

Can I negotiate with suppliers?

Health services may choose to undertake a negotiation process with one or more shortlisted suppliers either as part of, or in lieu of, an RFQ process. All negotiations must be conducted in accordance with any rules of use specified for a HPV collective agreement and clause 3.5 of HPP3: Market Approach, with health services required to ensure that:

- The negotiation process is transparent, recorded and conducted in a manner that is fair and equitable for all shortlisted parties
- Negotiation outcomes are clearly defined and documented
- Negotiations seeking further information, improvements to a supplier's bid or a best and final offer are conducted in a consistent manner and that any accepted improvements are within the scope of the market approach.

Group buy FAQs

What forms do I need to complete to participate in group buy?

For audit and probity reasons, HPV require health services to complete a Group Buy Participation Form in order to take part in a HPV led group buy. This forms expands on the previously used "Shortlisting Outcome Form" for which health services must confirm that:

- The entire process (from shortlisting to award) is being conducted in accordance with HPV Health Purchasing Policies and any rules of use specified for the relevant HPV collective agreement.
- Conflict of Interest, Confidentiality and Probity are being managed throughout the entire process.

In addition, health services must provide the following key information when completing their participation form:

- Equipment shortlist
- Required system configuration for shortlisted equipment (as final as possible)
- Quality / Technical scores (if shortlisting equipment from more than 1 supplier)

The Group Buy Participation Form is downloadable via the HPV Equipment Sourcing Stream page on the HPV website Please contact the HPV Equipment Sourcing Team for further guidance on completing the form.

Will HSV decide what equipment I need to purchase?

No. Health services will decide what equipment they purchase. HPV will advise health services of any probity risks associated with their decision. If there are significant risks, HPV may recommend that the health service not proceed with the award decision, or that it reviews the evaluation outcome.

Do I need to purchase the same equipment as other health services?

No. There is no obligation for health services to commit to purchasing the same equipment or selecting the same supplier. Value for money assessments are conducted on an individual health service basis.

What if my timelines do not align with the next HSV group buy timeframes?

There may be flexibility to adjust timelines or schedule further group buys depending on health service demand. Please contact the HPV Equipment Sourcing Team to discuss group buy opportunities.

When are HSV group buys scheduled?

HPV schedules group buy events based on health service demand. Fact sheets for upcoming scheduled group buys are downloadable via the HPV Equipment Sourcing Stream page on the HPV website.

Further information

HSV Equipment Sourcing Team contacts

For further guidance on the equipment sourcing process and agreements under HPV's equipment sourcing stream, please contact the Equipment Sourcing Team:



HSV Health Services Helpdesk

Alternatively, health services can submit a query via the HPV Health Services Help Desk – phone (03) 9947 3900 or email: helpdesk@healthsharevic.org.au.

Additional resources

HSV Health Purchasing Policies

The five Health Purchasing Policies (HPPs) provide a consistent principles-based framework to assist public hospitals and health services in ensuring probity in their internal procurement practices. Further information about the framework is available on the HPV website at: <https://www.hpv.org.au/compliance/purchasing-policies/our-policies/>.

Medical Equipment Asset Management Framework

The Medical Equipment Asset Management Framework presents fundamental business practice to plan and manage medical equipment to achieve efficient, effective and safe service operation of medical equipment. Health services should ensure that their medical equipment asset procurement and management aligns to this framework.

Further information about the framework is available on the Department of Health and Human Services website at: <https://www2.health.vic.gov.au/hospitals-and-health-services/planning-infrastructure/medical-equipment>.