MEDICAL DEVICE GROUP PURCHASING & STRATEGIC ACCOUNTS

Preparing for Changes in Medical Device Purchasing Authority & Staying Ahead of an Evolving Healthcare Environment through Developing Successful Contract Negotiation Skills, Building Stronger Relationships with Purchasing Groups & Creating Value Proposition that will Engage Organizations

PROGRAM OVERVIEW:
Throughout the Medical Device industry, the method in which devices are purchased and contracted has changed dynamically over the course of the past several years. New methods of purchasing, taking into account GPOs, IDNs and PODs are revolutionizing the way that health systems and healthcare providers consider purchasing devices and equipment, and as healthcare professionals continue to face cost-reduction pressure, these challenges will continue to mount. As group purchasing and contracting has evolved, and the purchasing function has changed from individual physicians to the involvement of the hospital executive team as the leaders in making purchasing decisions, the role of the account manager has rapidly increased in importance.

A key topic of discussion will center on the shift in decision making from the physician to a corporate entity and how this is changing the way devices are sold, the way prices are negotiated, as well as the entire healthcare purchasing system. Other topics to be addressed include understanding potential risks and compliance concerns when contracting with physician owned distributorships, a focus on future reimbursement trends that will affect purchasing decisions, as well as strategies on negotiating the request for proposals process when partnering with purchasing groups. To compete in the ever changing healthcare market, device manufacturers need to understand how these groups function, how to create a value proposition that will engage the organization, as well as how to eventually negotiate effectively with these groups.

Throughout the conference program, participants will have a variety of opportunities for learning and knowledge share, through case-study driven presentations, high level keynote sessions, as well as many round table discussions, panels, and breakout sessions. By fostering a sense of collaboration and information share, this program will help bring clarity to account executives that wish to improve their market share, negotiation skills, and contracting strategy. As the only consultative or solution providing attendees will be those sponsoring the program, the return on investment for this, as with all Q1 programs will be high.

DISTINGUISHED PRESENTERS INCLUDE:

John Murray
Director, Strategic Accounts
AMERICAN MEDICAL SYSTEMS

John Lacey
Director of Corporate Accounts, West
BIOTRONIK INC.

James Lowry
Vice President Corporate Accounts and Healthcare Economics
SORIN GROUP USA

Kevin Gray
Vice President Supplier Relations & Business Development
PREMIER INC.

William McIlhargey
Principal
WPM ENTERPRISE

Tom Camp
Director of National Accounts
SUNTECH MEDICAL, INC.

Daniel Blucher
Vice President of Strategic Accounts
CAREFUSION

Ed Hardin
Vice President of Supply Chain Management
CHRISTUS HEALTH

Rhonda Fellows
Vice President of Reimbursement and Government Affairs
MEDICAL COMPRESSION SYSTEMS INC.

Larry Dooley
Vice President of National Accounts and Health Care Systems
SMITH & NEPHEW

Nanette Barrett
Director, Corporate Accounts
STERIS CORPORATION

Nicole Liffrig Molife, Esq.
Counsel
ARNOLD & PORTER LLP

James G. Wetrich, FACHE
President and General Manager,
The Americas
MOLNLYCKE HEALTH CARE US LLC

Craig Ogg
Director, National Accounts
ST. JUDE MEDICAL

Michael Dinkins
Chief Financial Officer
GREATBATCH

Scott Centea
Director, Corporate Accounts
ANGIODYNAMICS

Terry Couttsolioutos
National and Strategic Accounts Director
ABBOTT VASCULAR

Yoel Bakas
Director, Strategic Accounts
VARIAN MEDICAL SYSTEMS *Pending

DISTINGUISHED PRESENTERS INCLUDE:
Experience, outcome and continuum of care. This new vision focuses not only on giving way to a new view of what a health system can be; an interconnected THE BEST POSSIBLE COST

- Streamline communications between payers, industry and hospitals
- Reimbursement projections that will affect purchasing decisions
- Payer perspective on up-and-coming reimbursement trends

For the predictions and discussion of the future of medical device purchasing, we will focus on reimbursement projections within the upcoming years. Upgraded medical device technology. Through examination of current market trends, we are challenged with demonstrating the value and long-term health economics of medical devices needed to show market value and benefits in order to outweigh costs. What value does the customer expect to get benefits of adopting the innovation. What value does the customer expect to get from the adoption of new technologies? This case study will focus on how the medical device industry and strategic account managers must:

- Enable trial in small portions before full contract commitment
- Communicate the value and advantages of adopting new innovations
- Get involved in product launch and excite customers on new technologies

Panelists:
James Lowry, Vice President Corporate Accounts and Healthcare Economics
SORIN GROUP USA
Craig Ogg, Director, National Accounts
ST. JUDE MEDICAL
Tom Camp, Director of National Accounts
SUNTECH MEDICAL, INC.
Ed Hardin, Vice President of Supply Chain Management
CHRISTUS HEALTH
Daniel Blucher, Vice President of Strategic Accounts
CAREFUSION
Kevin Gray, Vice President Supplier Relations & Business Development
PREMIER INC.

2:15 PANEL DISCUSSION: BUILDING STRONGER RELATIONSHIPS & ALIGNING SUPPLY CHAIN GOALS
Throughout the Medical Device industry, the method in which devices are purchased and contracted has changed dynamically over the course of the past several years. New methods of purchasing, taking into account GPOs, IDNs and PODs are revolutionizing the way that health systems and healthcare providers consider purchasing medical devices and equipment. A key area of concern for account professionals is the ability to understand what purchasing groups are looking for in a supplier, as well as the industry standards they require in order to conduct successful business and provide optimal care for their patients. This panel discussion will bring together professionals representing several purchasing groups to share insight on their expectations as well as strategies to better partner with industry and align supply chain goals.

Panelists:
James Lowry, Vice President Corporate Accounts and Healthcare Economics
SORIN GROUP USA
Craig Ogg, Director, National Accounts
ST. JUDE MEDICAL
Tom Camp, Director of National Accounts
SUNTECH MEDICAL, INC.
Ed Hardin, Vice President of Supply Chain Management
CHRISTUS HEALTH
Daniel Blucher, Vice President of Strategic Accounts
CAREFUSION
Kevin Gray, Vice President Supplier Relations & Business Development
PREMIER INC.

3:00 COFFEE & NETWORKING BREAK

3:30 NEW PRODUCT CONTRACTING: STRATEGIC ACCOUNTS TO MAINTAIN FUTURE PROFITABILITY

3:30 NEW PRODUCT CONTRACTING: STRATEGIC ACCOUNTS TO MAINTAIN FUTURE PROFITABILITY

Strategic account managers understand that innovation is the fuel that drives growth; however selling and contracting the purchase of new products and medical device innovations can be extremely challenging. In order to be successful in selling new products to customer accounts, contractors must be able to prove that there is a compelling business reason for customers to go through the upheaval of changing how they do things in order to get the potential benefits of adopting the innovation. What value does the customer expect to get and how does that value compare to the costs of switching or upgrading existing medical technologies? This case study will focus on how the medical device industry and strategic account managers must:

- Enable trial in small portions before full contract commitment
- Communicate the value and advantages of adopting new innovations
- Get involved in product launch and excite customers on new technologies

Yoel Bakas, Director, Strategic Accounts

VARIAN MEDICAL SYSTEMS *Pending Confirmation

4:15 CREATING MUTUALLY BENEFICIAL VALUE PROPOSITION FOR BUYERS & SUPPLIERS

When contracting with medical device purchasing groups, often account executives are challenged with demonstrating the value and long-term health economic benefits for both patients and hospitals. However, to have a successful business sales strategy, creating a value proposition model is vital to delivering a belief from the customer that value will be experienced. This real-time case study will focus on one company’s efforts in developing a proposition strategy based on a review and analysis of the benefits, costs and value that their organization can deliver to its current and prospective customers.

- Satisfy customers through sustainable value creation
- Showcasing the value and benefits in order to outweigh costs
- Strategies to demonstrate value to customers during initial sales process

Scott Centea, Director, Corporate Accounts

ANGIODYNAMICS

5:00 LEARNING EXCHANGE GROUPS
Program attendees will break into smaller groups to further address important topics affecting medical device professionals responsible for managing strategy contracts with various purchasing groups. These roundtable discussions will provide a forum for sharing ideas and networking. The selection of discussion topics will be chosen by attendees shortly prior to the meeting; enabling the content to be timely and relevant. All attendees, speakers and sponsors are encouraged to become active participants allowing for better exchange of ideas, peer-to-peer learning, and open discussion.

5:45 DAY ONE CONFERENCE CONCLUSION

Organizers and speakers are encouraged to participate in the discussion to help frame the discussion and share their thoughts on the various topics. This will be a great opportunity to exchange ideas and network with peers.

DIMENSIONS CORPORATION

Medical Device Group Purchasing & Strategic Accounts

Medware"
DAY TWO / FRIDAY, NOVEMBER 15
MEDICAL DEVICE GROUP PURCHASING & STRATEGIC ACCOUNTS

8:00 CONFERENCE REGISTRATION & MORNING COFFEE
8:25 CHAIRPERSON’S OPENING REMARKS
8:30 GPOs: ON THEIR WAY OUT OR ONLY GETTING STRONGER?
Group purchasing organizations (GPOs) have been leading the way in medically device purchasing for some time now. However, many account managers and industry contracting professionals would argue that with the move towards health systems partnering with integrated delivery networks (IDNs), and physician-owned distributorships (PODs), the demand and popularity of GPOs has been shifted. On the other end of the spectrum, many industry professionals would argue the opposite; with the belief that GPOs are as strong as ever. Through discussion, this session will highlight the predictions of one medical device company; highlighting industry projections on the ever-changing healthcare market, medical device purchasing and how to best partner with consolidated networks in the future.

Nicole Liffrig Molife, Esq.,
• Enforcement trends regarding discounts and rebate arrangements
• Overview of the POD purchasing model and whether PODs pose unacceptable risk in light of the current regulatory

9:15 RECENT DEVELOPMENTS IN GPO ANTITRUST INVESTIGATION & REFORM
Group purchasing organizations (GPOs) were formed in the attempt to save hospitals on the purchases of medical supplies and equipment while improving patient care. However, since the creation of the safe harbor by Congress in 1986, certain practices have resulted in the opposite effect. According to the Medical Device Manufacturers Association (MDMA) the congressional exemption allows GPOs to legally collect fees from suppliers to whom they award contracts. These contractual arrangements that have evolved between GPOs and their health system customers often exclude competitive medical devices and technologies that might help patients and allow hospitals to save more money in the long run. This session will focus on:
• GPOs and their role in increasing costs by collecting fees from suppliers
• MDMA’s current progress working with congress to remove GPO hurdles for industry
• The result from eliminating the GPO safe harbor exemption from the Medicare anti-kickback statute

*Pending Speaker Confirmation

10:00 COFFEE & NETWORKING BREAK
10:30 PANEL DISCUSSION: MANAGING & RENEWING EXISTING CONTRACTS & PARTNERSHIPS
Professionals involved in managing accounts within the device industry understand that once a contract is signed and the purchase has been made, the relationship with the purchaser has not ended, but only just begun. A majority of the day-to-day responsibility of the account manager is to maintain multiple relationships and partnerships with purchasing groups and do all that is in their power to keep customers satisfied. In today’s competitive healthcare environment, it is vital for medical device manufacturers to properly manage existing contracts and ensure that business relationships remain intact. Through review, we will discuss strategies to improve the management of contracts and operational performance, as well as focus on renewing partnership opportunities.
• Ensure compliance with terms and conditions
• Balancing the management of multiple accounts
• Prepare for any changes that may arise during contract execution

MODERATOR:
William McIlhargey, Principal
WPM ENTERPRISE

PANELISTS:
John Murray, Director, Strategic Accounts
AMERICAN MEDICAL SYSTEMS
John Lacey, Director of Corporate Accounts, West
BIOTRONIK INC.
Scott Centea, Director, Corporate Accounts
ANGIODYNAMICS

11:15 POTENTIAL RISKS WHEN CONTRACTING WITH PHYSICIAN OWNED DISTRIBUTORSHIPS
The recent “Special Fraud Alert” released by the OIG in March of this year states that although “the lawfulness of any particular POD under the anti-kickback statute depends on the intent of the parties,” PODs are “inherently suspect under the anti-kickback statute.” PODs and medical device manufacturers that partner with them should consider whether the POD business model is likely to be the target of heightened scrutiny and possible enforcement by the OIG, and whether PODs pose “unacceptable risk in light of the current regulatory environment.
• Violation of Anti-Kickback Statute
• Overview of the POD purchasing model
• Enforcement trends regarding discounts and rebate arrangements

Nicole Liffrig Molife, Esq., Counsel
ARNOLD & PORTER LLP

12:00 LUNCHEON FOR ALL ATTENDEES, SPEAKERS & SPONSORS
1:00 WORKSHOP: STRATEGIES FOR NEGOTIATING THE REQUEST FOR PROPOSAL PROCESS
Within today’s ever-changing healthcare environment, purchasing groups such as GPOs, IDNs, PODs and many other large health systems have adopted a standard RFP or “request for proposal” practice to determine the best supplier partner option when purchasing medical devices in bulk. The RFP outlines the contract terms and expectations of the purchaser, creating a number of challenges for industry account managers to overcome, as well as standards to uphold. With such heavy competition in the industry, contracting and account executives must develop strategies to negotiate these contract terms and communicate the clinical value of the technology effectively. This round-table group activity will provide attendees with hypothetical RFP samples, allowing for optimal discussion, activity and discussion on how to:
• Streamline a process for minimizing costs during negotiation
• Focus on the importance of remaining flexible during the RFP process
• Tips and tools on competitive bidding in today’s healthcare environment

John Lacey, Director, Corporate Accounts, West
BIOTRONIK INC.

1:45 PANEL DISCUSSION: MEDICAL DEVICE EXCISE TAX: WHAT DOES THIS MEAN FOR PURCHASING?
The 2013 year will bring into effect a new revenue-based tax, placing 2.3% levy on U.S. sales of certain medical technologies. While the excise tax will potentially drive up prices, it is important for medical device companies to manage the cost-of-good and re-invest in their products. Compliance is crucial when medical device companies continue to face increased cost pressures from customers and competitors.

John Lacey, Director, Corporate Accounts, West
BIOTRONIK INC.

Larry Dooley, Vice President of National Accounts and Health Care Systems
SMITH & NEPHEW

Terry Coutsoutsios, National and Strategic Accounts Director
ABBOTT VASCULAR

2:30 COFFEE & NETWORKING BREAK
2:55 GAINING SUPPORT & ENCOURAGING AN ACTIVE C-LEVEL ROLE IN CONTRACT PRICING
According to the Simon Kucher 2012 Global Pricing Study of over 2,500 sales executives and managers, 65% of companies do not charge the prices deserved for their products; a pricing weakness that cuts profits by up to 25%. Nevertheless, the same study shows that profits rise sharply when C-Level executives take an active role in pricing. Having the support of the C-Level leadership enables companies to raise costs and give account managers and sales executives the confidence to stick to these contract prices. This pricing power advantage is crucial when medical device companies continue to face increased cost pressure from customers and competitors.
• Align pricing strategy with overall business goals and company objectives
• Metrics showing how C-Level involvement boosts pricing power and profits
• Increase sales and pricing power to impact overall profits

Larry Dooley, Vice President of National Accounts and Health Care Systems
SMITH & NEPHEW

3:30 TRACKING & REVIEWING THE FINANCIAL IMPACT OF CONTRACT PRICING DECISIONS
Understanding the financial metrics and overall impact of contract pricing decisions is a major area of importance to the success of medical device companies. Account executives must be able to gauge if the contract price associated with a technology is yielding profitable returns, as well as providing better health economics and outcomes. Tracking the financial impact of decisions is vital to determining if pricing strategies for purchasing groups are on target and/or if contract decisions must be adjusted and changed if necessary.
• Group discount pricing and the impact on the bottom line
• Collecting historical data to determine group purchasing price effectiveness
• Tools to improve internal contract pricing reporting, models and metrics

Michael Dinkins, Chief Financial Officer
GREATBATCH

4:15 CLOSING REMARKS & CONFERENCE CONCLUSION
MEDIA PARTNER:
WHO SHOULD ATTEND:
Executives that will find this program of greatest relevance are those currently responsible for developing, renewing and managing contract positions with medical device purchasing groups. Job titles of those executives that will find this program to be most applicable to their job functions include:

- Strategic Accounts
- National Accounts
- Key Accounts
- Corporate Accounts
- Group Purchasing
- IDN/GPO Contracting
- Contracting

SPONSORSHIP OPPORTUNITIES:
At this time, there are a variety of sponsorship and exhibition opportunities available for companies wishing to increase their visibility and participation in the program, ranging from keynote speaking opportunities through to exhibitor and documentation sponsors. Organizations most suitable for this type of exposure provide services and solutions including:

- Market Research Solutions
- Reimbursement Consultants
- Research & Competitive Intelligence
- Pricing & Value Strategy
- Buyer-Behavior / Negotiations
- Contract Negotiations

KEY SPEAKER HIGHLIGHT:
John Murray
Director, Strategic Accounts
AMERICAN MEDICAL SYSTEMS

John Murray has over 25 years of experience in health care including positions leading strategic/corporate accounts for American Medical Systems (an Endo Health Solutions company) and Zassi Medical Evolutions. Currently at AMS, a global medical device company, he is responsible for all GPO, IDN, RPC, VA/DoD and DBM relationships. John previously was VP, Medical/Surgical with Premier, Director of Purchasing at The University of Chicago Medical Center and Director of Capital Equipment with the University Healthsystem Consortium.

ABOUT Q1 PRODUCTIONS:
Q1 Productions designs and develops webinars, training courses, conference programs and forums aimed at specifically targeted audiences in order to provide strategic and timely information. Through a rigid production process focused on end-user research and design, our team is able to understand the immediate business concerns of today’s leading executives. Whether focusing on new or pending legislative issues, enhanced business processes or technologies that will drive efficiency and customer service, our programs provide solutions to the urgent needs of our attendees.

PREVIOUS Q1 CONFERENCE ATTENDEE COMPANIES INCLUDE: