

5 June 2024

Dear Suppliers,

REQUEST FOR INFORMATION – HAEMODIALYSIS EQUIPMENT AND CONSUMABLES, AND PERITONEAL DIALYSIS EQUIPMENT AND CONSUMABLES

Pharmac lists a range of haemodialysis equipment and consumables, and peritoneal dialysis equipment and consumables in Part III of Section H of the Pharmaceutical Schedule.

In 2018, Pharmac issued a [Request for Proposals \(RFP\) for the supply of haemodialysis equipment and consumables devices to Health New Zealand |Te Whatu Ora \(“Health NZ”\) hospitals](#). This process resulted in the establishment of non-exclusive national listing agreements with seven suppliers.

In 2020, Pharmac issued a [Registration of Interest \(“ROI”\) as an opportunity for suppliers to have their peritoneal dialysis equipment and consumables listed on the Pharmaceutical Schedule](#). This process resulted in the establishment of non-exclusive national listing agreements with three suppliers.

Pharmac and Health NZ consider that these clinical areas are of high value in terms of spend and criticality of continued treatment availability. We expect to generate a greater level of competition in these clinical areas, manage cost escalations and provide access to clinically appropriate ranges of haemodialysis and peritoneal dialysis equipment and consumables efficiently.

Approximately 3,100 patients access haemodialysis or peritoneal dialysis services in New Zealand annually¹. We expect that the health need in this clinical area will grow and consider it important that the commercial arrangements enabling the purchase and use of products and services in these areas continue to provide value for the New Zealand health system and patients.

In order for us to inform our approach towards achieving this outcome, we are seeking information from suppliers to gain a better understanding of the market and its capabilities, and to identify the range of possible purchasing arrangements to secure continued supply of the medical devices used in these areas.

¹ The 46th Annual ANZDATA Report. 2023. Australia and New Zealand Dialysis and Transplant Registry.

This information will be used to assist Pharmac in developing its approach to secure best health outcomes within the available funding.

The Request for Information (RFI) incorporates the following schedules:

- Schedule 1 specifies the medical devices for which Pharmac is requesting information and sets out the background to the RFI and the types of information sought;
- Schedule 2 contains the RFI response form in which you are to provide the details requested.

How to respond

We appreciate the time and effort it takes to compile responses to an RFI. Not all questions will be relevant or of interest for all suppliers, so your responses can be limited to just some of the questions asked or can cover the full range of questions.

Please provide the information requested in this RFI, and any additional information you consider may be of assistance to Pharmac **via email** to devices@pharmac.govt.nz, by **4 pm (New Zealand time) on 26 June 2024**.

For the avoidance of doubt, this RFI invites responses from all suppliers of haemodialysis equipment and consumables, and peritoneal dialysis equipment and consumables. Suppliers do not need to have current agreements with Pharmac or be currently supplying to Health NZ. We invite responses from new suppliers in regards to their capabilities in these clinical areas, and whether there are barriers to entry that different arrangements could address.

Suppliers are encouraged to raise any queries via the GETS Question and Answer function. Where Pharmac identifies that a question may be of value to other suppliers, Pharmac reserves the right to publish both the question and answer, so they are visible to all interested parties. Alternatively, suppliers may use the GETS Question and Answer function to request a confidential teleconference with Pharmac.

Feedback we receive is subject to the Official Information Act 1982 (OIA) and we will consider any request to have information withheld in accordance with our obligations under the OIA. Anyone providing feedback, whether on their own account or on behalf of an organisation, and whether in a personal or professional capacity, should be aware that the content of their feedback and their identity may need to be disclosed in response to an OIA request.

We are not able to treat any part of your feedback as confidential unless you specifically request that we do, and then only to the extent permissible under the OIA and other relevant laws and requirements. If you would like us to withhold any commercially sensitive, confidential proprietary, or personal information included in your submission, please clearly state this in your submission and identify the relevant sections of your submission that you would like withheld. Pharmac will give due consideration to any such request.

This is not a Request for Proposals and at this time Pharmac is not seeking commercial proposals for the supply of haemodialysis equipment and consumables, and peritoneal dialysis equipment and consumables. Any information you provide in response to this RFI will be considered non-binding in relation to any competitive process or other procurement process that Pharmac may, at its sole discretion, undertake in the future.

Yours sincerely,

A handwritten signature in blue ink that reads "Catherine Epps". The signature is written in a cursive, slightly slanted style.

Catherine Epps
Director, Medical Devices

Schedule 1: Haemodialysis Equipment and Consumables, Peritoneal Equipment and Consumables, type of information sought and desired outcome

1. Haemodialysis Equipment and Consumables

Haemodialysis services in New Zealand are provided:

- in-centre (hospital based with nurse and/or technician assistance, for people unable to manage dialysis independently).
- satellite bases (closer to patients' homes, for people who can manage dialysis with varying degrees of independence, with some nursing or technician support).
- home settings or community bases, where no staff are present, and dialysis is managed either independently or with family support.

The following products are considered '**in scope**' of this RFI:

- haemodialysis filters
- haemodialysis blood lines and sets
- haemodialysis fistula needles
- haemodialysis customised packs
- haemodialysis accessories (e.g., effluent bags, transducer protectors, other equipment)
- haemodialysis solutions
- haemodialysis water treatment products including reverse osmosis machines
- haemodialysis machines including full purchase, loan, or rent-to-buy agreements (including continuous veno-venous haemodialysis (CVVHD) and continuous arteriovenous dialysis (CAVHD))
- support packages associated with the provision of haemodialysis equipment and consumables (including training, maintenance, replacement parts and customer support)

2. Peritoneal Dialysis Equipment and Consumables

Peritoneal dialysis services in New Zealand are provided as automated or continuous ambulatory peritoneal dialysis.

The following products are considered '**in scope**' of this RFI:

- peritoneal dialysis catheters
- peritoneal dialysis fluid and fluid warmers
- peritoneal dialysis accessories (e.g., effluent bags, transducer protectors, other equipment)
- peritoneal dialysis equipment
- support packages (both internal and external) associated with the provision of peritoneal equipment and consumables (including setting up, commissioning, user and technical training, maintenance, replacement parts and customer support).

3. Desired outcome

Pharmac aims to gain further insight from suppliers of haemodialysis equipment and consumables, and peritoneal dialysis and consumables with respect to their capabilities to provide medical devices in these areas, and the range of commercial purchasing options that can be made available.

We expect that this information would be useful to develop an approach that would encourage competition and ensure that an appropriate range of peritoneal dialysis equipment and consumables, and peritoneal dialysis equipment and consumables remains available.

The specific information requested is set out in Schedule 2 of this RFI.

Schedule 2: Information Requested – Response form

[Supplier to insert date]

Director of Medical Devices
Pharmac
c/- Alishba Ali
Device Category Manager

Via email to devices@pharmac.govt.nz

Dear Madam,

Information regarding haemodialysis equipment and consumables, and peritoneal dialysis equipment and consumables

In response to Pharmac’s request for information (RFI) dated 5 June 2024, we put forward the following information in respect of haemodialysis equipment and consumables, and peritoneal dialysis equipment and consumables:

Our contact details:

Name of organisation	
Contact person	
Address	
Phone	
Facsimile	
Email address	

1. Are you willing to be contacted for any follow up questions relating to your responses to this RFI?

Yes / No *(delete as appropriate)*

a. If you responded ‘No’ to question 1 above, please tell us why

Schedule 2: Response form

Alternative pricing models

1. Health NZ hospitals currently have the option to purchase medical devices in the haemodialysis equipment and consumables area either via outright purchase or under a price-per-treatment (PPT) model. Does your organisation offer an alternative pricing model, and can you please describe it? Please provide an outline of how the model is structured. We are not requesting prices for products and/or services at this stage.

2. Health NZ hospitals currently have the option to access medical devices in the peritoneal dialysis equipment and consumables area either provided on loan or under a price-per-treatment (PPT) model. Does your organisation offer an alternative pricing model, for example, outright purchase, and can you please describe it? Please provide an outline of how the model is structured. We are not requesting prices for products and/or services at this stage.

Service and maintenance

3. Does your organisation have the capability to provide local (in New Zealand) technical support for the products across the country? If so, please provide details of your service and maintenance offering, and where your service centres are located.

4. If your organisation does not provide these support services, do you offer training programmes to enable Health NZ personnel to carry out these services? If so, can you describe what this includes, including for example, technical training and propriety of test equipment, jigs, tooling, software to enable HNZ technical teams to carry out performance verification, planned preventive maintenance and corrective maintenance?

5. Where a PPT arrangement applies, does your organisation have the ability to provide an annual service and maintenance rate for haemodialysis equipment and/or peritoneal dialysis equipment, which is separate from a PPT arrangement, and can you describe what this would be, for example:
- a. LR – labour rate only.
 - b. PV – performance verification only.
 - c. Comprehensive - inclusive of performance verification, planned preventative maintenance and corrective maintenance at a fixed fee model that includes all labour, parts, material and travelling costs to perform all services.

Alternative purchasing arrangements

6. If you are a current supplier to Health NZ, what commitments, for example, term, volume commitments or regional commitments would allow you to offer an improved pricing? Would your organisation need to change its commercial offering (current or proposed) if a procurement model is implemented with specific volume commitments or if Health NZ is taking on more of the technical support.

7. If you are a new supplier and do not currently supply to Health NZ, what commitments, for example, term, volume, or regional commitments would enable you to provide products and services to Health NZ?

8. As a medical device supplier, in what circumstances do you consider that volume commitments from Health NZ would be suitable?

9. Should minimum volume commitments be implemented, what is your organisation's view on how this model should be structured and what are the minimum volume requirements or percentage of total volume that would need to be maintained for your organisation to viably supply to Health NZ?

10. Are there any other purchasing arrangements that your organisation would consider feasible where Health NZ can provide a level of commitment in regards to the equipment and consumables it is purchasing?

11. What are the implementation issues that are important for Pharmac to consider should a procurement model with minimum levels of volume commitment be implemented?

Consumables

12. In what circumstances, would your organisation be able to offer volume-based discounts for consumables used in the haemodialysis and peritoneal dialysis areas and what would the discount structure look like (if available)?

13. Is your organisation able to bundle all consumables required for home-based peritoneal dialysis even if this is required for supplying third-party products? If not, what is your preferred mechanism of supplying consumables?

14. Is your organisation able to offer delivery services for dialysis fluids and other consumables for peritoneal dialysis services at home?