



MECOMED POSITION ON VALUE-BASED HEALTHCARE IN MIDDLE EAST & AFRICA

THE ROLE OF
THE MEDTECH INDUSTRY

ABOUT MECOMED

Mecomed is the medical devices, imaging and diagnostics trade association serving as the voice of international medical technology (MedTech) manufacturers across the Middle East & Africa. Mecomed aim to bring all healthcare stakeholders together to improve the quality of people's health through the timely introduction of MedTech innovations, which ultimately benefits the MENA region community. We foster good citizenship and promote ethical business behavior, working proactively with governments, regional bodies and healthcare professionals to deliver quality solutions for better patient outcomes. Contact Inna Nadelwais at inna.nadelwais@mecomed.com.

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INTRODUCTION

Health is considered the cornerstone for economic prosperity, social, environmental and human development. However, health systems, payers and governments worldwide are under intense pressure. On one hand, healthcare costs are spiralling and growing faster than national economies, and on the other, despite increased spending, there are still high variations in patient outcomes and overall quality of care across medical conditions. Representing a paradigm shift, value-based healthcare is a model that directly addresses these two challenges by focusing on patient outcomes and the right cost of delivering care.

The transformation from the current systems to value-based systems is not an easy task and the medical technology industry, thanks to its innovation, relationship with healthcare providers, therapeutic experience and wealth of data is in a unique position to enable this transformation.

In the Middle East and Africa, healthcare systems are not immune to these shifts, nevertheless, governments have significant opportunity to move faster than developed economies in implementing value-based agendas. It is a long journey and the medical technology industry is ready to partner along.

HEALTHCARE IS CHANGING

Value-based healthcare is a fundamentally different strategy where maximizing the value for patients is the central goal. The notion of value is rather clearly defined as achieving the best possible clinical outcomes for patients at the right cost. In healthcare, this is a paradigm shift from a supply-driven healthcare system organized around what physicians do, volume of procedures and fee for service into a patient-centred system organized around patients' outcomes and value.

While the case for a value-based system is compelling, implementing this transformation is complex. It is not a single step but rather an overarching strategy that requires restructuring how healthcare is organized, delivered and measured. This includes defining, standardizing and measuring outcomes per medical condition for the full cycle of care, integrating clinical practice around medical conditions and experimenting with care delivery models that reward value instead of volume.

VALUE IN THE MIDDLE EAST AND AFRICA

The healthcare transformation debate has largely focused on developed economies. This is not surprising as three-quarters of global healthcare expenditures are in the developed world where conventional initiatives to control healthcare costs and improve quality of care fell short.

The Middle East and Africa present some of the biggest opportunities to implement value-based healthcare initiatives and can potentially move faster than advanced economies. While emerging markets represent about one-quarter of worldwide healthcare expenditures, their spending as a percentage of GDP is growing at a much faster rate than that of the EU or the United States.

Despite registering positive economic growth, emerging markets, including Middle East and Africa, do not have to replicate the high-cost healthcare delivery models of the developed markets. Instead, have a strong appealing incentive to think differently and embrace value-based

healthcare, and the fact that they are not burdened by massive legacy infrastructure, vested interests and heavy investments in non-interoperable systems and digital platforms, is a competitive advantage. Middle East and Africa can operationalize value-based systems relatively faster and easier by understanding patient population groups and the cost of care starting with the major medical conditions that are burdening the healthcare systems and investing in systematically collecting and analysing outcomes data.

CRITICAL ROLE OF LEADERSHIP

Leadership role is crucial in the holistic understanding of the driving factors and root causes for addressing the challenges on hand and for driving impactful strategies and meaningful change. Promoting shared patients and stakeholders value requires compelling vision shifting the focus from siloed unsustainable cost savings and financials narratives to purpose, sustainable care delivery models and shared value creation for all stakeholders, and where ethics and code of conducts are key components in the overall delivery of care. Economic prosperity is directly linked to social responsibility and environment, and healthcare stakeholders focus on patients' outcomes and value can lead to active citizenship commitment and engagement, public and private partnerships that collectively collaborate to achieve great patients' outcomes and cause transformational change much needed in the current healthcare systems.

Local governments are already leading the way. Kingdom of Saudi Arabia's (KSA) and United Arab Emirates' (UAE) governments for example, have recognized the importance of value-based healthcare and are stimulating efforts and engagements in transforming the current state of healthcare emphasizing on prevention, education, innovation, quality and efficiency to safeguard healthier society of citizens and residents. Both governments have put ambitious healthcare visions in place, namely KSA's Vision 2030 and UAE's Vision 2021, that are fully aligned with value-based healthcare principles and capitalize on digital platforms for therapy registries, patients monitoring, outcomes measuring, wearables and activities trackers and online curricula, amongst others.

ROLE OF THE MEDICAL TECHNOLOGY INDUSTRY

New performance-based healthcare delivery models focus on improving outcomes and generating savings by introducing more accurate and efficient care and cost-effective procedures with fewer complications, reducing patients' hospital length of stay by conducting preventative wellness screenings, effective patient triage, encouraging home care, implementing patient pathways, telemedicine, connected patients' devices and other capabilities. Medical technology companies can play key role in the success of value-based healthcare by:

- Providing innovative products, services and solutions for the health issues, focusing on and prioritizing the ones representing significant economic burden;
- Supporting cost-containment by identifying patients in the early stages of chronic disease or at risk of disease onset and allowing the implementation of timely preventive and therapeutic interventions
- Further collaborating with payers and providers creating shared value for patients and healthcare stakeholders through value-based care delivery models;
- Facilitating patient-centered data collection and real-world evidence to improve outcomes measuring for real-time and long-term analysis and actions;
- Incorporating digital capabilities including digital surgery, artificial intelligence, 3D printing, robotic process automation, electronic health records, telemedicine, Internet of Things and others;
- Providing platforms and tools for measuring value in the care delivery context, leveraging applicable practices and models such as Value-Based Procurement and others.

Mecomed and its members actively support progressive health systems that seek to set models and standards for patients' outcomes measurement and establish partnerships in value-based healthcare programs. Mecomed commits to continue being a supportive and valued partner in implementing value-based healthcare to enable stakeholders and healthcare providers in building strong foundation for sustainable, innovative and cost-effective care to patients in the Middle East and Africa region.