

Announcements



The ITAC Health Membership and Development Committee's Procurement Task Force creates "The Value Algorithm"

The healthcare industry continues to utilize procurement methodologies that may be effective but also may well be reducing the "value received" by any stakeholders from any specific procurement.

Approximately two years ago, the ITAC Health board initiated a committee to evaluate this situation and to determine if an objective criteria to evaluate "value" could be created. The committee members had a

broad range of experience and knowledge, so the input from each member was of significant value to eventually create the "value algorithm".

The value algorithm provides an objective method to evaluate and compares values received from all types of procurements, and also is effective to budget and track costs that relate to "value" from the procurement in process.

The "value algorithm" is unique and represents an opportunity for the industry in total to evaluate "value" in an objective way and to strive to increase "value" as we look to the future. Currently the algorithm is undergoing analysis and verification by a number of academic environments as well as industry and provides groups. To date the feedback and results have proven very positive.

The Value Algorithm

$$\text{Relative Score} = \frac{\text{TCV} + ((\text{EP})(\text{B}/\text{R}))}{(\text{TFx}^2 + \text{T6})(100)}$$

Variable	Moniker	Definition	Value
Benefiting Population	EP	Population who benefit from solution	↑
Total Contract Value	TCV	Total Spend during term of contract	↓
Total Contract Term	TCT	Length of initial contract (days)	↑
# Of Accepted Bids	B	# Of Bids technically accepted	↑
RFx Development Time	T2	Days from Budget Approval to RFx Release	↓
RFx Response Time	T3	Days from Release to Close	↓
RFx Review Time	T4	Days from Close to short list of VOC	↓
Contract Time	T5	Days from VOC to Executed Contract	↓
Total Time	TFx	Total TFx Time	↓
Implementation Time	T6	Days from Contract Execution to Full Productive Use	↓
Reference Factor	R	# References (No -1, Global -2, Canadian -3, Provincial -4)	↑

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ITAC HEALTH'S MPD

Mandate : To ensure the association provides increasing value to members by facilitating the involvement of ITAC Health members as vital stakeholders in the move to digital health care in Canada as well as increase their share of profitable HIT business worldwide.

OBJECTIVES

- Provide ITAC Health with contacts, suggestions and ideas for actively engaging members as key stakeholders and vital contributors to the move to electronic health care in Canada and Internationally.
- Ensure that ITAC Health provides increasing value to members and is recognized as "the leading voice of the healthcare vendors in Canada" or "the national coalition of healthcare vendors in Canada"

For more information about participating in the MPD or joining ITAC Health please contact Elaine Huesing: ehuesing@itac.ca