

Service Provider Special Interest Panel

Session Summary
July 2023

Background

The Service Provider Special Interest Panel met on Tuesday 18 July 2023 for discussion regarding procurement in the context of commissioning by Primary Health Networks (PHNs). Participants represented a diversity of providers across metro and country locations.

PHNs are required to identify and contract appropriate providers who can most efficiently and effectively support the delivery of primary health care services and improve health system integration and positive health outcomes for the community. This is known as the procurement process and it forms a key phase of the PHN commissioning framework. Procurement processes are influenced by the local environment and the willingness of stakeholders to participate and collaborate.

The recent service provider research undertaken by Painted Dog Research, acknowledged the improvements resulting from changes to contract management relationships by WA Primary Health Alliance (WAPHA).

The research also raised several frustrations experienced by service providers in relation to WAPHA's procurement processes.

WAPHA agrees there is opportunity to create a space for open and honest discussions about tender requirements, preferred suppliers and awarded tenders.

Questions posed to the panel

1) What might a 'space for open and honest discussions about tender requirements, preferred suppliers, and awarded tender' look like? What can WAPHA do differently to create this?

2) In what circumstances would a 'select tender' or 'most capable provider or single provider' be accepted as an appropriate procurement approach for WAPHA to take?

1) What might a 'space for open and honest discussions about tender requirements, preferred suppliers, and awarded tender' look like? What can WAPHA do differently to create this?

Panel members shared their feedback from tender experiences, both with WAPHA and other organisations:

- Generic feedback is unhelpful to providers who have invested in their application.
- Often there is not a shared understanding of what procurement/commissioning is.
- The needs for a region may have changed to what have previously been purchased.
- There is a desire to work collaboratively but, in reality it is getting more competitive for funding and workforce.
- Funding and resources need to be distributed fairly if drafting collaborative agreements.
- Preparing lengthy tender documents and reapplying for tenders in short cycles has sustainability challenges, particularly workforce.
- There is not a one size fits all option.
- One contract manager is like a relationship manager, they know the region, our organisations and the local challenges.

"...create that safe place for us to discuss what is actually the need"

- quote from panel member

Suggestions for WAPHA to consider include:

- Two-stage procurement processes that clearly establish expectations/criteria and service scope, that support opportunity assessment and a reduction of service provider resources required to support the first stage.
- Openly communicate what is needed through honest conversations with providers before they invest limited resources in submitting a tender, they are unlikely to win.
- Provide more targeted feedback to individual organisations post evaluation.
- Continue to engage through the PHN Cooperative to elevate the feedback and experience of service providers nationally.
- Longer period to respond to requests and acquittals.





- Greater transparency regarding the make-up of the evaluation panel undertaking the assessment.
- Opportunity to present the tender via presentation, depending on the scope and size, as means of seeking further information and supporting decision process.
- Store standard organisation details to reduce the amount of entry work for providers.

".... be as transparent as possible as to why you make decisions and follow that up... the relationship stuff is really important"

"Constructive feedback on the tender evaluation process... where we fail, where we did not meet the merits of the top provider..."

- shared by panel members

2) In what circumstances would a 'select tender' or 'most capable provider or single provider' be accepted as an appropriate procurement approach for WAPHA to take?

Panel members offered the following scenarios:

- Where the market is thin e.g. rural and remote
- When the relationship between WAPHA and providers is strong
- When the process and communication is transparent and openly communicated and discussed prior, during and after; and
- When a provider has a certain intellectual property that only they can deliver.

"I think there's definitely room for that kind of approach, particularly when we're talking regional and remote. We know there's not very many providers out there and it makes sense to go to people who are present, providing services and have a workforce...unless there's something that you are trying to build like a new capability and then it where collaborative approaches come in"

"... we would just want to feel that you have a very full understanding of what each and every provider can do, what their capability is, and just have the regular conversation with us"

-shared by panel members

Overall Themes

Acknowledgement that WAPHA has commissioning guidelines from the Australian Government they need to follow.

Value of two-step process to tender applications.

Open and transparent conversations on what is required, and how applications will be evaluated to minimise wasted effort.

Honest and constructive feedback if unsuccessful.

Collaboration can happen outside procurement in the patient journey with consumers.

When a 'selective tender' has occurred, ensure open and transparent communication with other providers.



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