

FOR DOCTORS & HOSPITALS

Before Buying Medical Equipment, Read This....

Medical Equipment are supposed to

1. Work for longer Life say 5 to 15 years depending on the application.
2. Have a lower maintenance Cost.
3. Have less break downs and lower down time.
4. Most importantly serve the purpose and perform to its specification.

You can add many more, but we stop here as the above are the primary ones. Each of the above if missed out adds a cost to the purchaser indirectly in many ways.

S. Nr	Aspect Neglected	Implications
1	Product Life	Reduced life of the product is nothing but doubling cost. Add up the over heads involved in taking multiple quotes, evaluating, decision making, Ordering, Installation, Training for the 2 nd machine adds cost. In a hospital of say 20 years span if it could manage with 2 purchases of a machine rather than 3 it will save 50% cost purchase and overheads. Was this thought of at the time of purchase?
2	Maintenance Cost.	Higher Maintenance cost affects the kitty straight way.
3	Break downs and lower down time.	If this fails not only is that it is not available for use but also is the cause to purchase of additional standby machine. Was this cost calculated at the time of original purchase?
4	Serve the purpose and perform to its specification.	If this fails the hospitals is not able to provide good care to its patients and ultimately loose them. This is the costliest of all.

Today due to lots of sellers/manufacturers the buyers have the option to demand their requirements. The sellers normally offer and focus only on what is demanded by the hospital (their customers) and ignore the patients (customers of the hospitals). If what is demanded is going to be Price the manufacturers offer lower and lower due to competition and compromise on the rest. But not all manufacturers do this. Some do relish long term dividends. But is the purchasing hospital able to make the right decision on purchase. Is the hospital neglecting all aspects and only working on the immediate purchase cost?

Everything that is low priced is not bad, and everything that is high priced need not necessarily be good. Yes, it is a confusing statement. So is procurement.

Facts to Know

- Purchasing at the lowest price is not Success, but procuring by keeping total costs low is Success.
- 80% products launched by new firms are failure models and 25% of models launched by MNCs are also failure models.
- 90% of the new manufacturers wind up operations with in 5 years. It is easy to start manufacturing and easier to stop too.
- Cost of maintenance is inversely proportional to the installation base in the region.

To help you on this use the Form on the reverse to take the right decision.

Visit www.akasmedical.com Information center to down load these forms or email to enquiry@akasmedical.com

Form to Evaluate Your Medical Equipment Suppliers

S. Nr	Aspect	How to Rate	Supplier 1 Score	Supplier 2 score	Supplier 3 Score
1	Manufacturer Longevity	<ul style="list-style-type: none"> < 5 years rate as 0 points 5 to 8 years rate as 3 points 8 to 15 years rate as 8 points 15+ years rate as 10 points 			
2	Product / Model Longevity along with the manufacturer longevity	<ul style="list-style-type: none"> Product < 1 year and mfg < 5 years rate as 0 Product < 1 year and mfg > 5 years rate as 3 1 to 3 years and mfg < 5 years rate as 2 1 to 3 years and mfg > 5 years rate as 5 3+ years and mfg < 5 years rate 4 3+ years and mfg > 5 years rate 8 			
3	Installation base in the same region	<ul style="list-style-type: none"> Well populated rate as 10 Moderate installations, rate as 7 Scarce installation, Rate as 2 			
4	Reference from other users about the product	<ul style="list-style-type: none"> Good Reference Rate as 15 Ok Reference Rate as 10 No Reference Rate as 4 Bad reference from 2 or 3 users - Stop evaluation. 			
5	Front end Dealer / Channel Support	<ul style="list-style-type: none"> Dependable and steady rate as 8 Dependable but not steady rate as 5 Not dependable rate as 0 			
6	Maintenance Cost in comparison with competitors	<ul style="list-style-type: none"> Highest Maintenance Cost rate as 0 Moderate Maintenance Cost rate as 4 Low Maintenance Cost rate as 10 			
7	Break downs estimated	<ul style="list-style-type: none"> High, rate as 0 Moderate rate as 5 Low, rate as 10 			
8	Estimated product Life	<ul style="list-style-type: none"> Known as rigid, long life, rate as 12 Moderate life, rate as 5 Not known or shorter life, rate as 0 			
9	If the product has the capacity to attract patients due to its brand image.	<ul style="list-style-type: none"> Patients prefer this brand, rate as 12 Patients donot bother about the brand of the product then drop this aspect. Donot rate this aspect 			
10	Product Purchase Cost	<ul style="list-style-type: none"> 100% more than lowest available competitor(L1), rate as 0 50% to 99% more than L1, rate as 3 40% to 49% more than L1, rate as 6 30% to 39% more than L1, rate as 10 20% to 29% more than L1, rate as 13 10% to 19% more than L1, rate as 15 L1 or upto 10% more than L1, rate as 20 			
Total Scores of Suppliers					

Note:- The above rating norms and weights are provided with lots of logical and working experience. The maximum score is not 100. Only comparisons of scores have meaning. Absolute value of the score does not indicate much.