

Advancing Value-Based Healthcare Through Value-Based Procurement: Policy Landscape and Implementation Gaps in Indonesia

HPR27

E. ARIESANDY², A. KOZLOVA¹, E. BUSINK¹

¹Fresenius Medical Care Deutschland GmbH, ²Fresenius Medical Care Indonesia

INTRODUCTION

Value-Based Healthcare (VBHC) emphasizes optimizing patient outcomes relative to costs, shifting focus from volume to value delivered. As an operational extension, **Value-Based Procurement (VBP)** evaluates technologies based on lifecycle value rather than upfront price.

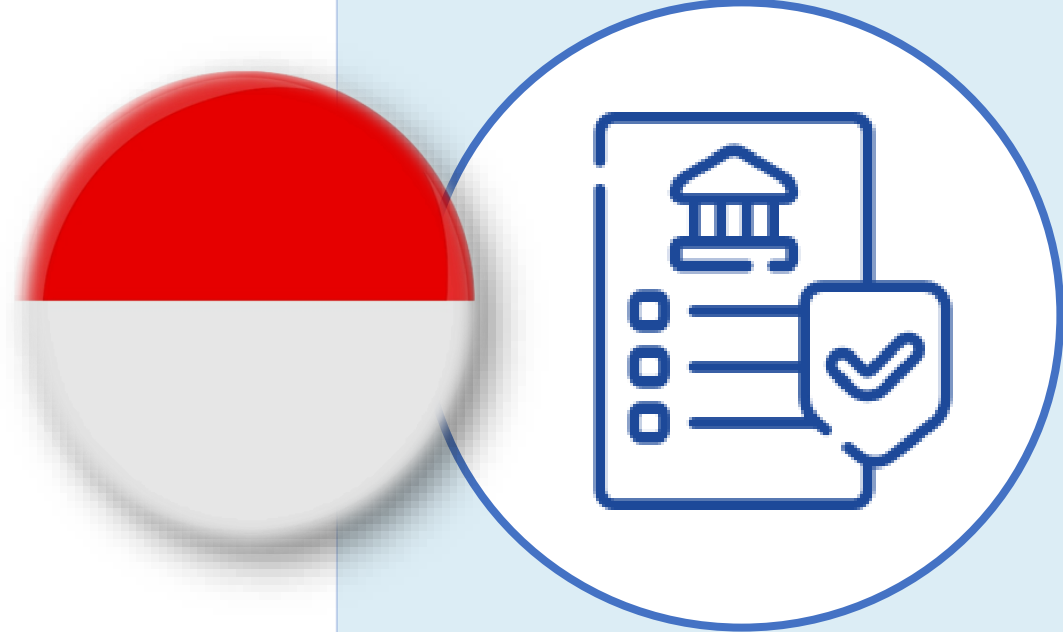
OBJECTIVE

This study aims to assess Indonesia’s policy landscape supporting **VBP for medical devices (MDs)** and identify key implementation gaps and propose tangible next steps.

METHOD

- A **qualitative policy analysis** was conducted reviewing national regulations, procurement frameworks, and healthcare financing mechanisms relevant to MD procurement in Indonesia.
- **Key policy instruments** analyzed included Health Technology Assessment (HTA), Value for Money (VfM) provisions, and digital procurement platforms (e.g., e-catalog, e-procurement).
- **Recent implementation initiatives**, including the Pharmaceutical and Medical Device Dictionary, Stakeholder-Led Submission for HTA topic proposals, and Operational Cooperation Schemes, were also examined.
- **Evidence** was synthesized to map alignment with VBP principles and identify systemic constraints.

RESULTS



Indonesia has established **a strong policy foundation** consistent with VBP principles. **HTA** is increasingly used to evaluate value-add for national health insurance. Procurement regulations mandate **VfM beyond lowest price**, incorporating **quality, lifecycle cost**, and **supplier performance**. **Digital transformation efforts**, including e-catalog enhancements, aim to integrate after-sales service, maintenance, and compliance.



Operationally, **progress** is observed in **product standardization**, increased **HTA engagement**, and **innovative procurement schemes**, particularly in high-cost services like hemodialysis.



However, **significant implementation gaps** persist. **Fragmented data systems** limit the ability to measure value, including costs, clinical and reimbursement outcomes. Financial oversight still emphasizes **lowest price** and **regulatory fragmentation**, creating inconsistencies in value assessment. Additionally, procurement **workforce competencies** remain limited in applying VBP.

CONCLUSIONS

While Indonesia has made notable progress in embedding VBP, implementation remains largely **price-driven** rather than value-driven.

Advancing VBP requires **cross-functional partnership** and defining first pilots to scale up to a national level. Other countries show implementing **total cost of ownership principles** is a first practical step towards achieving **systematic healthcare value**.

REFERENCES

- 1) Indonesia Supports the Concept of Value-Based Healthcare to Overcome Health Problems in the Country. MOH Press release, Jakarta, 19 January 2021; <https://kemkes.go.id/eng/%20indonesia-dukung-konsep-value-based-healthcare-untuk-atasi-masalah-kesehatan-di-tanah-air>
- 2) Value-Based Assessment in Indonesia’s Healthcare System, by Vriens & Partners – Navigation the Politics of Business; <https://apacmed.org/value-based-assessment-in-indonesias-healthcare-system/>
- 3) Public Procurement Regulations:
 - Decision of Head of National Public Procurement Agency, number 121, 2023; <https://jdih.lkpp.go.id/regulation/keputusan-kepala-lkpp/keputusan-kepala-lkpp-nomor-121-tahun-2023>
 - Presidential Regulation on Public Procurement of Good and Services; <https://peraturan.bpk.go.id/Details/318647/perpres-no-46-tahun-2025>
 - Acceleration of use the domestic product on public procurement, Presidential Instruction number 2, 2022; <https://peraturan.bpk.go.id/Details/204320/inpres-no-2-tahun-2022>
- 4) HTA Source:
 - HTA Website: <https://htaindonesia.kemkes.go.id/Home>
 - HTA General Guideline: <https://htaindonesia.kemkes.go.id/file/lampiranpublikasi/2025/02/14068d1b-20eb-43b7-87ff-dd455aa8b285.pdf>



CONTACT INFORMATION

ellen.busink@freseniusmedicalcare.com
efrain.ariesandy@freseniusmedicalcare.com