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To Distribution list:

In April 2016, the government of Ontario established the Healthcare Sector Supply Chain Strategy (HSSCS) Expert Panel (Expert Panel) to advise and recommend a supply chain management strategy for Ontario's health care ecosystem.

We would like acknowledge and extend our appreciation to the Expert Panel, chaired by Kevin Empey, for their time, dedication and commitment in submitting the report *"Advancing Healthcare in Ontario: Optimizing the Healthcare Supply Chain – A New Model."*

The Expert Panel's report acknowledges the complexity and growing demands in health care supply chain, to deliver quality, enable innovation, improve efficiency and shift to value-based procurement linked to care and outcomes.

The Expert Panel held consultations with health care and supply chain stakeholders, and partners, and this helped to inform the recommendations in the report. The aim is to develop a strategy that delivers a supply chain model for Ontario's health care that is seamless, innovative, integrated and rooted in value-based procurement. The Expert Panel's advice and recommendations outlined five key pillars to a new model:

1. An integrated Ontario health care supply chain;
2. Patient and clinical focused buying decisions;
3. A new approach to procurement, enabling value based procurement and building care through innovation;
4. Delivering a performance, value and quality framework; and
5. A plan forward – transitioning.

The recommendations of this report provide a valuable framework for the government to consider as it continues to accelerate the shift to value-based procurement, further

improving patient outcomes and contributing to the sustainability of Ontario's health care ecosystem.

The government has been advancing a number of initiatives that complement the Expert Panel's report that include:

- The *Patients First Act, 2016*, supporting initiatives that result in greater coordination of health care service delivery and development of partnerships that enable greater collaboration.
- Soon to be launching a Value-Based Innovation Program, which will provide a framework for leveraging Ontario's health system as a demand driver for innovative services and technologies that support health system priorities.
- Facilitating and enabling supply chain transformation in Ontario's broader public sector (BPS) through the OntarioBuys program, driving collaboration, operations excellence, and transforming government procurement to enable innovation.

We are pleased to share the Expert Panel's report "*Advancing Healthcare in Ontario: Optimizing the Healthcare Supply Chain – A New Model*" available at:

<http://www.health.gov.on.ca/en/pro/ministry/supplychain/>

<http://www.health.gov.on.ca/fr/pro/ministry/supplychain/>

We look forward to reviewing the Expert Panel's report within the context of the government's commitment to put patients first by improving their health care experiences and outcomes, and support greater integration and coordination of value-based health care within and across local geographies.

Yours sincerely,

Original signed by

Original signed by

Dr. Eric Hoskins
Minister of Health and Long-Term Care

Tracy MacCharles
Minister of Government and Consumer
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Enclosures

- *Distribution list*

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