Medical Economic Outcomes Committee (MEOC)

COMMITTEE CHARTER 2024
(Revised September 2024)

Mission and Vision: A clinician-driven process that utilizes evidence-based, clinically sound, and financially responsible methodologies for the evaluation of new product introduction, utilization, or clinical variation at Vanderbilt University Medical Center with the intent to provide the highest quality care in the most cost-effective manner.

Description of the MEOC Executive Committee: The MEOC Executive Committee will have oversight of the operations of the MEOC committee to include composition, provide strategic leadership, inform the annual report out requirements to VUMC committees and serve as the forum for any appeals to a decision made by the MEOC committee.

The MEOC Executive Committee will be comprised of:

1. Executive Medical Director of Supply Chain
2. Chief Supply Chain Officer
3. MEOC Chairs
4. COO (or designee) of Vanderbilt University Hospital and, Monroe Carell Jr. Children's Hospital at Vanderbilt,
5. Regional Hospital Presidents and Regional Chief of Staff
6. Quality representative
7. Finance representative
8. Supply Chain Sourcing Leadership

Description of the MEOC Committee:

The MEOC Committee will have two levels of responsibility:

1.) Evaluating new (defined as new to VUMC, not necessarily new to market) product, device, or medical technology (to include capital) requests and

2.) Assisting with identified opportunities in standardization, utilization, contract compliance or pricing obtained through internal/external analysis and benchmarking. These opportunities can be product category or patient population driven and are intended to compliment the work around bundles or new/existing program evaluation being led by the Patient Care Centers.

3) Annually review product requests approval/denial and review compliance to contracts

MEOC Committee Composition:

*Physician/Clinician Executive Chair
*Physician/Clinician Co-Chairs x4
*Nursing Co-Chairs

*Lab Committee Physician Chair – Adam Seegmiller
*Surgical Services Chiefs – Seth Karp/ Jeff Upperman
*Vanderbilt Heart and Vascular Institute representative
*Orthopedic Dept representative
*Otolaryngology Representative
*Eye Institute Representative
*OB-GYN Representative
*Regional Chief of Staff
*Regional physician representatives (1 per site)
*Procedural area representative
*Chief Supply Chain Officer
*VP Procure to Pay
*Director of Sourcing
Health IT representative
Cybersecurity representative
*Clinical Administrator of Service Line – Peri-op and VHVI for VUMC/VCH
Sr. Sourcing Officer
Financial Liaison
Clinicians (ad hoc)

**Voting Members*

Med/Surg/Nursing MEOC Ad Hoc- for new product or new technology requests by nursing, a committee will meet on an Ad hoc basis, members will be Nursing leadership and key nursing staff determined at the time a meeting is needed.

Tenure: Physicians/Clinicians serve a minimum 2-year term. Membership will be reviewed annually. Non-physician/clinician members have no term limits.

Compensation:
Executive chair and co-Chair's compensation will be determined by institutional support of these positions.

The MEOC Committee will:

1. Evaluate new product/device requests utilizing internal and external benchmark data as it relates to outcomes, quality, and financial impact as well as marketing or academic impact. Elements considered could include but not limited to evidenced based medicine reports, clinical outcomes, peer reviewed literature of like technology, current contracts, proposed pricing, impact to overall cost per case, impact to operational expense, impact to revenue, impact to quality indicators such as decreased LOS, decreased mortality/morbidity and impact to the marketing/community.
2. Evaluate request for new capital equipment not previously utilized by VUMC or any request to purchase/place equipment that is not a contracted vendor for that technology
3. Review market introduction of safety alternatives where previously there was not a

safety version. MEOC will have oversight for designation of appropriate trials, collection and evaluation of the trial results and approval to implement based on end user feedback. All records will be retained by the Sourcing office.

4. Quarterly review status of all requests for new products

New Product Request Procedure:

- **For VUAH/MCJCH:**
  - The requesting physician/clinician will complete and sign the New Product Request Form via a website https://app.lumere.com/providers/vumc/requests/add/ . All COI disclosures through MEOC will be shared and cleared with Vanderbilt Administrative Director of the Office of Faculty Affairs. The request will then be routed for approval to the Department Chair, and the Associate Operating Officer or the Patient Care Center (PCC) Leader or the Administrative Director /Director having budgetary responsibility thereby designating approval to proceed with evaluating the request.
- **For Regional Facilities:**
  - The requests from non-VUMC physician/clinician will submit a request to a designated sourcing officer via an approved templated form. The sourcing officer will assist with the completion of the required documentation, approvals, disclosures, financial analysis, and presentation for MEOC.
  - Any product currently approved on main campus but has not been utilized at the regionals in the past must go through an approval process at the site and signed off by the site president. Any new product being presented at a MEOC meeting that is identified as having the potential to be used at a regional site will require the financial review to include regional information and, if there is a negative financial impact, will require the same review and sign off by the site president prior to going to committee.

Requests will not be processed without this acknowledgment. This agreement to proceed with evaluating clinical efficacy for technology that will require either an outright capital purchase or a lease agreement does not automatically denote that funding will be available if approved. The commitment to pursue said funding will be made within the PCC or between the Chair and Hospital leadership prior to presenting to MEOC. If a product has applications across multiple PCCs a working group will be assembled with participants of all affected PCCs/Divisions to evaluate impact and cost/benefit of product request. The working group will be led by a MEOC co-chair. The Committee will consider all factors including marketing, research, outcomes, and impact on margin.

A request must be submitted at least two months prior to the next committee meeting. The requesting physician/clinician must be physically present at the meeting. No designees will be accepted. Failure to attend will result in the item being removed from the agenda until the physician/clinician can attend. No vendors are to be present, nor can vendors submit a complete presentation. Industry slides can be used for demonstration and communication. Product/technology requests will fall into (3) categories:

1. Physician requested
2. Hospital based requests.
3. Medical Capital

There are three categories of requests:

Trial Requests:

I. Trial requests for products that:
   a. will be used under FDA approval indications.
   b. have no conflict with compliance of existing contracts.
   c. are at no cost, or cost neutral, to the institution can be approved by the Chief Supply Chain Officer without going to committee.
   d. do not share patient information with third parties; and
   e. have no technology embedded that collects patient information or requires connection to the VUMC network.

II. A trial questionnaire will be completed online in addition to the MEOC request form submitted by the physician/clinician and all supporting documentation.

III. Trial requests that meet all other criteria with the exception of an aggregated expense of <$5,000 may also be approved.

IV. Requests for trials that conflict with compliance of existing contracts, raise significant clinical questions regarding the proposed use or have an aggregate expense of >$5,000 to the institution may be deferred to committee presentation and will be addressed with the department directly.

V. A financial analysis will be conducted prior to being approved. If there is a negative impact to the margin the request and analysis will be reviewed with the President of the site and the chair of the department. If the two leaders agree to proceed, the request will follow the trial approval process. If there is not agreement, the request and analysis will be presented to the Deputy CEO of VUMC who will have final authority.

VI. All Capital Trials will need pre-Approved funding prior to a capital trial being approved, exceptions to this will be reviewed and considered by Executive Leadership.

VII. Periodic updates will be provided to the committees on the number of trials requested vs the number of trials that led to a permanent request.

VIII. Research studies -
Post Market Clinical Trials non-IDE trials will be submitted through Lumere and approved by MEOC.

Permanent Requests:

I. If a request for permanent use meets all the following criteria, then the product can be approved outside of the committee by the Executive chair of the committee and/or the Chief Supply Chain Officer:

a. request has been appropriately signed off;
b. subsequent due diligence determines that the request is not conflict with any existing contracts;
c. the product is being used for FDA approved indications; and
d. the aggregate annual operating expense impact to the institution is <$20,000 and without a negative impact to margin > 3%.

II. For permanent requests (either expedited or going to committee), sign offs will need to be obtained from both the clinical leader and the department leader with budgetary responsibility. If the request is for technology that will require capital funding or a lease/rental agreement, prior approval from the PCC leader to proceed forward will also be sought.

III. A financial analysis will be conducted prior to formally going to committee. If the annual spend is >$20,000 and there is a negative impact to margin, the request and analysis will be reviewed with the President of the site and the Chair of the department. For the regional hospitals the information will be presented to the community hospital president and regional chief of staff. If the two leaders agree to proceed, the request will proceed to committee for evaluation of clinical efficacy/need. If there is not agreement, the request/analysis will be presented to the Deputy CEO of VUMC who will have final authority.

IV. If applicable, permanent requests will also be sent to the Department of Infection Prevention or Cybersecurity to conduct a risk assessment of the product. In addition, the department will evaluate cleaning protocols for acceptability. If there is any concern raised by this department, a representative will be invited to attend the committee meeting when the product is being reviewed to provide input.

V. If a request for permanent use does not meet expedited approval requirements, the requesting physician/clinician will be notified that a presentation to the committee is required. The sourcing officer for the assigned committee will work with the requestor and the department of finance to prepare the presentation. No vendors can attend meetings.

One-time approval requests:

I. If there is a need for a one-time approval for a product or service which is unique need for a patient, the requestor will go through the clinical manager or will directly contact the sourcing team. Approval will be granted by the Chief Supply Chain Officer and/or the Executive Medical Director of Supply Chain who may consult with co-chairs, clinicians, or medical directors on appropriateness, once the sourcing team has obtained FDA approval documentation from the vendor, has clearly identified that this is a product or service that is not currently offered at VUMC by another supplier and secures a price quote. The price quote needs to be equal or less than a similar prior approved product.

II. The physician will be notified that if there is going to be an ongoing need to offer this product/service then a permanent

product request should be made, and it will need to go to committee for consideration and ultimate approval.

III. Any product provided to a physician for use without going through this process shall not be eligible for payment to the supplier.

Capital Requests:

I. Review and make recommendation of new technology requests or the expansion of existing technology requiring additional resources (either operational or capital) in the effort to help prioritize the request against competing initiatives through a Healthcare Technology Assessment (HTA). The HTA is intended to provide a forum comprised of physician, clinicians, administrators and financial managers, Health IT to:

a. Evaluate the efficacy of the request.
b. Review clinical evidence supporting the request.
c. Validate application using external resources.
d. Review financial proforma supporting the investment of capital and/or operational funds.
e. Effect standardization of compliance with an existing contract or increases operational expenses.
f. Assess the need for Health IT and/or security review/input.
g. Assess physician credentialing or re-credentialling need.
h. Assess cross departmental impact.

II. Approval of the request does not include approval of funding but is intended to provide an endorsement of the application after a thoughtful and comprehensive review. Capital funding must be approved before this review can take place.

Utilization/Clinical Variation/Standardization:

Utilizing internal and external reporting tools, the MEOC Committee (or appointed subcommittee under MEOC physician leadership) will support opportunities to address clinical variation in patient populations where clinical evidence and outcomes data do not support a non-standardized approach in conjunction with the PCC leadership and the finance teams. Work will focus on all aspects that contribute to total cost of care to include ancillary service utilization, medical surgical product utilization and choice, pharmaceuticals, length of stay variation and readmission rates. As required, the medical directors of the MEOC committee will serve as chair of a subcommittee and be the communication lead to other physicians, and will appoint a committee member(s), to be supported by a sourcing officer, to lead specialty work groups to assess data, recommend and implement change where appropriate. The committee member will report out to the MEOC Executive committee upon completion.

Notwithstanding the work internally for VUMC, the MEOC committee may help support the same efforts in conjunction with the Vanderbilt Health Affiliate Network or the Vanderbilt

Health Purchasing Collaborative. The goal will be to offer, for specific patient populations, a critical evaluation process for product choice, utilization, and clinical variation to produce a high-quality, cost-effective care path.

Conflict of Interest and Confidentiality Statement: All committee members and requesting physicians/clinicians must sign and comply with VUMC's Conflict of Interest policy annually.

All MEOC members will be asked at the start of each meeting if there are any conflicts with the requests being presented.

If a MEOC Committee member has a conflict of interest, he/she must declare at the start of the meeting and will leave the meeting prior to internal conversation among the committee members after presentations have concluded. A conflicted committee member also may not vote on approval of a product for which he/she has a conflict.

All requests will continue to be sent to the Office of Faculty affairs for the COI review.
If there is a conflict disclosed or discovered, the conflicted MD can put in the request, will work with sourcing on content, will be responsible for identifying a colleague to present in his/her place and will be available on the day of presentation to answer any questions after it is presented.

Attached- flow chart of Conflict process flowchart.

Attendance Requirements: Members are expected to attend all meetings. Attendance will be reviewed quarterly at the MEOC Executive Committee. The Executive Medical Director of supply chain will notify the Chair if a member is failing to attend meetings. Members failing to attend 80% of the scheduled meetings are subject to removal from the MEOC Committee.

Quorum: A quorum is defined as fifty percent plus one voting member. Voting on MEOC presented requests will be sent out for electronic vote to all voting members following the presentation to the committee.

Meetings: MEOC Committee will meet, as noted below, unless the volume warrants a decreased frequency.

1. MEOC Chairs and Sr Sourcing Officer will meet monthly or as needed to review MEOC metrics as well as utilization/clinical variation opportunities identified in quarterly financial review in coordination with the PPC leadership/finance teams.
2. A MEOC medical director will be assigned to each new request to help support the sourcing officer in contract negotiations on new requests.
3. MEOC Committee will meet monthly, bi-monthly or quarterly dependent on request volume to review all new product/technology requests.

4. Meeting agendas will include 3-4 new requests dependent upon complexity of the items to ensure there is time for questions to the presenter and among the committee itself.

Reporting Structure: The Chief Operating Officer (or designee) from applicable sites and Ambulatory services will have a seat on the MEOC Committee and will serve as the liaison to their respective leadership teams as deemed necessary. The Chief Supply Chain Officer and/or the MEOC Executive Medical Director will report out at annually (upon request) to the Medical Center Medical Board and the Clinical Enterprise Executive Committee.

Decision Making Authority:

MEOC Committee will have the authority to review requests for trials or permanent use of new products and technologies, give approval (either full or conditional) or denial, or defer to the Executive Committee in the event of an appeal to a decision made by the committee. Approval for any device or technology requiring a capital commitment is only done based on the clinical efficacy and does not authorize the purchase. The committee can, however, provide feedback and recommendations to the PCC or clinical department which will be communicated by the sourcing officer.

Cost is not the sole consideration: the new technology may increase overall operational expense or decrease revenue but has what is believed to be a significant clinical, marketing, research or community benefit.

MEOC Committees will have the ability to approve, deny or suggest a clinical evaluation of a new product/device if all the following criteria are met:

1. Clinical outcome data supports or refutes the superiority of proposed product (when comparable product is currently being used);
2. Obtaining the new product/device would have no impact on an existing contract;
3. There is no comparable technology on the market; and
4. There is an increase to the cost per case to introduce new technology.

In addition, the MEOC Committee will identify for post review, at a specified interval (3, 6, 12 months) the clinical outcomes and other considerations of the approved product expected outcomes.

Appeal Process: Physicians/clinicians wishing to appeal a decision of the MEOC Committee must submit a detailed communication describing the reason for the appeal along with supportive literature and/or data to the MEOC Executive Committee. The MEOC Executive Committee, will review these materials and determine if the appeal is based on new and/or previously excluded information. A decision to entertain the appeal will only be granted to those who have submitted new and/or previously excluded information.

1. If the MEOC Executive Committee votes to deny appeal, the request

for new product is terminated.
2. If the MEOC Executive Committee is in favor of appeal, the request will be forwarded back to the MEOC Committee to be reconsidered for approval.

Review of the Charter: The charter will be reviewed biennially by the Executive Committee, along with seeking input from key stakeholders, and revised accordingly to incorporate changes that would affect the operation of the Committees.

Approved by: C Wright Pinson Date: 10/24/2024

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Approved by: Lee Ann Liska Date: 10/17/24

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Approved by: Travis Capers Date: 10/4/24

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