

Third Party services in Indian Medical Equipment Industry

By:

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APMEI (Association of Preowned Medical Equipment Suppliers of India)

About APEMI

- Association founded by a group of 30 experienced professionals
 - To impart quality third party healthcare services in India
 - To protect the freedom of Independent services and right to repair
 - To monitor the activities of third party service providers and ensuring that they are complying with the standards of APMEI
 - To protect the interest of customers and safeguard them from fraudulent business activities

Who are Third parties ?

- Independent service providers running their business without the support of any OEMS
- Not dealers, not distributors and not franchisees, we run with our own strategies
- We offer refurbished machines and parts with warranty
- We offer service contracts like AMCs, CMCs, etc.
- Our customers are not cooperate hospitals, but those who cannot imagine to pay huge amount for healthcare services, especially from rural areas and make healthcare affordable irrespective of geographies.

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- We treat both Urban and rural community equally.
- We are known with referral network marketing and our customers are our promoters.
- We give employment opportunities to freshers and we help to create a skilled labor force for OEMS and for the future.
- We provide both technical training and soft skill training needed for the industry.
- We offer unbiased opinions and advices to all of our customers regrading purchase, service, sales etc.

Need of Third Parties in Indian Market

- To avoid the monopoly of OEMs
- To give negotiation power to customers
- To provide service support to discontinued products – A major concern with majority of the customers
- To ensure that machines are fully used before it is discarded
- To bring affordable healthcare in rural areas, ($1/4^{\text{th}}$ or $1/5^{\text{th}}$ of OEM cost)
- And most importantly we make the customers to buy only when they really wanted to buy and not when corporates wants to sell.
- Efficiently reducing the E-waste by recycling and refurbishing the old

Residual life of a machine ? – fact or Myth

- As long as the machine is maintained well and giving satisfactory results, it is good to use.
- There are machine which are more than 20 years old still in good working conditions and there are machines which is less than 5 year old giving continues problems
- Proper maintenance is the key take away to address this problem
- Third party companies continue their support irrespective of its old as long as the parts are available in the local market

Govt support to Third parties

- Ease of global trade of Refurbished products –
 - More than 70% of medical equipments and more than 95% of high end equipments are still imported and not manufactured in India and we remain in the basic stages of manufacturing. So It is too early to regulate the imports as it will clearly deny the affordable healthcare access to majority of the middle class and rural populations. The govt should allow free import to third parties till the time India become self sufficient to manufacture in India.
- Redefining the critical care lists that are restricted for import –
 - Critical care machines are life saving equipments like ventilators. Products like Ultrasound, X rays (Imaging) are categorized as critical care machines in the current list which needs to be amended.

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- Open Market with right to refurbish, repair and import without the authorization of OEMS –
 - No OEM would work for the Third parties and giving them the power to authorize third parties is indirectly letting them to take the full control of the process which is against the Right to Repair policy. This will stop the competition in the market which will hamper the negotiation power of the customers.
- Authorizing notified bodies and chartered engineers to release quality and compliance certificates at the time of custom clearance
- Redefining the definition of E waste –
 - All used products are not E waste. Even a machine which is used only once is also classified as used products.

How to Regulate and Monitor Third Parties - Suggestions

- Registration - MDR Registration for third party companies
- Quality - ISO 13485, TUV quality certifications
- Traceability – Through AERB, PCPNDT, and Govt recognized consortium.
- License – For refurbishing and E Waste management
- Safety and Compliance – Regular auditing via Govt notified bodies registered with CDSCO for checking the safety and compliance to OEM standards
- Consortium – Forming consortium capable of taking end to end responsibilities of all kinds of imports and submitting the data related to post import, refurbishment, installations, E waste etc.
- Tie up with International trade associations like IAMERS

Thank You