



Implementing innovativeness in healthcare sector (PwC practice)

VAT & internal services optimization as an example
of PwC's healthcare sector services

PwC and Innovativeness



PwC firms (formerly known as PricewaterhouseCoopers) help organisations and individuals **create the value they're looking for**. We're a network of firms in 158 countries with close to 169,000 people who are committed to delivering quality in advisory, tax and assurance services.

PwC has operated in Poland since 1990 and currently employs over 1,500 specialists in six cities: Warsaw, Gdańsk, Katowice, Kraków, Poznań and Wrocław.

The Pharmaceutical & Life Science team of PwC is the group of professionals in Poland that has been consistently offering specialized advisory, tax and legal services designed specifically for pharmaceutical and healthcare sector for over 15 years.

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PwC and Innovativeness

What can we offer to support the innovation within the healthcare sector?

1. Shared Service Centres

1. Can free up time and resources that can be dedicated to innovativeness.
2. Enable implementation of innovative solutions within a centralised environment more easily and effectively.
3. Create a platform to exchange ideas between larger groups of people.
4. Innovative solution within hospitals in Poland although already implemented globally.

2. VAT reclaims

1. Pioneering approach to VAT management in the healthcare sector
2. Possibility of recovery of VAT from investments and ongoing expenditures, resulting in expanded resources that can be dedicated to innovativeness.

VAT savings in hospitals

Problem:

- ▶ Practice shows that hospitals deduct VAT incurred on purchases in very limited range
- ▶ Since 2011 VAT rates has been increased (further raises in the near future?)

VAT IS A SIGNIFICANT COST FOR HOSPITALS

Solution – PwC's innovative approach:

- ▶ Possibility of reclaiming of VAT not recovered in the past
- ▶ Tax planning of new investments

Results:

- ▶ Refunds of substantial amounts of VAT
- ▶ Safety
- ▶ More funds for further development

SSCs can support Innovativeness pwc

- ▶ **Shared Service Centre (SSC)** is a separated part of an enterprise that provides a service to an organization or group where that service had previously been present in more than one part of the organization or group.
- ▶ SSCs are successfully implemented within Healthcare sectors globally.

A Shared Service Centre strategy can result in three different types of benefit

Cost Savings

- Reducing the headcount.
- Labour arbitrage.

Improvements in Quality and Customer Service

- Best practice unified processes and technology.
- Specialization as a means of increasing efficiency.
- A better service.
- Improved control.

Strategic Benefits

- Enable capabilities for potential, future growth.
- Easier and cheaper to roll out ERP.
- The ability to implement and control change.
- Management team focus on strategy and innovation.

PwC experience



SSC Feasibility



Assistance with setting up a Shared Service Centre



Shared Services Feasibility & Business Case



Strategic assessment of the SSC and identification of improvement areas



Financial effectiveness review incl., Target Operating Model



Organisation transformation / incl. all support services target operating model

