

AMSURG Vendor Contracts Reduce Surgery Center's Medical Supply Expenses



Center Profile

Oregon's first free-standing ambulatory surgery center, Bend Surgery Center, performs more than 13,000 cases annually, and specializes in a wide variety of surgical services, including gastroenterology, orthopedics, ophthalmology, pain management, general surgery and ear, nose and throat. The center partnered with AMSURG in 2014.



Center Challenges

With the rising cost of medical supplies year-over-year, surgery centers like Bend Surgery Center must look for ways to control and reduce these costs that equate to approximately 35 percent of its total operating expenses.

Benefits of Partnering with AMSURG



\$250k

More than \$250,000
in savings opportunities



15%

15% reduction
in expenses



83%

83% savings
by joining AMSURG's GPO

To discuss how AMSURG's expertise can boost performance at your facility, call **877.741.0085** or email partnerships@amsurg.com.

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The Challenge

Medical supply costs are predicted to continue increasing at a sizeable rate of approximately 6.5 percent. Whether through renegotiating vendor contracts, changing vendors or switching to less costly products, healthcare providers like Bend Surgery Center must find ways to control and reduce these costs that equate to approximately 35 percent of its total operating expenses.

Unique Solutions

By partnering with AMSURG, surgery centers have access to multiple savings opportunities including:

- Joining the Group Purchasing Organization (GPO)
- Negotiated corporate vendor contracts
- Contract leveraging and/or tier access pricing
- Alternative product options

AMSURG's Materials Management Department completed a Purchasing Business Review (PBR), a detailed analysis of a center's historical purchasing activity, with their new partner, Bend Surgery Center. A PBR is completed on all new ASC partnerships to identify cost savings opportunities to include:

- Medical supplies
- Pharmaceuticals
- Linen
- Medical gas
- Waste disposal
- Equipment service and maintenance agreements


AMSURG presented the identified cost savings opportunities to the Center.

- Recommended product changes were reviewed and approved by the physicians before being implemented.
- Samples of recommended product changes were ordered and trialed by physicians and staff.
- 83 percent of the savings opportunities were accomplished by simply joining AMSURG's GPO with the center continuing to utilize current vendors and same products.

The Results

AMSURG's GPO and negotiated corporate vendor contracts bring immediate value to the new partnership:

- 15 percent reduction in identified expenses
- More than \$250,000 in savings opportunities



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