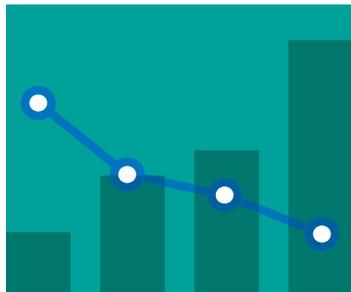


IPC Group Purchasing

Powerful Savings through Collaboration

➤ **Case Study:**
Physician Preference
Items (PPI) Savings



Double-Digit Annual PPI Savings without Changing Physician Choice

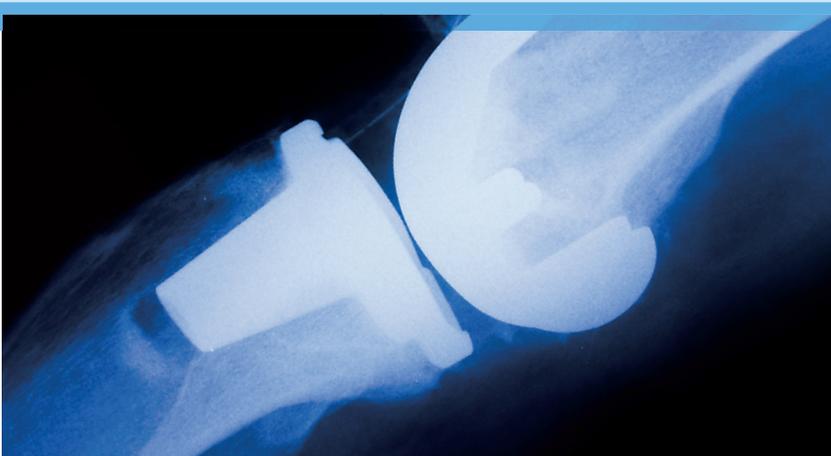
IN THE QUEST TO PROVIDE HIGH-QUALITY, COST-CONSCIOUS CARE, Physician Preference Items (PPI) can easily derail already lean hospital budgets. IPC Group Purchasing (IPC) has successfully helped its member hospitals maneuver out some of those high costs by contracting with SYMMEDRx™, a PPI data and contracting management company.

SYMMEDRx offers hospitals a cost-effective option to balance physician choice with budgetary constraints. Utilizing its market-differentiating PPI analytics and vendor cross-reference benchmarking system Empower™, SYMMEDRx clients can achieve double-digit savings annually **without vendor standardization or physician choice changes.**

“One of the goals we have organization wide is to reduce expenses by 25% and increase revenue by 25% each over the next five years,” says Dave Schreiner, FACHE, President/CEO, Katherine Shaw Bethea (KSB) Hospital, Dixon. “This program has probably been one of the most influential activities we’ve pursued toward meeting our goals.”

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DAVE SCHREINER, PRESIDENT/CEO, KATHERINE SHAW BETHEA HOSPITAL, DIXON



Twenty-five year KSB veteran and CFO Deb Didier is also pleased with cost savings from SYMMEDRx.

“Reimbursement is not getting any higher. In order for the hospital to be financially viable, it needs to cut costs. That’s not easy. With a product like SYMMEDRx, they’re practically handing it [savings] to you on a silver platter.”

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An added benefit of IPC's SYMMEDRx contract is that it is a shared savings program—savings increase as more hospitals join the contract.

SYMMEDRx offers PPI contracting plans in the following clinical areas:

- Joint Arthroplasty
- Cardiac Rhythm Management
- Spine
- Interventional Cardiology
- Trauma
- Biologics
- Peripheral Vascular
- Cardiac Surgery
- Pain Management
- Electrophysiology

Using Empower™, hospital PPI data is analyzed, cross referencing 700,000 PPI product codes, from more than 500 PPI vendors from 10 clinical areas. Hospitals receive accurate data with identified savings opportunities.

The projected cost savings through SYMMEDRx are impressive. Three IPC members who contracted for the spine category have a combined projected annual savings of nearly \$1.5 million, ranging from 8-18%. Three IPC members using SYMMEDRx for joint

arthroplasty have a combined projected annual savings of almost \$1.2 million, ranging from 12-40%. In the cardiac rhythm management area alone, one hospital is projected to save \$50,000 annually—or 23%.

Dave Valestin, Senior Director, Corporate Supply Chain Management, Cadence Health, Winfield, says the staff time investment was minimal, with only one initial meeting required, and turnaround was quick. “SYMMEDRx did all the heavy lifting. They kept us apprised of where they were at in the process, and it only took us three months to complete.”

The true strength of SYMMEDRx is its delivery of quality, accurate data analytics identifying and quantifying savings opportunities. Savings are realized without changing or compromising products or quality, while simultaneously strengthening the hospital-physician relationship.

Schreiner, an IHA Business Solutions board member, says, “With the help of this IPC contract, surgeons could continue to use products they wanted to use—which provides the optimal level of patient care—and we save money. So it’s a win all around.”

IPC Group Purchasing helps guide hospitals through this era of health care transformation by giving members *access to critical tools*, like SYMMEDRx, to help *lower costs, improve quality and strengthen the health care delivery system*.

IPC MEMBER SAVINGS*

SPINE

8-18%

JOINT ARTHROPLASTY

12-40%

CRM

23%

*ANNUAL PROJECTION



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