

Indirect spend and purchased services consulting

Why Vizient?

Vizient differs from our competitors because we offer:

- Annual sustainable cost reduction of 8-25% within a compressed time frame
- Implementation of improvements — overlaying process improvement, Lean methodologies, and technology enablers to ensure sustainable success
- Extensive methodical analytic capabilities
- Access to our national contract portfolio
- Subject-matter experts across all categories
- Unequaled, client-driven benchmarks
- A customer-driven, data-focused process
- A track record of rapid, sustainable savings with improved processes and knowledge transfer

An untapped source for savings

Indirect spend and purchased services account for as much as 20% to 25% of a hospital's total operating expenses, is a great area for improving efficiency and decreasing spend because it involves:

- Decentralized decision making and purchasing
- Multiple, complex contracts for the same service with varying terms and conditions
- Lack of understanding of spend and current performance on key indicators
- No benchmarking data
- Local and regional variations in pricing

Vizient® can help you strategically manage indirect spend and purchased services. You will achieve significant savings and reduce the total cost of care.

Our comprehensive approach drives unparalleled, sustainable savings

Resource and change management expertise

- Deliver proven industry leaders and integrated solutions to become an extension of our member's operation
- Help our members improve themselves or partner with them to execute cost-reduction strategies using Vizient process improvement methodology
- Change management support to ensure success

Category expertise

- Expert-driven analysis and contracting on over 350 purchased services categories
- Deep subject matter expertise across wide array of categories
- Forensic savings for contract reviews and unclaimed funds

Market leading contracting

- Member-driven contracting
- National, regional and local pricing expertise

Spend visibility

- Analytics capabilities to gain visibility and control into all spend
- Provide purchased services analytics and benchmarking
- Offer comprehensive solution that provides front-end and back-end skills
- Transform technology process to become an automation enabler

Understanding and implementation are crucial

Data tools are powerful — and necessary — elements for supply chain success. And while they indicate where opportunities may exist, they do not actually deliver any savings. That is where Vizient excels because we are focused on implementation. Because what good is even the very best strategy if you don't bring it to life?

We have industry experts in more than 350 areas — all with the ability to leverage your organization's unique characteristics to identify utilization and standardization opportunities. We will conduct a deep analysis of opportunities and get plans in motion so your organization realizes and sustains savings. This allows your team to stay focused on your health system's core competencies.

Typical thresholds of purchased services opportunity

Area	Potential initiatives		Typical savings
Information technology	<ul style="list-style-type: none"> Hardware and reseller Software Print management 	<ul style="list-style-type: none"> Data center equipment maintenance Telecommunications 	5-25%
Human resources	<ul style="list-style-type: none"> Temporary staffing (clinical & nonclinical) Pharmacy benefits Insurance 	<ul style="list-style-type: none"> Executive staffing Consulting Relocation services Travel management 	5-25%
Support services	<ul style="list-style-type: none"> Laundry and linen Food and nutrition services Environmental services 	<ul style="list-style-type: none"> Health care tech management Security Parking, valet and security 	8-22%
Facilities management	<ul style="list-style-type: none"> Elevator maintenance Energy and utilities Building maintenance Landscaping 	<ul style="list-style-type: none"> Construction HVAC Waste 	7-19%
Patient care services	<ul style="list-style-type: none"> Lithotripsy Laser rental Dialysis Neuromonitoring Interpretation 	<ul style="list-style-type: none"> Instrument and scope repair Blood procurement Reference laboratory Patient surveys Outsourced wound care 	10-20%
Finance, revenue cycle and HIM	<ul style="list-style-type: none"> Accounts payable audit Electronic invoice payment Bad debt collections Patient statements and billing 	<ul style="list-style-type: none"> Patient eligibility Transcription Coding Record storage 	5-25%
Supply chain	<ul style="list-style-type: none"> Freight management Mailing services Office supplies 	<ul style="list-style-type: none"> Office furniture Medical-surgical distribution 	5-15%



To learn more, contact consulting@vizientinc.com or visit <http://www.vizientinc.com>

As the nation's largest member-driven health care performance improvement company, Vizient provides solutions and services that empower health care providers to deliver high-value care by aligning cost, quality and market performance. With analytics, advisory services and a robust sourcing portfolio, we help members improve patient outcomes and lower costs.