

# North Kansas City Hospital

## A Client Success Story

From the surgical center's perspective with  
Shannon Maize, Director, Supply Chain Services,  
North Kansas City Hospital

### Health System Overview

North Kansas City Hospital (NKCH), an acute-care facility with 451 licensed beds and more than 500 physicians, offers a variety of inpatient and outpatient services from radiology and rehabilitation to surgery and pain management. Since 1958, it has been considered a compassionate place for patients, visitors, and staff.

Strategic Healthcare Services' (SHS) primary point of contact at NKCH is Shannon Maize, Director, Supply Chain Services, who manages multiple departments that handle the day-to-day supply chain operations. She also negotiates supply and service contracts for the hospital.

### Summary of Needs

NKCH leadership wanted to reduce supply costs quickly and was seeking a partner to help accelerate the process with data, analytics, and clinical knowledge. Additionally, they wanted a well-experienced company to sort their products into constructs and determine a fair price.

Using SHS "took a lot of the pressure away," Ms. Maize said. SHS is a neutral consultant who uses data to negotiate a fair price without adding tension to any long-standing hospital-vendor relationships.

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Shannon Maize, Director  
North Kansas City Hospital

### The Solution

SHS began by focusing on benchmarking insights for total joints, and the project grew to handling the negotiations with the vendors. NKCH then asked SHS to partner on the cardiac rhythm management (CRM) project.

SHS does the analytics, determines fair prices, negotiates with vendors, and shares quarterly reports with NKCH. These reports show the savings between original price paid and the new reduced price facilitated by SHS. "We report this information back to the physicians," Ms. Maize said.

Supply contract negotiations take a "dedicated resource," Ms. Maize explained. "It takes a lot of time to be thorough." Having SHS as an additional resource was a benefit to the supply chain department. Acting as one cohesive team made the project run smoothly and efficiently.

### Key Benefits of Working With SHS

- Neutral consultant with clinical knowledge to sort, price, and negotiate on the healthcare system's behalf
- Quarterly reports to show savings and validate efforts
- A dedicated resource to thoroughly review opportunities for savings
- Benchmarking data to help justify price reduction requests

### The Results

SHS has stayed engaged with NKCH for 12 months post-implementation for both total joints and CRM to measure savings results, ensure manufacturer contract compliance and price accuracy, and identify unusual utilization shifts.

So far, together, they have achieved a total joint savings of 11% and a cardiac rhythm management savings of 6%. This includes:

- Reduced unit cost for hip and knee implants
- Reduced unit cost for ancillary products like bone screws, pins, drill sets, saw blades, sleeves, and hole eliminators
- Reduced upcharges, such as freight, lost instruments, ex-planted items

What's more, NKCH didn't want to limit the number of suppliers. The project and negotiations not only provided NKCH significant savings, but also allowed the physicians to continue to use products that were best for their patients.

SHS continues to "follow-up from time to time to discuss trends seen in the CRM and joint market," said Ms. Maize.

"We also appreciate their savings analysis. We have a report showing our actual savings. It's one thing to say we're saving \$200,000 in a certain category. Now we can prove it [thanks to SHS]."