

Purchased Services

Strategically Drive Sustainable Savings Through Purchased Services

Reduce Time. Save Money. Increase Profitability.

Health care purchased services include any clinical or operational service that is outsourced, in whole or in part, to an external organization.

We combine an insight-driven approach with subject-matter expertise, industry best practices and national market intelligence to help you make smarter Purchased Services decisions.

Purchased Services represents **15 to 20 percent** of a health system's total expenses—rivaling total supply spend.

PARTNERING WITH OUR HOSPITAL CLIENTS

Our consultants help apply expertise in over one hundred categories, understanding contract variables such as duration and service quality. With national benchmarks, data and analytics combined with expertise we help ensure savings beyond a local or regional level. We'll deliver a national perspective and support centralization to maximize and sustain savings for your organization.

THE SHS DIFFERENCE

SHS is a firm founded by supply chain professionals for supply chain professionals. Most third party advisory firms charge high fees for 100+ page reports containing flawed assumptions, unrealistic savings projections, no prioritization of objectives, and no implementation support.

With over 20 years of industry experience we put client satisfaction at the center of every engagement. Every project has three goals:

- The ROI is measurable and evident
- Project objectives are clear with ample implementation support from SHS to get the job done
- SHS feels like an extension of your team – not a third party firm

UNTAPPED SAVINGS OPPORTUNITY

In recent years, it's become clear that a wealth of Purchased Services savings opportunities exist within many health care organizations. But uncovering them is far from simple. Purchased Services are often decentralized, with supplier contracts managed by individual departments. This makes it extremely difficult for supply chain to identify and pursue savings opportunities, particularly given the historic lack of Purchased Services benchmarking data available.

We are able to identify and achieve significant financial improvements for your organization through our proven method:

Gather Information & Analyze Data

- All supplier spend will be categorized from accounts payable files into specific service categories.
- We will review recent supplier invoices to investigate price creep and add on fees.
- Contracts will be reviewed to determine termination dates, exit clauses, service level commitments, and pricing terms.
- We will interview key business unit stakeholders about current service operations, contract terms, and openness to change.

Estimate the Results

- Our Purchased Services benchmarking data provides visibility into savings opportunities by service category, market segment and department.

Develop Strategy

- We will work with the organization's key stakeholders to solicit feedback on prioritization of the service categories for cost reduction.
- Develop supplier engagement and negotiation strategy.

Execute the Plan

- Develop, facilitate, and review RFP's and responses.
- We utilize a data-centric approach by leveraging our benchmarking, category expertise, and your organization's commitment to negotiate and source the best-valued local and national contracts.

Monitor Savings

- We will monitor contract compliance to ensure all supplier fees are accurate and consistent with the newly signed contract.
- Develop Performance Scorecards to ensure service levels are met and savings are tracked.



Strategic Healthcare Services

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PURCHASED SERVICES SCOPE

Clinical Engineering

Equipment Service Insurance
Outsourced Management
Service Contracts

Clinical Services

Bed / Clinical Equipment Rental
Dialysis
Laser Rentals
Laundry and Linen
Lithotripsy
Medical Gases
MRI / PET CT
Perfusion
Rehab Care
Remote Radiology

Distribution

In / Outbound Freight
Med/Surg Distribution
Postage / Bulk Mail

Environmental Services

Housekeeping Supplies
Outsourcing Agreements
Pest Control
Plant & Aquarium Maintenance
Sharps Disposal
Shredding Services
Waste-Hazardous & Medical
Off-site Cleaning

Facilities

Elevator Maintenance
Energy Conservation
Facility Life
Landscaping
Lease Audit
Property Management
Security
Space Consolidation
Supplies
Insurance - Property
Utilities

Financial Services

Bank Card AP Payment Solution
Banking Fees
Corporate Card
Purchasing Card

Food Services

Catering
Floor Stock Utilization
Food Cost
Retail Revenue Enhancement
Vending Rebates

Health Information Management

Answering Services
Coding
Medical Transcription
Record Storage & Retention
Release of Information
Translation Services

Human Resources

Agency
Premium Pay
Employee Benefits
Plan Design
Temporary Labor

Information Technology

Contract Labor
Disaster Recovery
Hardware-PC's
Hardware-Servers
Help Desk
Software- Clinical & Non-Clinical
Storage

Marketing & Advertising

Overall Spend
Advertising Media
Call Centers
Community Newsletters
Creative Agencies
Donations
Media Brokers
On-line Health Information
Patient Education
Promotional Products
Yellow Pages

Office-Related Products

Copiers & Multi-Functional Devices
Furniture
Office Supplies & Toner
Printers & Fax
Printing & Forms

Professional Orgs & Meetings

Dues
Travel
Architects
Audit, Tax& Compliance
Legal Services
Management Consulting
Revenue Cycle & Collections

Telecommunications

Conference Services
Data Network-WAN
Internet
Calling- Local & Long Distance
Maintenance
Move / Add / Change / Disconnect
Networking Equipment
Pagers
PBX
Telecom Expense Management
Television Services
Wireless (Cellular)

Transportation

Ambulatory Services
Helicopter Services
Local Couriers
Parking
Shuttle Services
Valet Services



ADDITIONAL SHS SERVICES

- Strategic Sourcing/PPI Contracting (50+ categories)
- Supply Chain Operations Assessment
- Custom Procedure Pack Cost Reduction
- Value Analysis Team Development & Implementation

- Distribution Optimization & Consulting
- Interim Supply Chain Leadership
- Purchased Services Cost Reduction (100+ categories)

Clinical Engineering	Food Services
Clinical Services	Health Information
Environmental Services	Management
Facilities	Office-Related Products
Financial Services	Telecommunications

SHS

Strategic Healthcare Services, LLC

We are a supply chain consulting firm specializing in strategic sourcing, clinical spend management, supply chain operations, purchased services, and distribution solutions. With over 20 years of hospital supply chain experience, SHS's goal is to leverage our expertise to create a partnership with our hospital clients to optimize supply chain processes and reduce costs without compromising patient care quality.

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