

# SUCCESS STORY

## A Short Take on Success

### The Challenge

- ▶ Drive supply costs down across multiple facilities

### The Solution

- ▶ Amerinet Savings Roadmap

### The Outcome

- ▶ Expect to lower supply costs by \$100,000 through standardization

“Amerinet Savings Roadmap is the tool that has enabled us to pursue our standardization effort by providing the data we needed to approach this endeavor in an organized and systematic manner. The key to success is information, which we did not have prior to using this valuable resource.”

**Scott Duncan**  
Director of Materials Management  
UnitedHealthcare Nevada

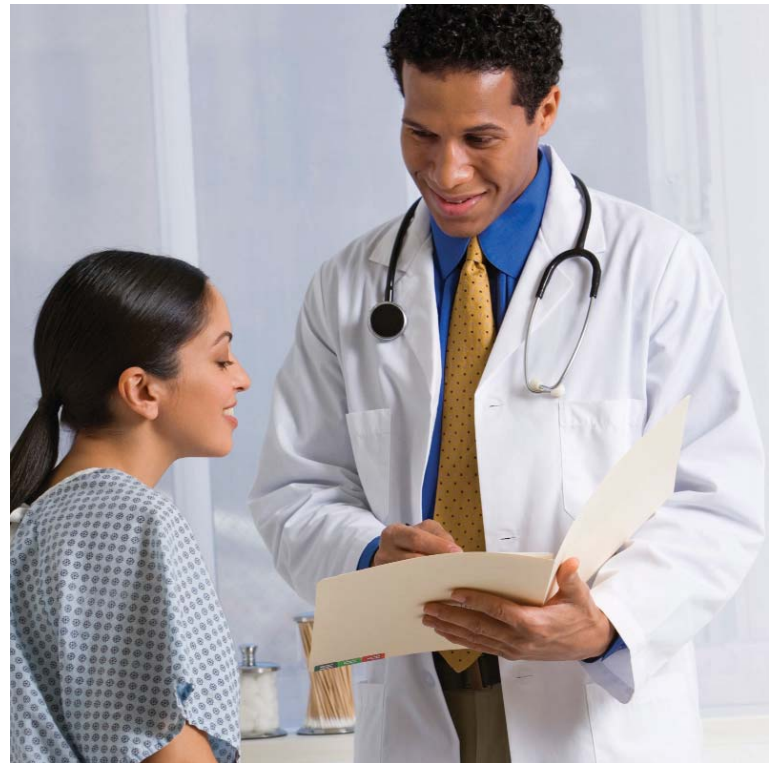
## Amerinet Savings Roadmap

# Alternate Care System Identifies 22 Percent in Savings on Medical-Surgical Products

### The Challenge

Southwest Medical Associates (SMA), a wholly-owned subsidiary of UnitedHealthcare, operates seven healthcare centers, five urgent care clinics and an outpatient surgery center in Southern Nevada. SMA is staffed by approximately 250 physicians and physician extenders who provide medical services to more than 280,000 members in the Las Vegas area.

The supply chain management team was tasked with driving costs down across its entire network of clinics. A standardization initiative was started so that each specialty service, regardless of location, would be ordering the same supplies from preferred suppliers at the lowest total cost. The theory sounded straight forward, but the team soon discovered that there were thousands of lines of data, with purchase orders going to many different sources, non-standard product descriptions, and missing or inaccurate re-order numbers. Moreover, whatever supplies would become the standard had to be approved by medical staff.



Knowing that prior standardization efforts had yielded minimal savings and limited sustainability, the team needed to find an alternate approach.

### The Solution

Scott Duncan, director of materials management, approached his Amerinet sales representative for assistance. “This was when we discussed the Amerinet Savings Roadmap,” said Duncan.

A pathway to identify realistic and actionable opportunities for contract savings and product standardization, the Amerinet Savings Roadmap<sup>SM</sup> makes it possible for decision makers to conduct a complete analysis of their total spend. It identifies immediate savings opportunities by displaying key information for executive review and effective decision support.

Savings Roadmap analyzes and compares members' current spend with Amerinet's portfolio of product and service contracts to identify exact contract matches. This tool enhances the decision-making process by creating reports that evaluate the providers' overall medical and surgical spend. Additionally, the Savings Roadmap also highlights a facility's standardization status, specific tier level, contract requirements, total spend per contract and information regarding current letter of commitment (LOC) status and supplier spend reporting.

A key facet of the Savings Roadmap is Quick Win, which is an opportunity to obtain an immediate success with the stroke of a pen — signing a LOC for an existing product category. Many of these opportunities with exact contract matches provide significant price savings.

Because of the ongoing economic downturn, healthcare facilities are more willing to consider product conversions as a method of reducing supply expenses. Savings Roadmap also identifies substitute products — or comparables — under Amerinet contract that will help healthcare providers reduce costs while maintaining quality.

By utilizing this powerful tool, supply chain leaders have critical data at their fingertips to make informed decisions. The enhanced version of Amerinet Savings Roadmap provides easy-to-use navigation and drill-down capabilities to find detailed contract information with the click of a button.

## The Outcome

“The Amerinet Savings Roadmap provided us with clarity and direction, which allowed us to pinpoint targets for standardization,” said Duncan. “Our purchase data was presented in various ways, making it easier for us to sift through the data the way we needed to. This saved us countless hours that we would have spent trying to organize and research the information on our own.”

“I was very impressed and pleased with how the data is presented,” said Duncan. “The report identifies specific products for standardizing and offers suggestions for lower cost products and keeps track of our progress. This aspect is something we lacked before and is a primary reason this time around we will be successful and the results will be sustainable.”

Through the Amerinet Savings Roadmap, SMA identified targets worth \$100,000 — representing a 22 percent savings on this commodity group. Duncan plans to find more savings. He started with the easier convertibles and plans to progress to the more difficult physician preference items.

“Amerinet Savings Roadmap is what empowered us with the ability to pursue our project effectively, efficiently and will deliver the results my organization demands. Amerinet continues to help our team lower costs and this is yet another example of the value they bring to the table,” said Duncan.

## Contract Summary

### Contact

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### About Amerinet

As a leading national healthcare group purchasing organization, Amerinet strategically partners with acute and alternate care providers to reduce costs and improve quality through its performance solutions. Built on a foundation of data, savings and trust, and supported by a team of clinical and supply chain experts, Amerinet enriches healthcare delivery for its members and the communities they serve. To learn more about the Amerinet difference, visit [www.amerinet-gpo.com](http://www.amerinet-gpo.com).

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