

# SUCCESS STORY

## A Short Take on Success

### The Challenge

- Maintaining budget while supply volume increases
- Finding savings opportunities in the supply chain

### The Solution

- Amerinet Savings Roadmap
- Guidance and assistance from Amerinet staff

### The Outcome

- Averaged 6 to 12 percent reduction in supply chain expenses annually
- Increased overall Amerinet contract maximization by 30 to 50 percent

**“It was very reassuring to know that Amerinet’s support and involvement didn’t end when our Amerinet Savings Roadmap was delivered. They became an active partner in helping us achieve savings and find ways to streamline and standardize our products and acquisition processes.”**

**Mark Preston, C.P.M.**  
Materials Manager  
Wenatchee Valley Medical Center

## Amerinet Savings Roadmap

# Wenatchee Valley Medical Center Averages 6 to 12 Percent Reduction in Supply Chain Expenses Annually Through Amerinet Savings Roadmap

### The Challenge

While attending a presentation at Amerinet’s Member Conference a few years ago, Mark Preston, materials manager for Wenatchee Valley Medical Center, had his first glimpse of the Amerinet Savings Roadmap<sup>SM</sup> – a reporting tool he had already heard so much about.

Wenatchee Valley Medical Center is a large rural healthcare delivery system with more than 240 physicians and mid-level practitioners providing primary care to residents in the Wenatchee, Washington, region. A member of Amerinet for more than 15 years and a member of Health Resource Services (HRS), an Amerinet affiliate, Wenatchee Valley Medical Center is composed of eight clinics and a small hospital.

“I read a success story about the Amerinet Savings Roadmap and I thought the tool sounded intriguing,” said Preston. “As our volume of orders steadily increased at our facility, so did the off-contract spend. We needed to find a way to increase our Amerinet contract utilization. After reading the success story and listening to the presentation at the member conference, I knew the



ability to have an analysis report on potential savings opportunities would be extremely beneficial to us.”

### The Solution

Upon returning home to Wenatchee, Preston contacted his Amerinet sales representative and requested an Amerinet Savings Roadmap for his facility.

The Amerinet Savings Roadmap makes it possible for decision makers to conduct a complete analysis of their total spend – a pathway to identify realistic and actionable opportunities for

contract savings and product standardization. It identifies immediate savings opportunities by displaying the facilities’ current spend with Amerinet’s portfolio of product and service contracts for executive review and effective decision support.

After completing Wenatchee Valley Medical Center’s Amerinet Savings Roadmap, the Amerinet sales representative coordinated a conference call with Preston and the Amerinet contract utilization manager to review the report together.

“It was very reassuring to know that Amerinet’s support and involvement didn’t end when our Amerinet Savings Roadmap was delivered,” said Preston. “They became an active partner in helping us achieve savings and find ways to streamline and standardize our products and acquisition processes.”

Wenatchee Valley Medical Center decided to first tackle the Quick Wins category of its Amerinet Savings Roadmap report. Quick Wins are opportunities to obtain immediate savings with a stroke of a pen – signing a letter of commitment (LOC) for an existing product category. Many of these opportunities with exact contract matches provide significant savings to members.

Preston stated, “At our first review meeting, my Amerinet sales representative already had all of the LOCs printed and ready for me to sign. It was that easy and completed within a few days so we could start saving money immediately.”

Next, Wenatchee Valley Medical Center began looking at the Tier Optimization category for further savings opportunities. The Amerinet Savings Roadmap helped Preston’s team realize they could capitalize on buying a few products under a new tier to achieve greater savings.

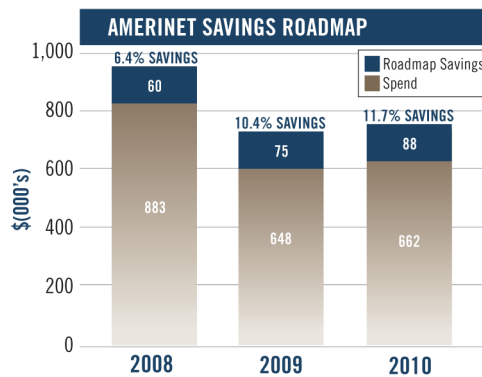
“Our Amerinet sales representative was an integral part of addressing tier optimization because of the amount of time and analysis involved,” said Preston. “Since our Amerinet Savings Roadmap reviewed a six month period of spending, we had to review the peaks in our purchasing and determine whether or not we could commit to the correct tier on an annual basis.”

After further investigation, Wenatchee Valley Medical Center found they could save additional dollars by moving a product or product line to a different distributor. But the final stage of achieving savings identified in the Amerinet Savings Roadmap was under the Comparables category. This listed substitute products under Amerinet contract that would help the facility reduce costs while maintaining quality.

“Many of these items were physician preference, therefore, harder to convert,” said Preston. “But we started working through several of these products in 2009. To date we have converted 143 different items by looking at comparables and achieved savings of 29 percent.”

## The Outcome

Since completing three Amerinet Savings Roadmaps over the past three years, Amerinet has helped Wenatchee Valley Medical Center remove an average of 6 to 12 percent of supply chain expenses each year from its contract spend.



“Our facility has completed three Amerinet Savings Roadmaps and I always look forward to doing the next one,” said Preston. “We like to complete these on an annual basis to keep the continuity going and see what was captured.”

Additionally, through Amerinet Savings Roadmap, Amerinet helped Wenatchee Valley Medical Center increase overall Amerinet contract maximization by 30 to 50 percent.

Preston concluded, “We could not be any happier with Amerinet. Our leadership is fully supportive of Amerinet and allows us to be actively engaged in all Amerinet services and meetings.”

## Contact Summary

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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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