

## Lowering Costs and Aligning Physicians: **The Power Of Evidence- Based Sourcing**

### What

Standardized CRM devices  
to drive down costs

### Results

\$450,000 savings in 4 months

### How

Leveraged GHX Lumere's evidence-based  
insights to obtain physician buy-in and  
drive market share to two primary vendors

## Challenges



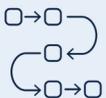
Inability to track actual  
savings related to strategic  
sourcing events



Rising supply costs due to  
unfavorable contracts



Lack of productive conversations  
between supply chain teams  
and physicians



Poor project coordination across  
the entire consortium

## Overview

An Oregon-based healthcare consortium had negotiated capitated pricing for certain devices but wanted to further reduce costs without impacting patient outcomes. Doing so required consortium-wide consensus among clinical stakeholders and a compelling argument for why vendors should lower prices.

## Results

Working with GHX Lumere, this organization successfully standardized CRM devices to drive down costs, saved \$450,000 within 4 months and engaged physicians using clinical research and evidence-based value analyses.

## Impact

With GHX Lumere's Category Optimization solution, the consortium could measure the impact of their initiatives across these critical areas. Negotiating favorable vendor contracts, the consortium wanted to review the \$8.7 million category of cardiac rhythm monitoring (CRM) devices.

Using GHX Lumere's insights, physicians were able to access relevant data and attributes for different devices, which helped them to identify which CRM products deserved a premium or standard price.

Armed with this information, supply chain leaders were able to build a compelling argument for favorable contract terms and lower costs with their suppliers with a recognized savings of \$450K.

Having GHX Lumere's device information at the team's fingertips has proven to be extremely valuable when negotiating with suppliers. The team has been very successful in terms of lowering costs, as well as disputing certain upcharges and additional costs based on the information available to them.

The project management component of GHX Lumere allows the entire value analysis team, as well as physicians and others across the consortium to log onto the system and view clinical information, project status updates, and more — all in one place.

This helps the consortium's supply chain team collectively identify cost savings opportunities to quickly and efficiently pursue. According to the consortium's regional manager at the time of implementation, "Administrative support, CEOs, and CFOs all began giving their time and attention to these efforts—one of the CFOs even got on a call with suppliers to reinforce the team's strategy using GHX data."



# Tracking actual savings



With GHX's assistance, an Oregon-based healthcare consortium calculates actual savings related to strategic sourcing events. GHX Lumere's solution maps hospital EHR data to supplier contracts and price files, and then combines that data with ERP system data in Lumere's proprietary, systematic, and commonsense nomenclature to help identify utilization-based savings.

# Subject matter experts available to assist



In addition to robust clinical data, Health Future also has access to GHX Lumere's trusted clinical advisors who provide valuable insights and help the supply chain team engage physicians consortium-wide.

If the team needs an interpretation related to a study or has a question about a particular advantage a supplier is claiming, they can consult with a GHX professional to really understand whether it's an accurate claim.



## About GHX Lumere

GHX Lumere provides the vendor-agnostic data, evidence-based insights and actionable analytics Value Analysis and Strategic Sourcing teams need to help build a more clinically integrated supply chain and ensure product selection and utilization are driving high-quality, cost-effective care.

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