



OHSU Saves 20% on Shoulder Devices through **Evidence-Based Pricing**

What

Category Optimization for
evidence-based pricing

Results

20% savings (\$400k+) on
\$2M shoulder device spend

How

Negotiating power bolstered
by clinical evidence

Challenges



Surgeons were using
different vendor shoulder
systems.



Supply chain team was
mainly focused on large-
volume categories.



Shoulder devices were
overlooked due to small
order volume.

Overview

Oregon Health & Science University is Oregon's only academic health center, with a main campus, including two hospitals, in Portland. OHSU was included on US News & World Report's best hospitals list for 22 consecutive years and is one of the nation's top 28 biomedical research institutions.

GHX helped facilitate a partnership between OHSU administrators and physicians with Lumere's Category Optimization solution, which allowed the organization to push the vendors to even greater savings than initially offered. OHSU ultimately recognized a 20% savings of more than \$400k on a total of \$2 million shoulder device spend without having to consolidate vendors.



Challenge

Two OHSU surgeons were performing total shoulder arthroplasty procedures, and each was using a different vendor's shoulder system. Because the OHSU team had been focused on larger product categories, they had not previously prioritized this small-volume category.

Solution

GHX Lumere's Category Optimization solution presented a savings opportunity combined with a strategy of using clinical evidence to negotiate vendor pricing.

Armed with this information, the OHSU team and the physicians collaborated to inform the vendors that the premium prices weren't warranted by the clinical evidence.

By doing so, OHSU achieved **20% savings** of more than \$400k on a total of \$2 million shoulder device spend in this small-volume category.

About GHX Lumere

GHX Lumere provides the vendor-agnostic data, evidence-based insights and actionable analytics that 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.

» Learn more about Clinical Integration at ghx.com