



## MEDPRICER CUSTOMER SUCCESS STORY

### CUSTOMER

Mid-Atlantic Health System

### CATEGORY

Custom Procedure Trays

### CHALLENGE

The Health System needed to conduct an e-RFP on over 180 different custom tray packs, each containing 10 to 30 products.

### TARGET SAVINGS

10% on an annual spend of \$5,800,000

### WHAT MEDPRICER DID

- » Pointed out savings opportunities on the current contract
- » Consolidated multi-hospital product requests in an e-RFP
- » Real-time contract negotiation via MedPricer's online e-RFP platform
- » Review and analysis of client-defined terms & conditions
- » Pre- & post-bid financial impact analysis

### OUTCOME

Savings of over \$4M (13.5%) over a five-year contract period.

# MEDPRICER HANDLES COMPLEX PROCEDURE TRAY E-RFP

**Overwhelmed with the complexity of a highly-customized RFP, a Mid-Atlantic Health System turns to e-Sourcing to complete the bid process and exceeds its target savings goal in the process.**

### Overview

A Client Health System in the Mid-Atlantic region was faced with an expiring contract for Custom Procedure Trays. The Health System is comprised of six individual hospitals, which together required over 180 different custom tray packs, each containing 10 to 30 products. Overwhelmed with the complexity of the job, the Client partnered with MedPricer to conduct a formal RFP and live-bid process. The Client's target savings for this large spend item was 10% off current annual spend of \$5,800,000.

### The e-RFP Process

MedPricer prepared the e-RFP on behalf of the Client by conducting a thorough review of the current Contract, as well as an analysis of the annualized volume, spend and origin of charges. MedPricer created an itemized analysis for each of the six hospitals, breaking down each of the 180 custom trays and consolidating this vast amount of data into an organized e-RFP. The detailed e-RFP simplified the process for suppliers, who require product breakdowns in order to formulate pricing and terms. During the pre-bid analysis, MedPricer also located areas where the incumbent supplier was increasing costs and leveraged this information during the negotiation process to drive greater savings for the Client.



### MEDPRICER E-SOURCING BENEFITS

- » Avg. Contract Savings of 17%
- » 4-6 Week e-RFP Cycle
- » Easy Online Bid Comparison
- » Experienced Sourcing Support Team

### TRY MEDPRICER E-PROCUREMENT AT YOUR HOSPITAL, BUYING GROUP OR COOPERATIVE

Find out how MedPricer's e-Sourcing platform can reduce your workload and cut your supply costs with its healthcare e-RFP technology by contacting us at [contact@medpricer.com](mailto:contact@medpricer.com) or 203-453-4554 x 501.

To read additional success stories, go to : [www.medpricer.com/case-studies](http://www.medpricer.com/case-studies)

### ABOUT MEDPRICER

MedPricer is the e-Sourcing solution designed for the unique requirements of the healthcare supply chain. Our cloud-based negotiation platform provides the flexibility to source nearly every expense category in a hospital, allowing clients to negotiate contracts during a live-bid process. This ensures the best terms and value from current and prospective suppliers.



After releasing the e-RFP to the four suppliers, MedPricer facilitated the response to all RFP questions. When the initial proposals were received, MedPricer prepared a Financial and Terms Analysis that identified the negotiation points for the live sealed-bid process and accurately compared each supplier's response to the Client's requirements.

MedPricer hosted a three-hour live negotiation on its electronic negotiation platform. All of the suppliers were logged onto MedPricer and actively communicating and responding to all of the Client's questions and concerns. Together the suppliers submitted a total of 25 offers during the live negotiation in an effort to be more competitive and to meet the Client's needs.

### Live Negotiation Results

	Supplier A	Supplier B	Supplier C	Supplier D
<b>Line Item Savings over Current Contract (per year)</b>	\$639,000	\$749,000	\$817,000	\$332,000
<b>Total Saved (Price reductions and Incentives) Over 3-Year Contract</b>	\$2.5M (14.3%)	\$2.4M (13.6%)	\$2.7M (15.6%)	\$1.1M (6.4%)

The Client chose the three-year contract option with their preferred supplier in order to retain clinician-preferred items.

