



Aligning cost and quality strategies systemwide for market growth

A large health system unites their separate institutions' strategies to improve their delivery of high quality, cost-efficient care

To align their diverse facilities including academic medical centers, community medical centers and cancer treatment and research centers, a large health system set out to transform its operations to drive quality improvements, lower costs and support growth strategies.

Prior to the alignment, each medical facility maintained autonomy around services and analytics they used to guide performance improvement efforts to support local goals, a challenge many large health systems experience. Some institutions had different capabilities in using clinical and operational data to identify cost reduction opportunities. Tools and analytics varied. Not all were performing well but the institutions that were achieving their goals were using

the Vizient® Clinical Data Base (CDB), Operational Data Base (ODB) and Sg2® data and expertise.

Alignment that drives systemness

In 2018, a system leader saw the value of using Vizient tools to help reach their goals across the entire system based on the success some of the institutions had already seen.

“Leaders at each institution were developing their strategy independently which hampered the system’s holistic growth. After aligning the data from their academic and health institutions, we helped them achieve their system-

level aspirations tied to improved quality, reduced costs and market growth.” said Deborah Nelson, senior principal, member performance at Vizient.

Nelson and other Vizient leaders presented a plan to support the health system’s strategy by leveraging the full suite of Vizient analytics and expertise and selecting Vizient as its group purchasing organization (GPO).

Vizient was chosen over the incumbent GPO vendor due to the comprehensive scale of cost, quality and market improvement opportunities. The health system also decided to expand the use of the CDB platform across its system to help identify best practices and measures that improve patient outcomes. Vizient experts highlighted how the health system could generate additional value using the CDB and expanding adoption of the ODB across four additional institutions.

The Vizient GPO began to show results immediately. Due to Vizient’s data and analytics abilities and contracting, the system found additional savings opportunities across many areas, from reducing the construction costs of a new acute care facility through Vizient capital and construction contracting to lowering prescription drug costs using Vizient Supply Analytics.



\$5 billion in diverse supplier spend in 5 years to create and support over 85,000 jobs

Value beyond traditional GPO contracting

The new GPO partnership with Vizient also supported important goals the system had in place for expanding its usage of diverse suppliers, local community contractors and environmental sourcing programs that deliver value beyond traditional GPO contracts.

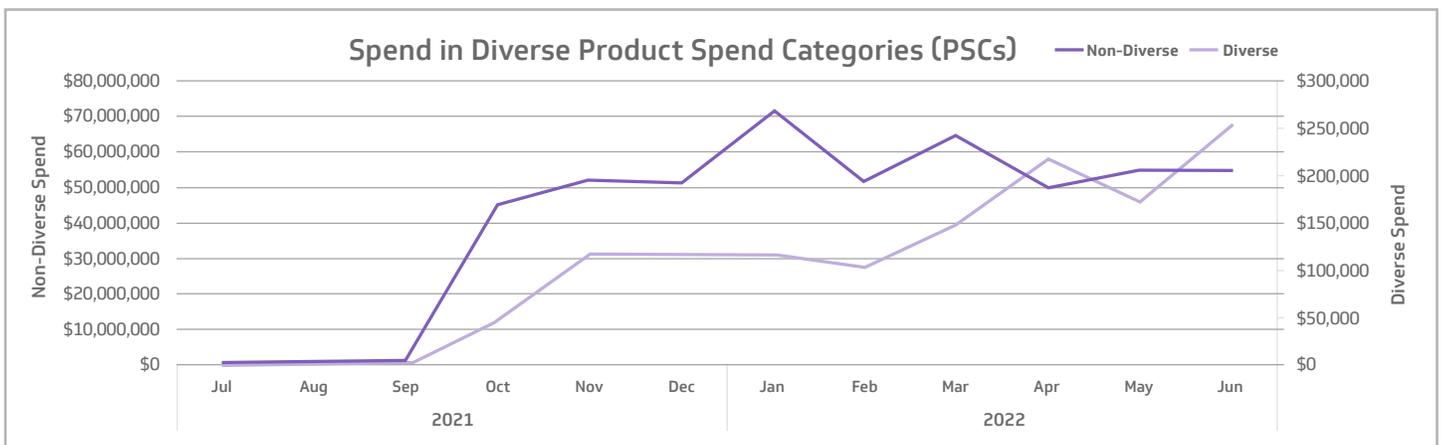
After the conversion to the Vizient GPO, the large system gained access to the full depth of Vizient resources to ensure full value was gained from all that Vizient offers. Included in the partnership is an embedded dedicated CDB analyst who acts as a part of the health system’s clinical team. One of the institutions worked with Vizient to establish a Project Management Office that helped them quickly complete the conversion process to realize savings faster. Vizient data, analytics and expertise help to serve as the organization’s north star on many of its top performance improvement initiatives.

Strategies for short, mid and long-term success

The partnership has continued to generate efficiencies and savings across the health system. Vizient works with different leaders across their separate institutions to support their efforts to build out their ambulatory presence, bolster their research center and position themselves as leaders in their market as the health system continues to build across the state.

“What brought this partnership to life was our mutual commitment to developing a growth strategy for the health system that looked at cost as part of the equation for quality care,” said Nelson.

“The health system has generated savings across multiple product categories, including capital, facilities and construction and it is on track to achieve \$27 million-\$43 million in savings on \$4.5 billion of spend by using Vizient GPO services, data analytics and expertise.”





“The health system has made financial improvements across multiple product categories, including capital, facilities and construction and it is on target to achieve \$27 million - \$43 million in savings on a projected \$4.5 billion of spend using Vizient data analytics and expertise.”

Deborah Nelson
Senior Principal, Member Performance

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For more information on Vizient capabilities, contact us at futureofhealthcare@vizientinc.com.

As the nation’s largest member-driven health care performance improvement company, Vizient provides solutions and services that empower health care providers to deliver high-value care by aligning cost, quality and market performance. With analytics, advisory services and a robust sourcing portfolio, we help members improve patient outcomes and lower costs.

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