



THE PROCEDURAL COST

# Optimization playbook

How to uncover hidden variation, align stakeholders, and reduce cost—without compromising patient care.

OPENING INSIGHT

# You can't manage what you can't see.



At Vizient®, our mission is to strengthen member's delivery of high-value care by aligning cost, quality, and market performance. Our suppliers play an integral role in helping us fulfill that commitment.

Whether through the development and deployment of live-saving products and services, or the value delivered within our market leading agreements, Vizient suppliers help members reduce supply costs and improve care delivery. In turn, Vizient delivers the commitment, visibility, and credibility suppliers need to enhance connection points and growth opportunities with members.

“

We knew our procedural costs were high—and now we know why.

**Luis Forero**  
Rush University Medical Center

”

## THE CHALLENGE

# Why procedural cost is so hard to control.

### Variation across areas

Cost differences aren't random; they concentrate in predictable areas: utilization patterns, product selection, and physician preference items. These factors create wide dispersion in cost across similar cases, surgeons, and facilities.

### Data isn't trusted or actionable

Siloed systems create inconsistency, leaving teams arguing over definitions instead of making decisions.

### Stakeholders aren't aligned

Without shared visibility, competing priorities take over and clinicians disengage from insights they can't validate.

### Improvements don't stick

Without a defined operating model, old behaviors return and high-cost patterns re-emerge within procedure lines.



## THE FRAMEWORK

# A better way to reduce procedural cost.

- 1 See the full picture**  
Procedure-level visibility into every case—supply use, utilization patterns, and outcomes.
- 2 Understand the drivers**  
Separate utilization, mix, and price to find the highest-value opportunities.
- 3 Align the team**  
Engage physicians with clinically credible, normalized comparisons.
- 4 Sustain the change**  
Establish a repeatable operating rhythm that reinforces decisions over time.



4  
PLAYS

1  
GOAL

smarter supply  
decisions that lower  
total cost while  
protecting outcomes.

## PLAY 1

# Make the invisible visible.

**Gain a complete, procedure-level view of what happens in every case.**

Vizient PA brings together case-level procedural, supply, cost, utilization, and outcomes data into actionable insights to help teams identify variation, quantify opportunity, engage physicians, and monitor performance over time.

**Move beyond rollups and averages to see each supply decision in context.**

PA ingests supplies used in the procedure, cost, and patient quality outcomes (length of stay (LOS), readmissions, and complications rates). Users can then analyze physician variation, facility variation, supply category variation, product mix, and procedure-level spend.

**Benchmark across surgeons, facilities, and peers**

PA consolidates case-level procedural supply and outcomes data into normalized views across 10+ procedural settings, 930+ procedure groups, and 6,000+ supply categories.

**Link product use to patient outcomes**

Get dashboards, opportunity reports, benchmark views, savings estimates, peer comparisons, and outcome tracking. The benchmarks are credible because PA normalizes procedure groups, peer cohorts, acuity adjustment, and outcomes linkage.

**Replace assumptions with clarity**

Teams use it in governance for value analysis, service line reviews, physician engagement, and supplier negotiations. Build a shared, fact-based foundation for clinical and financial decisions.

You can't  
improve  
what  
you can't  
accurately  
measure.

## PLAY 2

# Identify what's driving cost.

### Focus on the factors that have the greatest impact.

PA separates variation into utilization, product mix, and price so teams can distinguish contracting opportunities from clinical practice variation.

#### **Distinguish utilization, product mix, and price**

Most cost differences aren't contract-driven; they stem from how products are used and selected.

#### **Surface unwarranted variation**

Highlight routine use of premium products where lower-cost options deliver equivalent outcomes.

#### **Identify high-cost procedures and preference items**

Concentrate efforts on categories with the greatest potential for lasting change.

#### **Prioritize the highest-value opportunities**

Use a driver-based approach to focus teams on actions that deliver measurable impact first.

Better insight  
leads to better  
decisions.



## PLAY 3

# Turn insight into alignment.

**Engage the right people with credible data.**

PA supports physician conversations with normalized, peer-based comparisons that account for case mix and acuity.



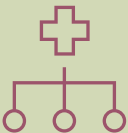
### **Empower physicians with transparent insights**

Normalize case mix and acuity, so comparisons are clinically relevant and trusted.



### **Facilitate data-driven conversations**

Replace adversarial negotiations with collaborative reviews from a single source of truth.



### **Align clinical, supply, and finance**

Create a governance structure where every function aligns on a path forward before action begins.



### **Standardize where it improves outcomes and value**

It's a clinical strategy, not a cost-cutting mandate.

# Alignment drives adoption. Adoption drives results.

## PLAY 4

# Make improvement stick.

**Turn improvement into a routine—not a one-time initiative.**

PA enables ongoing monitoring of cost, utilization, LOS, readmissions, complications, and variation creep.

Sustainable  
change  
delivers  
lasting  
impact.

### **Establish governance and cadence**

Create a consistent forum where clinical, financial, and operational leaders review performance and reinforce decisions.

### **Prevent variation creep**

Identify emerging patterns early—before they become embedded practice.

### **Monitor performance and outcomes**

Continuously track LOS, readmissions, complications, and case mix index.

### **Continuously refine and reprioritize**

Clinical spend management is an ongoing process, not a project. Each cycle builds momentum.



## GAME FILM

# From insight to impact.

## Rush University Medical Center Total shoulder arthroplasty

### THE CHALLENGE

Rush aimed to nearly double cost reduction targets during the COVID-19 pandemic. Shoulder spend sat at the 75th percentile among peers, with significant variation across six vendors.

### THE APPROACH

PA delivered case-level cost, utilization, and peer benchmark data. It helped identify shoulder spend variation across vendors, physicians, and peer benchmarks, giving Rush the evidence needed to support supplier negotiations and physician conversations.

“

What was different this time is that I was able to talk to doctors first, and I already had 80% of the information.

”

**Luis Forero**  
Director of Strategic Sourcing,  
Rush University Medical Center

### THE RESULTS

# \$800K

in savings from  
renegotiated  
supplier contracts

# 21%

reduction in  
shoulder spend in  
under one year

# Exceeded

doubled COVID-  
era cost reduction  
targets

*Results will vary.*

GAME FILM

# When surgeons lead, savings follow.

## The Ohio State University Wexner Medical Center Bariatric surgery

### THE CHALLENGE

Significant variation in custom pack usage across the bariatric team. Two surgeons relied on a costly pack containing “one or two of everything,” which was clinically convenient but unnecessarily expensive.

### SURGEON-LED APPROACH

Dr. Stacy Brethauer led a surgeon-to-surgeon conversation using PA cohort data. The team streamlined preference cards to essential items, standardized on a laparoscopic pack, and tracked outcomes throughout.

### THE RESULTS

40%

reduction in average cost per case  
for involved physicians

\$900K

in total savings

Zero

impact on LOS, mortality, or  
readmissions

“

We want to drive  
value, not just  
cost reduction.

”

Dr. Stacy Brethauer,  
General Surgeon,  
The Ohio State University  
Wexner Medical Center

*Results will vary.*

GAME FILM

# Precision targeting unlocks millions.

## Large Academic Health System Orthobiologics

### THE CHALLENGE

High-cost variation in orthobiologics across spine and foot/ankle fusion. Strong physician preference made standardization conversations high-stakes and unnavigable.

### THE APPROACH

PA integrated price benchmarks with clinical outcomes data, giving the team a clear, defensible view of where variation existed, what was driving it, and the financial impact.

“

It's critical to integrate price benchmarking and clinical outcomes to identify utilization and quality improvement opportunities.

Director, Large Academic Health System

”

### THE RESULTS

\$2.8M

in total savings across  
orthobiologics

\$2.1M

from spine fusion  
standardization

\$700K

from foot/ankle fusion  
standardization

*Results will vary.*

## GAME FILM

# An enterprise model for sustained performance.

## California Non-Profit Health System Multi-service line transformation

### THE CHALLENGE

Reduce cost variation and standardize supplier relationships across hospitals in a way that could be sustained enterprise-wide—not just achieved through a one-time initiative.

### THE APPROACH

Vizient Service Line Analytics and PA mapped cost and outcomes for each procedure and supply. Governance ensured every stakeholder had a seat at the table, with data adjusted for patient acuity.

### THE RESULTS

**\$487M+**

reduction in average  
cost per case for  
involved physicians

**147%**

above targets on  
average, year over year

**Declining**

cost per adjusted  
discharge, counter to  
industry trends

*Results will vary.*

“

Average cost per adjusted discharge has steadily declined each year since program inception—in direct contrast with industry trends.

Program results, California Non-Profit Health System

”

## THE OPERATING ADVANTAGE

# High-performing organizations don't manage variation episodically. They build systems.

**What Procedural Analytics enables:****1 A trusted view of procedural performance**

Normalized, case-level comparisons across physicians, facilities, and procedure types—grounded in clinically aligned data teams can confidently act on.

**2 Clear visibility into cost drivers**

A defensible understanding of how utilization, product mix, and pricing contribute to procedural spend, so organizations can target the right interventions.

**3 Clinically credible decision-making**

Supply, finance, and physician leaders operate from the same source of truth, connecting utilization decisions to patient outcomes and total cost of care.

**4 Continuous performance improvement**

A repeatable governance model that reinforces decisions, sustains gains, and identifies new opportunities before variation escalates.

**5 Guided execution—not just analytics**

Dedicated Vizient advisors help organizations move from insight to action, accelerating alignment and helping teams operationalize change.

**THE RESULT:**

An organization  
with smarter  
supply decisions,  
stronger margins,  
and sustainable  
clinical and financial  
performance.

## DIAGNOSTIC

# Are you ready to move from variation to victory?

- 1** Do you have a trusted, case-level view of what's driving supply variation across procedures, physicians, and facilities?
  - ☐ Yes, case-level normalized data
  - ☐ No, working from EHR exports
- 2** Can your team distinguish whether variation is driven by utilization, product mix, or price at the case level?
  - ☐ Yes
  - ☐ No
- 3** Do your physicians actively engage in supply standardization and trust the data you bring them?
  - ☐ Yes, physicians champion the process
  - ☐ No, conversations are episodic or avoided
- 4** When you achieve savings in a high-cost category, do results hold for 12+ months?
  - ☐ Yes
  - ☐ No
- 5** Do clinical, supply chain, and finance teams operate from a single source of truth?
  - ☐ Yes, we have a single source of truth
  - ☐ No, each team has their own dashboards and databases



## Did you answer “no” to two or more questions?

Your organization has an addressable opportunity—and a clear path to capture it. PA is built to close those gaps.

[Learn more](#)



# It's time to change the playbook.

Procedural Analytics gives you the visibility, insight, and alignment you need to reduce cost, improve outcomes, and drive sustainable results. Lead with insight. Execute with discipline. Win with confidence.

To learn more about Vizient Procedural Analytics, [request a personalized walkthrough.](#)

## About Vizient

As the nation's largest member-driven health care performance improvement company, Vizient provides solutions and services that empower members to deliver high-value care by aligning cost and quality in the critical areas of clinical, operational, and supply chain performance.

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