

An improved supply chain means higher savings for Baptist Memorial Health Care

By John Finger, CMRP, CPSM – System Director, Corporate Supply Chain Operations, Baptist Memorial Health Care

Over the course of my more than 25-year career with Baptist Memorial Health Care, I've seen our nonprofit health system grow into the 22-hospital system that it is today. To get here, we have overcome many challenges over the past several years, and Vizient has been our trusted partner every step of the way.

As Baptist's system director of corporate supply chain, I—along with my team—am responsible for coordinating activity and engagement with manufacturers and suppliers. Our goal is to ensure our clinicians have continued access to

the necessary supplies, equipment and tools they need to provide consistently high-quality, cost-efficient patient care—all with as little disruption as possible at each of our sites of care, both acute and ambulatory.

As we have worked with Vizient over the years to achieve this goal, trust between our teams has continued to grow, resulting in even greater value.



An evolving spend management strategy

Initially, Vizient largely helped us achieve GPO supply chain savings, but we found we needed to move beyond just item pricing. Vizient helped us identify and implement cost savings opportunities more quickly. They also brought the tools and expertise needed to provide insights into supply chain patterns and the impact on physician preference items at similarly sized institutions. Using that benchmark information, we brought in their supply chain and clinical experts to assist in making the necessary actionable changes to achieve those same pricing levels.

\$13.6M

Annualized supply chain cost savings achieved on physician preference items and clinical supplies since 2019

Additionally, my team uses several other Vizient tools to enhance supply chain operations. For instance, Vizient Supply Analytics helps us with benchmarking and product categorization, Contract Analytics vets potential opportunities, and the Clinical Data Base and Procedural Analytics tools both help align our savings strategies to clinical indicators.

Another vital solution we used is Excelerate Strategic Health Sourcing, an evidence-based, clinically integrated sourcing program that focuses on, among other things, physician engagement and supply chain. Since joining the program in May 2022, we've identified \$9.6 million in potential savings—\$7 million of which has already been achieved due to physician input and discussions within the electrophysiology services, catheterization labs and interventional radiology service lines.

Pandemic pivoting

Vizient helps keep us apprised of global supply chain issues, and together, we work toward potential solutions. During the pandemic, supply chain problems heavily disrupted the healthcare industry. Early on, when hospitals critically needed personal protective equipment, Vizient helped us identify and use non-contracted vendors until supplies were replenished.

Because we have two wholesale distribution channels and two distribution centers—one in Memphis, near the corporate headquarters, and one in Richland, Mississippi—our organization was able to shift products between distribution centers or among separate entities when manufacturers shut down, recalled products or ran out of allocated products.

Looking forward

As our organization expands, our teams will continue to depend upon corporate supply chain for a steady supply stream to those new sites. We are well-positioned to meet the needs of additional facilities and because Baptist's footprint continues to expand, we can leverage better pricing and guaranteed product availability from suppliers.



Over the past three years, Vizient's tools and solutions have helped Baptist Memorial Health Care achieve sustainable performance improvements and more than \$50 million in value. Learn more about the ever-evolving partnership at vizientinc.com/BaptistMemorial.

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

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