

NATIONAL STRENGTH
REGIONAL COLLABORATION
LOCAL FLEXIBILITY



Illinois Purchasing Collaborative



Collaboration

Volume aggregation

Best pricing

Quality suppliers/products

Flexibility

Data benchmarking

Custom contracting

ADVOCATING FOR ILLINOIS HOSPITALS AND HEALTH SYSTEMS AS THEY SERVE THEIR PATIENTS AND COMMUNITIES

A creative collaboration among the Illinois Hospital Association (IHA), its members, and Premier Purchasing Partners combines the benefits of national pricing from one of the nation's leading group purchasing organizations with the advantages and flexibility of regional contracting – all designed to reduce health care supply chain expenses.

Through its Association Management Resources affiliate corporation, IHA established the Illinois Purchasing Collaborative (IPC) to benefit its members across the state. IPC offers outstanding savings, access to high-quality product contracts, and greater choices in the group purchasing of supplies, equipment, food, and pharmaceuticals.

In addition, the collaborative makes available comparative supply chain management data, performance improvement consulting, and exemplary materials management technology.



THE ILLINOIS PURCHASING COLLABORATIVE

- Gives participants access to industry-leading contract pricing;
- Offers local purchasing volume aggregation and custom contracting for additional savings;
- Provides supply chain-related comparative data;
- Expands the use of materials management technology across a broad spectrum of IHA's membership.



Participating organizations are able to optimize cost savings while providing the highest quality care to their patients and communities.

MANAGING COSTS INTO THE FUTURE



The Illinois Purchasing Collaborative empowers hospital participants with a higher level of benefits through volume aggregation, voluntary standardization, and operational efficiencies to help association members

- Adapt successfully to pharmaceutical, medical supply, foodservice, and health care equipment marketplace changes;
- Move into the future armed with the latest cost management and business information technologies;
- Take advantage of access to the industry's highest quality products and support services;
- Operate their health care enterprises more efficiently through greater supply cost control.

The result: Participating organizations are able to optimize cost savings while providing the highest quality care to their patients and communities.

NATIONAL PRICING AND REGIONAL FLEXIBILITY – MORE CHOICES, ADDED BENEFIT

The combination of national pricing and regional flexibility provides IPC members with the best of both purchasing worlds.

Participants have access to industry-leading pricing on health care supplies, equipment, food, and pharmaceuticals through the purchasing portfolio of Premier Purchasing Partners. Premier aggregates volume from nearly 1,500 hospitals across the United States representing \$25 billion in annual purchasing volume. Premier's portfolio offers contracts with multiple vendors within key preference product categories.

Premier's outstanding national contracts provide a strong foundation for this exciting collaborative. IPC builds on that foundation by enabling participants to achieve regional enhancements to Premier contracts. IPC's regional flexibility also provides the opportunity to contract with non-Premier suppliers in response to IPC member needs and physician preferences.





MEMBER INPUT FOR SUCCESSFUL RESULTS

For IPC, feedback from participating members is a key to long-term success. Collaborative participants regularly provide input and direction on contract requirements and areas of interest. Members, along with the IPC staff, routinely monitor collaborative activities to evaluate success and next steps.

TECHNOLOGY SOLUTIONS TO TRACK AND DOCUMENT SUCCESS

Hospitals participating in the Illinois Purchasing Collaborative have access to technology and resources designed to facilitate seamless contract and spending management. Features such as an online letter of commitment process and price verification at point of order can immediately provide hospital leadership with more control over purchasing activities.

Premier's supply chain technology platform provides

- Easy access to national, regional, and local contracts, and pricing that can be updated into any materials management system;
- A three-way price match—among the contract, the purchase order, and the supplier invoice—that allows hospitals to access savings as soon as prices change;
- The ability to compare local, regional, and national contract options and quickly assess which is the right one for a particular hospital;
- A “spend report” that enables hospitals to review their contract and non-contract spending trends in detail, compare those trends to industry benchmarks, and find immediate opportunities to further reduce costs;
- Requisition, ordering, and supplier response automation to ensure accurate product data and boost hospital productivity.

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GNYHA SERVICES AS A STRATEGIC PARTNER



IPC is working with GNYHA Services, Inc., a subsidiary of Greater New York Hospital Association (GNYHA), to gain valuable knowledge and experience from a program proven to drive down health care supply costs. The GNYHA Services program demonstrates that through carefully-planned local and regional contracting, hospitals can achieve economies of scale needed to sustain lower costs for the long term. By collaborating and taking a serious look at cost reduction, hospitals across New York state have reduced costs without sacrificing quality.

Like IHA, GNYHA Services exists to offer programs that serve its membership through its mission to improve efficiencies and cut costs, while maintaining excellent standards of patient care.

Using this purchasing model, IPC can work with participating hospitals across Illinois to pursue regional contracting that addresses their specific needs.



PREMIER AS A NATIONAL PURCHASING PARTNER



Premier was selected as IPC's national partner because of its industry-leading portfolio pricing, focus on technology and data, understanding of the local nature of health care delivery, and renewed commitment to flexibility in local contracting.

In addition, Premier has responded proactively in the development and practice of its code of conduct, and has repeatedly taken the lead in setting high standards for business conduct in the group purchasing industry. Premier's efforts have been recognized and lauded by the United States Senate subcommittee responsible for overseeing these issues.

Premier's contracting practices are designed to promote competition; any manufacturer or supplier with a viable product and operation is given the opportunity to bid for a Premier contract.

BECOME PART OF THE COLLABORATIVE

To learn more about how you can reduce costs for your hospital or health system through the Illinois Purchasing Collaborative, contact us at 630.276.5400, or visit the IHA Web site at www.ihatoday.org/ipc.html.

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