

## pricePAL™ - Power of Assessing Internal Price Parity [priceHUNTER™]

### Engagement Statistics

We were engaged by a northern three hospital consortium with a combined 1100-bed count and \$50M spend. The project goals included:

- Price parity reports identifying price variances across the three hospitals.
- Contract assessment and data quality assessment reports.
- A plan to implement new processes within the purchasing department to maintain data quality.

### Findings

#### Contracts

- 751 contracts loaded into MMIS
- 11 physical contracts found
- 1,159 vendor items identified on contracts in MMIS at other prices

#### Price Parity - Total Dollar Impact \$309,917

- Items with matching invoice
  - Built items 102 = \$59,855 / X-Type 121 = \$70,370
- Items without matching invoice
  - Built items 216 = \$146,295 / X-Type 112 = \$33,397

#### Data Quality

- Free Text & Classification
  - 73% of items no activity in past 24 months
  - on average 33% of spend is free text items
  - 48% of items not classified and 96% do not have an inventory classes
- Descriptions inconsistent, not utilizing full character length available and 1,390 duplicates
- Not using parent / child relationship available in MMIS
- ANSI standards for packaging inconsistent

### Benefits Realized

- Recurring savings opportunity is \$1M annually.
- Engaged in full data cleansing.
- Migrating free text to MMIS.
- Validating system contracts.

Manufacturer	Catalog #	Description	Buy Price	Low	Avg	High	MMS	Year	18 Months
UNISCAN, INC	015787	STRIPS TEST FOR QUETOCHEB-SURESTERS GLUCOMETER 10STRIPS/BOTTLE	CA	\$39.00	\$41.00	\$43.00	32187	\$42.00	\$6,524.00
BOSTON SCIENTIFIC CORP	1230	FACEGUARD-BR/CI/CARD/BISS/SHAWNA ODER/CIAL/CHARGE RATE RESPONSIVE/RELA/TABLE/100/1200	PA	\$5,100.00	\$5,800.00	\$7,300.00	27187	\$7,500.00	\$1,463.00
UNION PACIFIC SURGICAL CO	178389P	TROCAR ENDOSCOPIC CARBILLA PLUS V2 0.881 CC	TX	\$135.23	\$154.29	\$164.00	35020	\$164.00	\$910.40
UNION PACIFIC SURGICAL CO	A17004P	TROCAR VERDAROT™ PLUS V2 WITH FIXATOR CARBILLA 0.881	TX	\$112.62	\$117.67	\$125.75	20320	\$125.75	\$503.00
UNION PACIFIC SURGICAL CO	2943000	STAPLER INTERNAL TRANSFER/RELOADABLE/MULTIFIRE/DEPOSITABLE/0.8" X 3.8" W/ 100	TX	\$402.04	\$419.32	\$420.75	20937	\$420.75	\$420.04
UNION PACIFIC SURGICAL CO	30474100	ROUCHA SPEEDRIN/0.80/END 10 881/00	TX	\$460.00	\$460.00	\$466.00	33574	\$466.00	\$566.00
OMEGA, INC	0026070	5E" BRIGATOR HYDRO-SURO PLUS WITH COLORED DUCTON AND IRRIGATION TUBING BR/HEAVY TRUMET VALVE SWISSCOM TP WITH IRRIGATION HOLES 1020020870	CA	\$540.71	\$550.03	\$574.88	18138	\$574.88	\$514.28
UNION PACIFIC SURGICAL CO	320440	STAPLER ENDIO GA UNIVERSAL SINGLE USE INSTRUMENT 12881	TX	\$209.04	\$209.04	\$209.44	25400	\$209.44	\$209.04
JOHNSON & JOHNSON	J222000	SOLUTION COE/REACTIVATED/VALVE/100/4 GALLON	CA	\$120.07	\$120.03	\$120.03	15884	\$120.75	\$247.00
COULBOUR LTD	004221001	COVER PROBE PLAC™ FOR F-1600F-2000 THERMISTERS	CA	\$140.00	\$152.00	\$160.00	23220	\$160.00	\$160.00