

# Is Your Current Cost Management Strategy the Best Approach?

If it doesn't include clinical supply chain integration, maybe it's not.

Nexera/Acurity surveyed hospital administrators (senior, financial, clinical, and operations professionals) across the country. Here's what we discovered.

## SUPPLY CHAIN IS A VITAL STRATEGIC PARTNER

**73%**

said that supply chain is strategically tied to their organization's cost management strategy.

### Nearly all executives agree that supply management plays a significant role in



good margin control and a provider's ability to establish a sustainable financial model in a value-based, patient-centered environment

**90%**



a provider's effort to create a more highly reliable organization

**91%**

**69%** of hospital administrators have performed a coordinated supply chain assessment.

**53%** have done so in the last two years.

**78%** said the assessment met their objectives (cost reduction and improved operations).

### HOWEVER...

**42%** still said that cost reduction is their supply chain department's biggest priority.

The majority (**53%**) said they considered cost containment an area that could use improvement.



#### WHICH BEGS THE QUESTION...

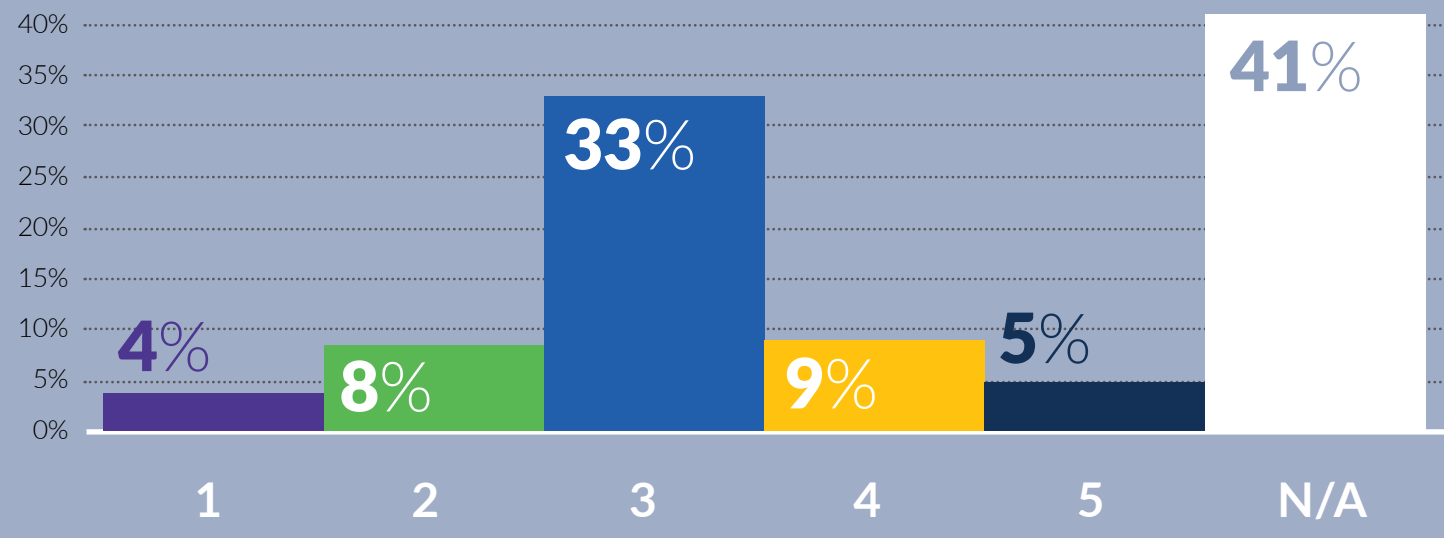
were these assessments actually successful if the results weren't sustainable?

### Clinical Supply Chain Integration Is Important But Undervalued

**66%** of hospital administrators currently tie clinically integrated initiatives to the budget.

**34%** do not.

How hospital administrators rate their organization's success in tying clinical integration to their cost management strategy:



**ONLY 14%** of respondents rated themselves a 4 or 5.

These are key statistics, as initiatives that look at the total cost, care quality, and financial outcomes have a direct impact on a health system's ability to provide better results and improve the bottom line.

### AND...

**Only 5%** cited clinical integration as their supply chain department's current priority.



Is your supply chain prioritizing the areas that will have the greatest long-term impact on patient satisfaction and your bottom line?

### More Structure and Support Can Help Achieve Superior Results

**49%** believe their group purchasing organization's most important function is its ability to integrate clinical and supply data for better decision-making.

**35%** said their organization can improve its integration of materials management, clinical, and financial technology systems.

### When asked if clinicians are involved in formalized supply chain utilization and procurement decisions...



Do you have the right partners and structure in place? Is your supply chain team getting the support they need?

### Clinical Supply Chain Integration

Clinicians, supply chain, and other professionals working together to make more informed purchasing decisions can support facilities' efforts to provide the best quality of care at the most competitive cost, while also minimizing waste and improving operational performance.

It is a holistic approach to expense management—and the best means for sustainable cost containment.

Here's what you need to achieve a successful, clinically integrated cost management strategy:

