

CASE STUDY

Better Efficiency and Lower Costs

OM Expanded Access™ Standardization Proves to be a Win-Win for Prominent West Coast Academic Medical Center

Large university medical centers often get supplies from a range of manufacturers. These purchasing decisions can be based on varied contracts, departments, and product availability. Naturally, the top priority is ensuring the facility has everything necessary to provide patient care—but sometimes, opportunities for efficiencies and cost savings get lost in the supply chain process.

A prominent West Coast Academic Medical Center knew that by streamlining their supplies they could ultimately save time and cost, and ensure a more strategic supply chain. That's why they chose OM Expanded Access™ Standardization.

The OM Expanded Access Standardization offering involves identifying opportunities to bring direct-from-manufacturer purchases through the Owens & Minor distribution channel, offering one of the widest selections of suppliers and products in the industry. By aggregating fragmented purchasing activity, Owens & Minor aims to save customers time and money they can devote to what's most important—patient care.

GATHERING THE FACTS

When Owens & Minor began working with the Academic Medical Center on standardizing their supply, the first step was to gather data to understand their current purchasing trends and processes. Using the most recent 3-6 months of purchase data, Owens & Minor identified which suppliers and products were eligible to procure through the Owens & Minor supply chain.

The result? The audit identified over \$10 million of product that could be sourced through the Owens & Minor channel. The initial focus was on products identified as priorities, representing \$5 million. The target products were segmented across logical subgroups. During value analysis meetings, select groups of products were presented for consideration and approval. Once approved, the Owens & Minor team worked with the customer to convert the products through the local distribution center and to ensure contracts, pricing, and usage were loaded for all of the items.

STANDARDIZING FOR GOOD

For the Academic Medical Center, OM Expanded Access Standardization led to cost savings and added convenience across the board. To date, \$1 million of the initially identified product is now being purchased through the Owens & Minor channel, which has led to 3% savings in operational expenses. Because they no longer have to manage as many SKUs outside



RESULTS AT A GLANCE

✓ **\$5M+**
Targeted

✓ **\$1M+**
Converted

✓ **3%**
Reduction

✓ **7%**
Material SKUs Added

of distribution, the team has been able to streamline touchpoints in accounting, receiving, procurement, materials management, and more. The customer saw a significant reduction in the


