

CASE STUDY

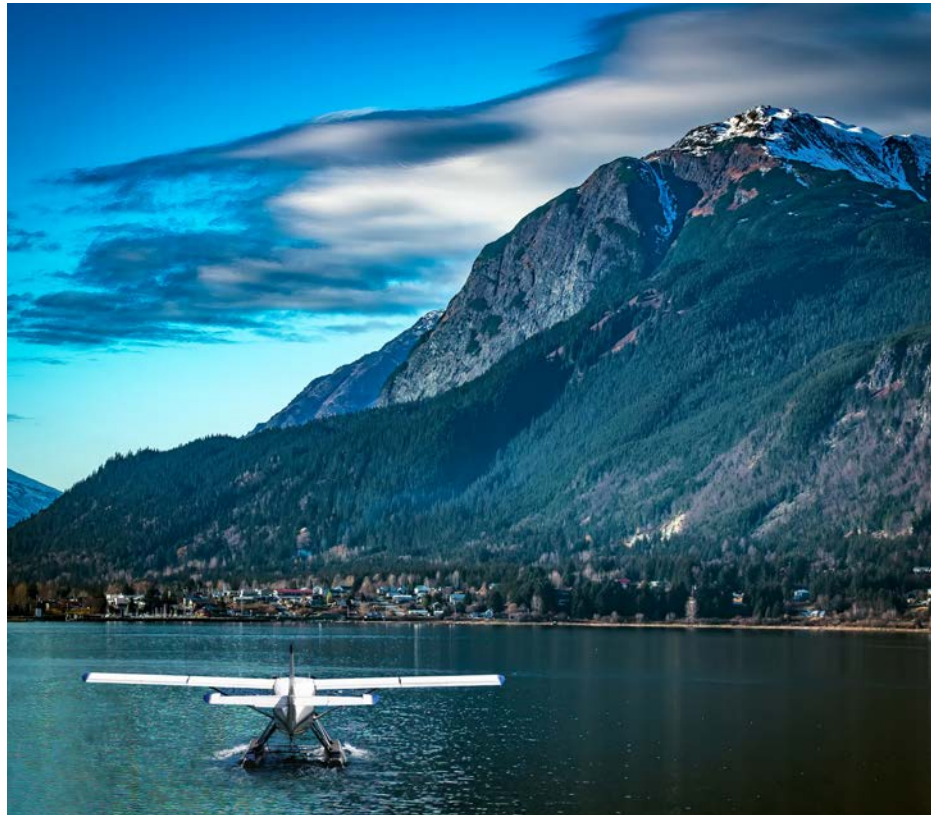
Remote Hospital Supply Chain Success at Bartlett Regional Hospital

THE SITUATION:

Bartlett Regional Hospital, located in Juneau, Alaska, was grappling with significant challenges in its supply chain. The hospital's prior group purchasing organization (GPO) relationship was marked by poor communication, slow responses, and inadequate support that limited the facility's ability to effectively manage and maximize savings on crucial supplies.

"During the first six months of my time in materials management, I couldn't get a hold of anyone at our GPO," explained Willy Dodd, Director of Materials Management at Bartlett Regional.

Ultimately, the need for cost efficiency, improved communication, and comprehensive support in supply chain operations compelled leadership to seek a new GPO partner.



All supplies used by Bartlett Regional Hospital must be shipped in via air or water.

BACKGROUND:

Bartlett Regional Hospital serves a population of 32,000, which can swell by an additional 15-20,000 tourists during the summer months. Serving as a healthcare provider in a landlocked area with limited transportation options to other places makes Juneau, Alaska one of the most remote places in the U.S. In fact, all supplies used by the 57-bed hospital must be shipped in via air

or water. Bartlett Regional Hospital, which serves Juneau and nearby communities and villages in southeast Alaska, had long faced supply chain challenges including longer lead times, higher shipping costs and limited distribution channel options. The complex logistics involved with their supply chain amplified the need for a more responsive, robust, and efficient GPO partner.

THE PLAN:

The transition to a new partner began in Spring 2021 with an RFP process and concluded in December of the same year. A hospital committee reviewed various proposals and was drawn to CHC Supply Trust and its GPO partner, HealthTrust Performance Group, because the proposal highlighted ongoing communication, support, and additional cost savings.

After board approval, the next step was a comprehensive 120-day onboarding process that included data analysis, portal set-up, contract review, vendor notifications, and intensive meetings with the CHC team. During the

onboarding phase, the goal was to identify all exact match supplies that could be immediately transitioned to the new GPO. Moreover, regular meetings and collaboration ensured a seamless transition and effective implementation.

“The CHC team went above and beyond during the transition, helping us navigate supply chain challenges and ensuring we had the right support,” Dodd explained. “Even though I was new to supply chain management, I never feel embarrassed asking questions; the CHC team was always there to provide timely and helpful responses.”

RESULTS:

The partnership with CHC Supply Trust has yielded substantial benefits for Bartlett Regional Hospital. Due to the thorough implementation plan, Bartlett was set up to receive cost savings through its new GPO on day #1 of the new agreement. Additionally, the team continues to collaborate with CHC Supply Trust to find additional savings opportunities by shifting to contracted products.

BENEFITS INCLUDE:

- CHC Supply Trust has helped Bartlett streamline its procurement processes and standardize product lines, leading to further cost savings and improved operational efficiency.
- Through streamlined processes, CHC identified projected savings of \$392,872 on exact-match items in areas of medical, surgical, and pharmacy distribution spend.
- Favorable savings in the spend category of Zimmer Implants identified in 2022 has resulted in annual savings exceeding \$500,000.

- The Bartlett supply team has ongoing and immediate access to their CHC Supply Trust representative for questions and issue resolution. “CHC knocks it out of the park. Given our remote location, we can’t wait days for a response when products aren’t available. We need a quick response, and CHC provides immediate feedback.”
- CHC Supply Trust and HealthTrust representatives visited Bartlett immediately following implementation to meet the hospital team and recommend additional savings opportunities.
- CHC Supply Trust helped Bartlett re-tool its FoodBuy purchases for monthly savings that offset inflationary increases across several food categories.
- The partnership has also fostered a sense of collaboration and teamwork. Bartlett has been able to reach out to CFOs and Supply Chain team members at other CHC Supply Trust client hospitals to brainstorm solutions and share best practices.

About Community Hospital Corporation

Community Hospital Corporation owns, manages and consults with hospitals through CHC Hospitals, CHC Consulting and CHC ContinueCARE, with the purpose to collaborate with partners and bring innovative solutions to support the vibrancy and accessibility of community healthcare. Based in Plano, Texas, CHC provides the resources and experience community hospitals need to improve quality outcomes, patient satisfaction and financial performance. ©2024, Community Hospital Corporation.



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