aptitude

aptitude in action – buyer strategies

Clean data, clear savings

Through **apt**itude[®], Denver Health discovers a faster path to cost reduction.

Like most hospitals, Denver Health actively searches for any opportunity to reduce expenses while maintaining or increasing clinical quality. Vincent Fransua, senior clinical buyer for Denver Health, has more than 23 years of experience in this area. He and a staff of three manage more than 700 contracts for the mid-size, single-entity hospital. When Fransua learned about a new way of approaching cost savings in the health care supply chain – **apt**itude – he was intrigued.

"In today's market, suppliers are progressively being more cautious and as a result, a little more rigid in their negotiation process," Fransua said.

"We saw a decrease in our ability to achieve price reductions through our standard practices. Continually, we have suppliers only offer savings by telling us to add more of their product and increase our spending with them."

Working with Mary Etta Gale from **apt**itude, Fransua realized that this new approach could put him in a better position to identify savings opportunities – and take quick action.

"Denver Health has a reputation for excellence in supply chain processes, so we were excited that they decided to give **apt**itude a try," Gale said."

Denver Health, Colorado

Founded in 1860, Denver Health offers hospital and emergency facilities, along with public and community health services, to deliver preventative, primary and acute care. The organization cares for one-third of Denver's population annually and 40% of Denver's children.



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A contracting process that fits like a glove

A contract for exam gloves was expiring soon, so Fransua decided to move forward with the process. He was immediately impressed by the ease of operation **apt**itude provided. Navigating through the user-friendly design, he could quickly see a summary of the savings available for exam gloves.

The data can be easily retrieved and shared with others in the organization, including committees who have to weigh in on the decision-making process.

"With **apt**itude, most of the work – including terms and conditions – is already done for you," added Gale. "It really saves buyers a lot of time and tedium. What used to take two or three months can now be done with the push of a few buttons."

Fransua appreciated that the data was cleansed, categorized and analyzed before being put into the system.

"It's surprisingly easy to look at categories and opportunities in **apt**itude. Having that visibility up front saves a lot of time. Before, it would take days to pull data, look at analytics and benchmarks, work with end users and identify needs. But you log onto aptitude and everything is right there. It's actually kind of cool."

"More than anyone or any product we've worked with, **apt**itude makes getting relevant data easier," Fransua said. "This puts us in a better position to work with our suppliers, and allows us to become more savvy buyers."

2 to 1 ROI on a single bid

Through **apt**itude, Denver Health realized savings of more than \$100,000 annually with the incumbent supplier of exam gloves. Plus, the contracting process happened quickly.

"When we did this three years ago, it took about eight weeks," said Fransua. "With **apt**itude, we did it in about 30 days. So it was a win-win for us and the supplier."

Fransua liked the fact that Denver Health – a medium-size, single facility – was able to get the same pricing as a large integrated delivery network. Asked to rate his overall experience on a 10-point scale, Vincent gave aptitude a 9.5. "I put an emphasis on the value we receive as a result of getting clean, actionable data up front," he said. "I think other hospitals should definitely look into adopting **apt**itude as a component of their contracting strategy."

About aptitude

Launched as a contracting market in 2013, **apt**itude reduces the cost of healthcare and accelerates strategic supply chain partnerships by allowing providers and suppliers to identify opportunities, streamline execution and improve performance.

With hundreds of agreements expiring soon, he should get plenty of opportunities to put **apt**itude into action.

"The speed to savings, data transparency and simplicity are real game changers," said Gale. "And as more buyers and sellers come on board, it will become even more effective."

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Want to learn more? Contact us today! | ask@aptitude.com

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