

Savings made simple

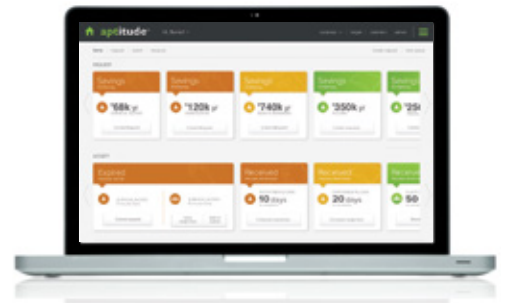
The team at Mary Washington Healthcare established a big savings goal – and **aptitude** helped them reach it.

With declining revenue streams, it's mandatory for health care organizations to look for multiple ways to offset losses. The leaders at Mary Washington Healthcare gave their team a big challenge: remove \$30 million from the operating budget for 2015. Of that number, \$8.2 million was non-labor expenses. Alan Edwards, vice president of supply chain solutions, immediately went to work.

“We identified about \$12 million in savings opportunities through hundreds of individual ideas,” Edward said. “We had to quickly examine the opportunities to see what was real – separating the pretenders from the contenders, so to speak.”

The organization had implemented **aptitude** the year before, but hadn't fully embraced its potential. Edwards felt it was time to take another look at the tool.

“It was one of those ‘a-ha’ moments for me when I realized that we had 400 ideas we had to vet, and **aptitude** has a dashboard where we could quickly visualize what the data was telling us. We didn't have to go into Sherlock Holmes mode and call in all the data. With **aptitude**, the work was already done.”



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Vice President, Supply Chain Solutions
Mary Washington Healthcare

Mary Washington Healthcare, Fredericksburg, Virginia

More than 100 years ago, Mary Washington Healthcare began as an eight-room hospital in Fredericksburg, Virginia. Today, it has evolved into a not-for-profit regional system of two hospitals and 28 health care facilities and wellness services. As a not-for-profit corporation, Mary Washington Healthcare invests profits back into the organization by upgrading technology, developing new services and hiring new staff. The result is continuous improvement in the scope and quality of care the system provides to the community.

“Sometimes we’re going 90 miles an hour and the supply network is going 60, so **aptitude** is a way to ensure that we’re not missing out on any opportunities.”

From pillows to CRM

Edwards wanted a quick win with **aptitude** to book some savings and demonstrate the capabilities of the platform to others.

“Believe it or not, our first success story was something as simple as pillows. We modeled different scenarios and quickly found \$38,000 in savings, and it was virtually pain-free for us. That really became our springboard to try some other things.”

Eventually, Edwards decided to tackle a high-spend category: cardiac rhythm management (CRM). Identifying and implementing savings with physician preference items is a much more delicate situation, with more people to convince and more data to consider.

“We had our physicians and cath lab manager in the room and **aptitude** onsite, and we talked through the various opportunities and what we thought we could do. It was a great learning opportunity, and **aptitude** did a great job of presenting the numbers to them.”

As a result of this exercise, the organization was able to realize several hundred thousand dollars in savings.

An indispensable Strategy

The CRM win cemented the value of **aptitude** in Edwards’ mind. The fact that a major supplier – Medtronic – had come to the platform and significant savings were available magnified the return on investment.

“After the CRM contract, I asked my team ‘How do you not use this tool?’ How can you afford not to? And I think that’s really where we’re at now with **aptitude**.”

To Edwards, the value of **aptitude** increases as your experience and dedication to the system does.

“A simple test drive isn’t enough,” he said. “A demo isn’t enough. You need to be committed and give it the chance. It has to be engrained in your culture or it will fail just like any other strategy.”

Even though Mary Washington Healthcare is a member of Central Atlantic Health Network, which aggregates the purchasing power of many hospitals to achieve cost savings, **aptitude** still has a vital role to play.

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About **aptitude**

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

opportunities. If you lose six months of savings, that could be costly to our organization, so we look for ways to get **aptitude** in sync with other contracting strategies.”

Of all the benefits of **aptitude**, Edwards feels that increasing the speed to market is the biggest advantage.

“In today’s healthcare environment, where both the suppliers and the providers are being impacted, we need to do everything possible to leverage business opportunities and reduce or eliminate manual procedures to operate at maximum efficiency. So for me, **aptitude** is all about the efficiencies, the speed to market, and the opportunity to be there in that platform and play.”



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