REFERENCES

1. 57% Actual Contract Utilization - KPMG, Power of Procurement 2012 & AHRMM study via GHX

2. 38% Actual Savings - Aberdeen Group, The CFO's View of Procurement, 2009

3. The impact of cutting $100,000 from a hospital's operating expenses is the same as bringing in $11.7 million in new revenue. Deloitte Report

4. GS1 – Improving Patient Safety and Supply Chain Efficiency [March 2012]

5. McKesson – Mastering Supply Spend

6. Healthcare Supply Chain Organization [Afaxys – 25% increase in contract spend pull through]

7. [Aberdeen – CFO's report, 2009]

8. Materials Management in Healthcare, 2009 [references O+M study]

9. 30% of Industry PO's have errors that cost $20 to $25 to resolve [GS1 Data Synchronization in Healthcare; A Solvable Problem, Sterling Commerce Case Study]; on 100K invoices/year the costs of these errors are 30K x $20 = $600K impact

10. GS1 – Global Data Synchronization Network [2012]. If 3 FTE's spend 24% of 2,000 hours/year = 1,440 hours @ $45 loaded cost = $50K [overall estimated to be a $2B-$5B healthcare industry cost – GS1]

11. McKesson – Mastering Supply Spend

12. McKesson – Mastering Supply Spend

13. Temple Health Supply Chain metric tracking

14. Hackett Benchmarks for AP [2008] - $15.42 -> $8.04 per PO cost [UPMC cost per PO of $3.00 – Prodigo User Conference 2015]; UPMC impact ~$200K per month on 30K PO's; 63% of PO's are 100% automated with an 88% match rate and 97%+ accurate; Afaxys [55% reduction - $110/PO to $50/PO]

15. UPMC Case Study –User Conference [2015] 88% price accuracy on Invoice price

16. Capture more rebates; a Prodigo customer recovered additional 1.7% in rebate dollars from suppliers by being an efficient customer [accurate, automated orders] and by tracking rebate program terms

17. Spend 30% less time creating a requisition17, and create more patient-facing time for caregivers; and more opportunity for successful purchasing decisions by requesters

18. Drive higher admin fees with your GPO; a Prodigo customer increased admin fees by 26% by directing requesters to GPO contracted sources

19. 2-3% of supply chain spend is lost due to invoicing errors [GS1- Data Synchronization in Healthcare: A Solvable Problem]