

Getting More From a GPO

Maximize savings and minimize stress when ordering needed supplies.

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BUYING IN BULK A GPO specializing in ophthalmic ASCs provides best pricing on items used during some of outpatient surgery's highest volume procedures.

After years of negotiating with vendors to purchase supplies for our busy ophthalmic surgery center, we finally found an easier and less stressful way to score great deals. Last year, we became a charter member of an ophthalmology-focused group purchasing organization (GPO) that specializes in procuring the items we need. The basic premise of the arrangement is the same as the models that service

large hospitals or health systems: The GPO negotiates discounts on pricing with vendors thanks to the purchasing power leveraged by buying large volumes of supplies for its member facilities.

Membership in the GPO is free for facilities, as the company makes its money through contracts with supply and equipment vendors, manufacturers and distributors.

The GPO currently has 96 ASC members across the country, at which approximately 500 physicians perform procedures. It also works with the Outpatient Ophthalmic Surgery Society to recruit more member facilities, which the GPO saves an average of 12% to 20% of what they usually pay directly to vendors for the same supplies. Last year, our first as a member, the GPO saved us \$100,000 on IOLs, MIGS devices, compounding pharmacy preparations and other physician preference items. So far this year, it's saved us \$60,000. The company is currently working to partner with another GPO to offer group pricing on commodity items such as gowns, gloves, needles and syringes. When that happens, we expect our annual savings to grow even more. But cost savings isn't the only benefit we're realizing from working with the GPO.

- **Smart supply management.** Our secure portal into the company's website is very user-friendly. We can log into our market basket, see what supplies are available, compare the prices among several vendors and lock in the best deal. If questions arise, we have access to the GPO's customer service staff who are deeply knowledgeable about the ophthalmic market to help guide us to make the best purchasing decision.

The GPO has a procurement platform, allowing members to see all the products that are available to them and order multiple products from multiple vendors on a single purchase order, which makes it much easier to make purchases and track orders. This is a game-changer because, before joining the GOP, our staff had to search

through product websites to discover what supplies were available and then negotiate prices directly with reps.

An analytics program allows members to monitor what they've ordered, which helps them track 30- to 90-day purchases so they'll know when it's time to re-order specific items. It also gives members an understanding of how much they're spending per case on each product.

As the GPO grows, members will be able to comparison shop across multiple vendors. When that happens, the GPO staff will advise members on how their choices can save them the most money. The GPO also communicates with manufacturers, telling them about buying trends they see among the members and suggesting products that are needed and will sell. It tries to meet the needs of its members and the manufacturers, so everyone wins.

• **Networking opportunities.** The GPO holds quarterly meetings with ASC administrators from member facilities. During the sessions, the administrators can brainstorm about issues a center is grappling with and how they're handling it or listen to a presentation from a vendor. These sessions were particularly helpful to us during the pandemic, when many ASCs felt as though they were going it alone. Administrators are also invited to monthly half-hour lunch-and-learn sessions about everything from sterile processing practices, maximizing reimbursements for cataract and MIGS procedures, revenue cycle management and how to lower costs when ordering custom supply packs.

During our first year as a member, the GPO saved us \$100,000.

A physician advisory board that includes retinal, cataract and corneal specialists guide the GPO on which physician-preference items should be made available. The physicians also make suggestions to members about overall operational strategies for ophthalmic ASCs.

- **Electronic documentation.** The GPO offers EMR and EHR software, which helps ASCs track every element of care delivered to patients. That's important because the Consumer Assessment of Healthcare Providers and Systems Outpatient and Ambulatory Surgery Survey (OAS CAHPS) asks patients about their overall surgical experience. Reporting OAS CAHPS scores is currently voluntary for ASCs, but the software will help members avoid potential Medicare rate reductions when the program becomes mandatory and is tied to facility reimbursements.

There are many intricacies to running a successful high-volume eye surgery center. By joining an ophthalmic-specific GPO, we no longer worry about dealing with vendors who tell us what supplies we can order and how much they cost. The GPO helps us maximize our supply budget, gives us access to a wider range of products and streamlines the purchasing process. Members of our staff also spend less time researching best prices for supplies and placing orders. They're able to focus more on what matters most: taking care of patients. That makes us able to provide cost-efficient care — and makes me much less stressed. My blood pressure, which has been under control since 2021, is a testament to that. **OSM**