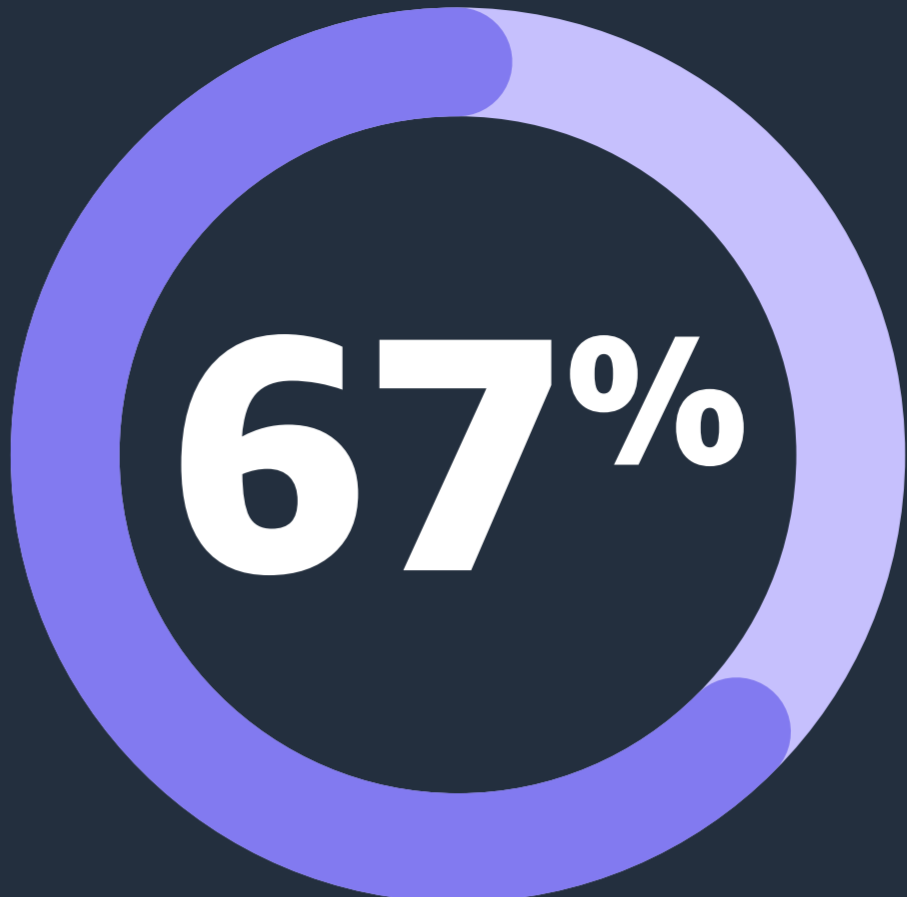


Navigating the Changing Landscape of Healthcare Procurement

amazon business




The supply chain and procurement function oversees most of a health system's external spend, including non-labor spend, medical supplies, and other utilities. This accounts for up to 40 percent of the organization's total costs. Leaders increasingly acknowledge supply chain and procurement's central role in driving efficiency for their organizations. They also look to procurement as a way to build resilience to weather market volatility, economic downturns, supply chain issues, and other disruptive forces.



of health system executives now view the supply chain function as more strategic and less transactional.

Source: McKinsey Survey of Health System C-suite and Supply Chain Executives 2022



 Learn about current challenges faced by healthcare procurement leaders and how to overcome them.

Healthcare procurement challenges



Selection and Pricing

When the economy experiences a downturn and cost-cutting becomes the highest priority, access to a wide selection of products with competitive pricing and high quality is integral to both survival and growth.



Purchasing Operations

Traditional sourcing tactics, with notoriously slow and tedious processes, tend to decelerate operations and frustrate staff.



Spend Visibility

Rising purchases outside of existing supply chain management systems make it difficult to manage policy adherence and track spend.

Balancing the purchasing landscape in healthcare

Healthcare leaders must increasingly balance the need for sourcing speed with visibility on buying behavior and spend management. To prosper in the face of uncertainty, organizations must adopt more agile supply chain operations that make buying easy while optimizing costs.

Here are three ways procurement leaders can accelerate change, strengthen supply chain resilience, and drive organizational value:

1

Extend your supply network with competitive pricing

2

Automate purchasing while maintaining spend control

3

Make better data-driven decisions and guide buying

1. Extending your supply network with competitive pricing

Operational disruption and delays in back-ordered supplies impair employee productivity, reduce cash flow, and pose risks to patient safety. Traditional means of finding new suppliers involve a lengthy process. By relying on traditional supply chains – and external parties that don't fulfill product demands while limiting access to alternative purchasing solutions – healthcare buyers remain at a disadvantage.

Healthcare buyers seek new suppliers to improve their organization's resilience. B2B e-commerce tools provide access to millions of sellers. By purchasing in an online store that consolidates access to multiple suppliers, the risk of purchasing directly from multiple individual suppliers is inherently minimized. Better still, digital solutions eliminate the time spent onboarding and managing vendors.

With cost-reduction as the top priority, it is evermore important to access a wide selection. Competitive pricing from hundreds of thousands of sellers helps you increase savings on larger quantities of select items, all without vendor contracts.



of respondents say their greatest supplier management challenge is the ability to quickly switch suppliers in response to disruption.

Source: 2021 Harvard Business Review Analytic Services Survey

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Using Amazon Business allows our staff to find a wide array of healthcare products. And while some vendors only have one or two options, we find that Amazon Business will have 20 or more options for us to choose from. When we're able to get what we need cost-effectively, that allows us to put our resources into what matters most: providing high quality care for our patients.

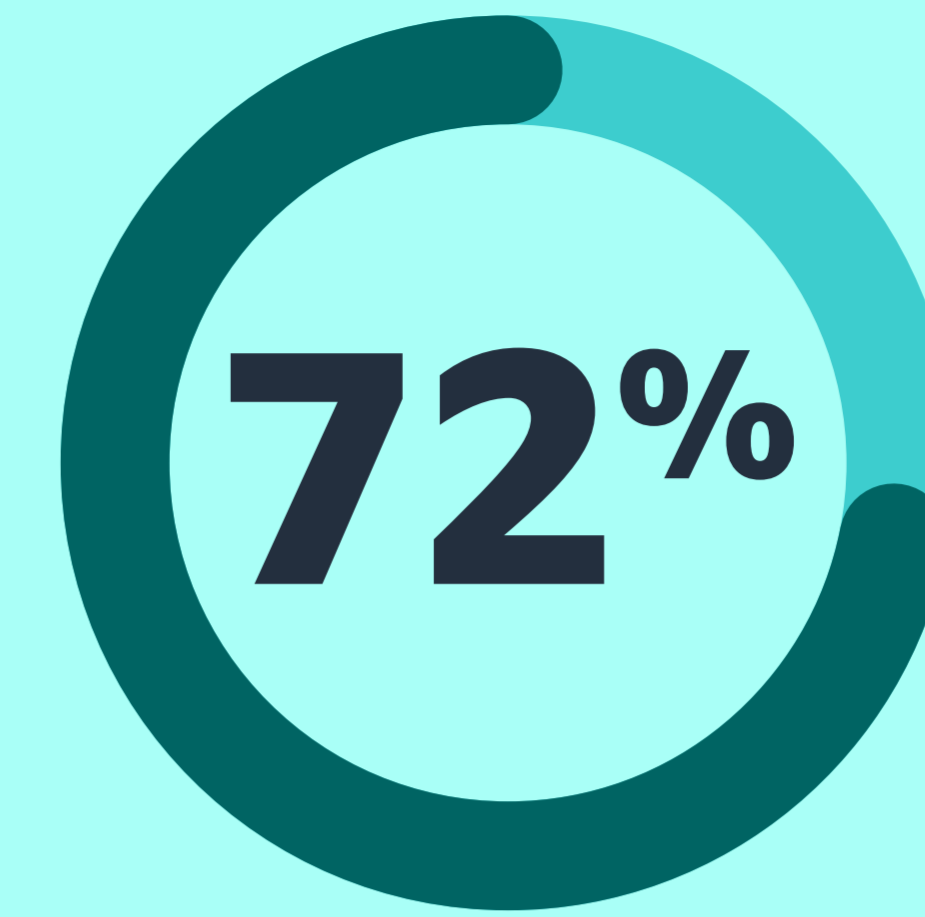
Dara Koppelman
Chief Nursing Officer
Mary's Center

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2. Automate purchasing while maintaining spend control

Your organization needs certain unplanned supplies that could be outside of a negotiated agreement. As an end-user, manual processes—like tracking down stakeholders for purchase approvals and searching for frequently purchased products—take more time than they should. As a centralized procurement team, with hundreds of buyers making fragmented purchases, it's easy to lose track of essential information, skip steps in the purchasing authorization process, or miss opportunities to consolidate spend especially for supplies purchased in bulk. It's not enough to maintain supply continuity through strategic sourcing. In order to move quickly, healthcare providers must embrace digital tools that streamline procurement activities and make buying easy.

This is accomplished by automating processes, delivering intuitive experiences, and centralizing access. By empowering employees with innovative digital purchasing solutions, they can spend less time on sourcing activities and more time on high-value initiatives for the organization.



of leaders say digitizing more processes and technologies will increase operational efficiency.

Source: 2021 Harvard Business Review Analytic Services Survey

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The main benefit of Amazon Business for us is the ability to shift costly, labor-intensive approval processes for these items, so users can order directly with a more simple review and approval process. It's saved us so much time, to the tune of 500 requests a year. Adding Amazon Business has had a significant positive impact for us.

James Leroy
Director of Strategic Sourcing & Value Analysis
Seattle Children's Hospital

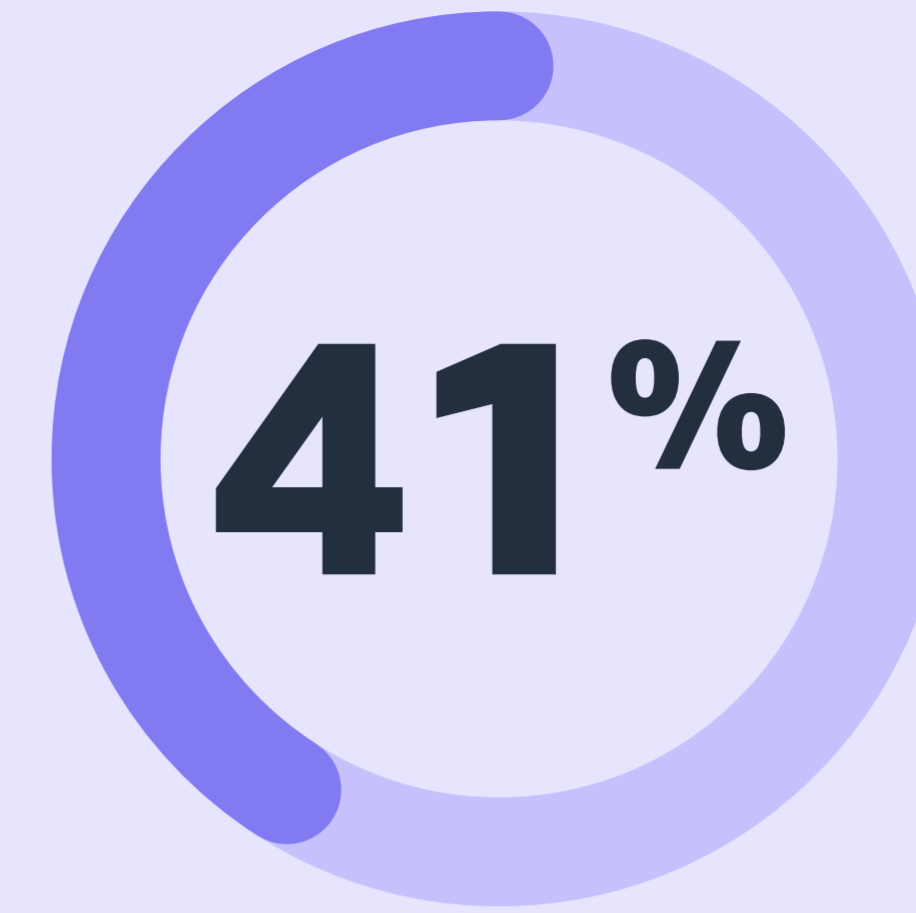
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3. Make better data-driven decisions and guided buying

Non-contract spend and alternate buying behavior can be unpredictable, making it difficult to track and manage. Without full insight into spend, healthcare organizations can't recognize opportunities to reduce costs. With multiple buyers across your organization, you might end up paying tax on items you shouldn't or unintentionally order expensive items when more cost-effective options exist.

Employee expectations for purchasing simplification and speed don't have to mean a trade-off for the visibility leaders need to meet the financial demands and expectations of their organization.

By consolidating spend to one place, healthcare leaders can save time compiling reports from multiple sources, access real-time data, and recognize purchasing patterns across teams and the organization.



of respondents rate their ability to track and analyze data as good or very good.

Source: 2021 Harvard Business Review
Analytic Services Survey

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With Amazon Business, we no longer have to sort through a credit card statements trying to determine which department items get expensed to—everything is connected to a purchase order and makes our accounting system run smoothly. Our employees can find the items they're looking for, and send them to me to order, which makes it easy for to know exactly what the need is and get it purchased quickly. I can't tell you how much this has helped us in our facility!

Jodi Weimer
Materials Manager/Purchasing
Sheridan County Hospital

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Join us as we reshape healthcare procurement

Amazon Business healthcare customers
in the U.S. represent:

92

of the **100**
largest hospital systems

10

of the top **10**
children's hospitals

9

of the top **10**
senior living corporations



How Ochsner Health is moving their supply chain from just-in-time to resilience

The wreckage from Hurricane Ida in Louisiana decimated supply chain systems throughout the state. In the aftermath of the storm, the staff at Ochsner Health not only lost access to their regular shipments of supplies and equipment, but they also struggled to source a wide variety of supplies to support aid and recovery efforts within their local community. As the largest community health provider in the state, the pressure was on the Ochsner team to continue providing excellent care while aiding in community recovery and outreach.

Unwilling to place additional demands on local suppliers like Walmart and Target — where members of their community were also turning for their individual recovery supplies — the Ochsner team turned to Amazon Business. At the time, Amazon Business was still learning how to do bulk deliveries, but that did not stop us from working with multiple suppliers to source a wide variety of items that were not available through normal channels.

E-commerce is helping healthcare organizations like Ochsner Health find the balance between supply chain efficiency and multiple sources for resilience.



Amazon Business is leading the e-commerce frontier which will give many industries more sourcing options for supply resiliency, along with increasing speed to market. The transparency of customer feedback ratings and detailed page information helps with first-time buying.

Régine Villain
Chief Supply Chain Officer
Ochsner Health System





Healthcare is complex. Buying shouldn't be.

We're improving the way healthcare organizations source and purchase products, making supply chains more efficient, streamlining contract administration, and bringing comparison-shopping to healthcare.

SIMPLIFY SOURCING

Wide selection

Access hundreds of millions of products across business-relevant categories from sellers worldwide in a one-stop shopping experience.

Reorder lists

Add, organize, and prioritize frequently purchased supplies with Reorder Lists. Quickly reorder supplies from these lists, and share lists with others.

Convenient delivery options

Set preferences to receive your deliveries when it's most convenient. Specify business hours and add instructions to help your items get to the right place.

GAIN EFFICIENCIES

Automated workflows

Easily approve staff purchases and share approved payment methods. Set guardrails with spend limits and category restrictions.

Easy reconciliation

Save time by automating reconciliation processes using line-item detail on every purchase made with eligible commercial cards.

Streamline access

Maintain the same, secure one-click experience with your SSO integrated corporate applications and centrally manage buyer access and permissions.

MAKE BETTER DATA DRIVEN DECISIONS

Analytics

Get real-time data on spending, stock-outs, and delivery so you can make smarter purchasing decisions.

Pre-built and custom reports

Use reports to identify opportunities for optimizing spend such as supplier consolidation, bulk purchasing, and tax-exemptions.

Buying policies

Set buying preferences, restrictions, and custom messages on specified categories, products, or suppliers with Guided Buying and Business Prime.



Get started today

[Contact us](#) at to uncover valuable insights on your organization's buying behavior and make buying easy.

Visit our [healthcare procurement portal](#) to learn more.