



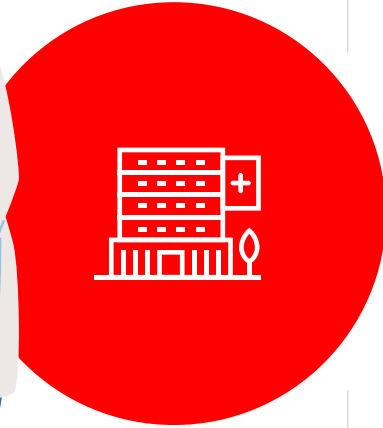
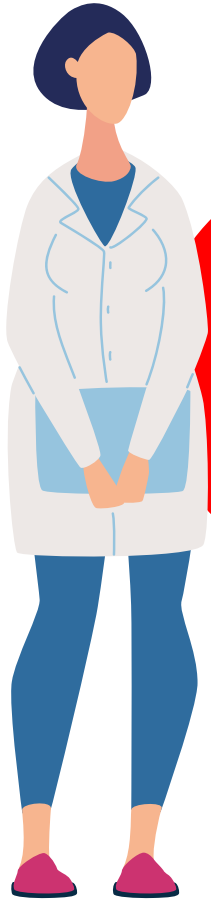
Healthcare Consolidated Service Center Mythbusters

We asked **Ryan J. Rotar**, executive director of supply chain at UNC Health, Chapel Hill, North Carolina to debunk some common misconceptions about a healthcare consolidated service center (CSC).

Let's get to the truth.



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Myth 1.

Our organization is not large enough.

Truth: This model isn't about SIZE per se, it's about leveraging what size you do have (big or small) through more consolidated behaviors to create more value for your facility. Ultimately, each organization must determine for themselves what a CSC model can do for them and only them. There are small CSC operators who create enormous value while much larger operations do not.

Myth 2.

Our volumes are too small.

Truth: In some cases, this is true. If you don't have enough volume, you may not be able to glean enough value to make this model work; especially as it relates to direct-to-manufacturer relationships. Even if your volumes are lower than needed to support this type of model, you can still deploy some of the concepts and be successful..





Myth 3.

Our distributor takes good care of us...why change?

Truth: This model has little to do with your distributor so if they're taking good care of you, keep it up. However, look at your organization's total supply spend in relation to your distributor spend and you'll quickly see that distributors are unable to impact your entire supply spend, while the CSC model certainly can.

If you wanted to entertain the CSC model focusing on commodity products where you have a good distributor relationship, you will certainly need to determine who can more effectively manage this area of spend. With some exploration, you may be shocked to see the benefits a CSC model can provide.

Myth 4.

Our organization can't afford it.

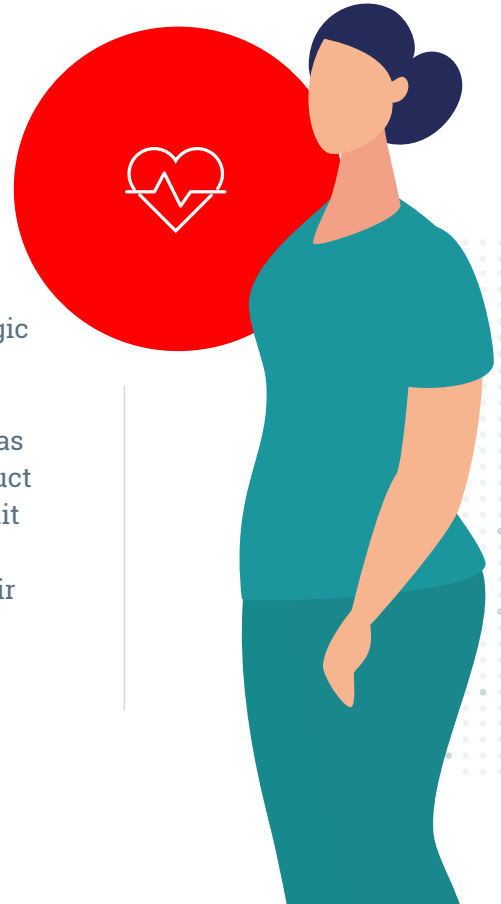
Truth: Every health system can afford this model. The basic economics work for everyone big or small, but the real question isn't about the cost of the model. Instead, you need to be asking if your organization and team are open-minded enough to learn? Additionally, take into consideration if you and your organization are courageous enough to go down this path knowing you'll have to change not only your perceptions of this business, but also how you behave with the manufacturers you buy from.



Myth 5.

This will affect our patients negatively.

Truth: HA! This couldn't be further from the truth. This model enhances collaboration with physicians and clinicians in the strategic contracting process to decrease costs, increase quality, empower standardization, and improve product utilization. Furthermore, this model aims to better integrate business-facing staff into clinical areas to better anticipate product needs, enhance quality and ensure product availability. On the operations side, many CSC models deliver low unit of measure distribution straight to clinical areas at higher fill rates which ensures providers have the products they need to care for their patients. When executed correctly, a CSC model enables increased outcomes and reduces supply risks.





If these truths have made you realize a consolidated service center strategy might be right for your organization,

Speak to a healthcare supply chain expert



For more information on Tecsys Solutions, contact Tecsys at **800-922-8649** or **info@tecsys.com**

