



CUSTOMER OVERVIEW

- A Northern California based healthcare System engaged Profit Advisory Group to audit their spend for voice, data, wireless, internet and equipment.
- Spend volume: \$2,980,000 annually.
- Project included 10 locations.

KEY CHALLENGES & OBJECTIVES:

- Challenges included extensive data collection.
- Government Discount Program.
- Project objectives included achieving cost savings and invoice consolidation.

PROFIT ADVISORY GROUP SOLUTION:

- Extensive Data collection using Profit Advisory Group Data Collection process.
- PAG created a comprehensive inventory of all services currently in use by the hospital and its facilities.
- PAG reviewed current invoices for contract compliance.
- Profit Advisory Group worked with the client on consolidation of existing services.
- PAG set up key vendor portal access for client.
- PAG conducted extensive utilization studies to insure network was the right size to meet current and future needs.
- PAG evaluated the CALNET program and moved services to take advantage of more favorable rates.
- PAG helped client correctly purchase existing services to avoid costly overages.
- PAG created a database of all current contracts to help develop a strategy to insure client had more leverage in future negotiations.

RESULTS:

Client was able to reduce costs by almost 18% or \$566,000 without any vendor change. Secured a credit of \$260,000 for missing contract discounts. Helped the client move more of their qualifying services to the CALNET program. Helped client clean up invoices and identified an outstanding \$83,000 credit balance that was moved to pay down an active account. Client was able to use the vendor portal access to better manage their spend.

