

# HMMC 2004 SPRING CONFERENCE

The Ritz Carlton Amelia Island

April 28-30, 2004

**Scott Farrar** – VP National Agreements with HPG  
**Les Popiolek** – VP Contract Services with Broadlane  
**John Strong** – President and CEO with Consorta

## Panel Format (Friday April 30<sup>th</sup>)

- 9:15AM Each panelist will be introduced as they provide a 15 minute presentation on their Group and how they have or are evolving in their strategies. Underlying this is the information the panelist wants the HMMC audience to take home about their Group.
- 9:45AM Break
- 10:15AM Question and Answer Period – where each panelist will address questions previously submitted (see below) and we will accept questions from the floor.
- 11:15AM Adjourn

## Questions Submitted

- Are we entering an age of “niching” for GPO’s . . . . such as commodity versus physician preference . . . . how will GPO’s play in biologics . . . gene therapy . . . . cell diagnostics?
- Latest contracting approach for GPO’s appears to be an “all play” rather than single/dual/multiple . . . particularly in physician preferred . . . why would a vendor be aggressive in price and service within an *access* environment . . . . would you expect incumbent suppliers to increase their pricing, if they were previously contracted under limited selection?
- What is the recourse if a contracted supplier is stonewalled by Materials Management and the product is clinically preferred . . . . can you give an example where you awarded a contract based on product advantages, even though you may have felt the price was too high?

# HMMC 2004 SPRING CONFERENCE

The Ritz Carlton Amelia Island

April 28-30, 2004

- Given a certain amount of similarity among some GPO's contracts . . . . . how do the GPO's differentiate themselves through implementation of their agreements?
- For the smaller manufacturer . . . . . does your group have a contracting process (similar to the VA) for small manufacturers or minority owned businesses . . . . if so, how does this integrate with contracted products that may be traditionally controlled by larger manufacturers with large market share and extensive distribution channels?
- There is a belief that the small manufacturer . . . . can not get the attention of the GPO just by having a more advantages price . . . . what is the recommendation of your Group for them to position themselves?
- When awarding (or eliminating) a contract . . . . do you look at the impact this may have on that company . . . . . especially involving a smaller manufacturer? Additionally . . . what is your policy on site visits to manufacturing plants to see if and what quality controls are in place?
- Regarding administrative fees . . . . is this communicated to the membership . . . how would you recommend a contract supplier utilize this advantage when a member compares GPO pricing with locally driven pricing?
- Any strategies in the foreseeable future that expand GPO services to your members . . . . . how about outside of purchasing contracts . . . . what would they be?
- How do your committees interplay with the contract decisions . . . . assuming input (or votes) from your committees are not unanimous, how do you collaborate for consensus and finalize recommendations for a supplier?
- On "e-commerce" . . . . the industry appears to have consolidated around The Global Healthcare Exchange (GHX) . . . . why, is it taking so long to obtain the advantages of this approach that have been touted for so long . . . . are the distributors dragging their feet . . . . what about the suppliers?
- Distribution is recognized as a key component to supply chain strategies and therefore GPO contracting . . . . . it appears that "just-in-time" has fallen by the wayside, receiving little visibility in recent years . . . . in your opinion why is this . . . . what are your future strategies for Distribution?