THE CHALLENGE

Alaska Native Tribal Health Consortium (ANTHC), a not-for-profit tribal health organization, is comprised of seven medical centers, 180 clinics and 56 critical access facilities. Seeking to increase efficiency and lower costs, the ANTHC decided to build an Integrated Delivery Network (IDN) to unite their organizations and manage the utilization of assets. The benefits of forming the IDN included:

- Cost reduction through the ability to leverage volume in negotiations, using aggregation to achieve better tiered pricing for products and services.
- Consolidation of contract administration and support resources. Most organizations don't have the staff to negotiate with thousands of vendors. The IDN can negotiate large spend areas, capital or minor equipment contracts on their own or in conjunction with their group purchasing organization.
- Ability to leverage cash position.
- Ability to specialize services and align physicians.

Working together with their group purchasing organization, Intalere, the ANTHC could further enhance the IDN organization through added benefits including:

- Supply chain pricing lower than what facility or IDN could get individually – generally an average of 15-20 percent savings per member on products and supplies.
- Employee Access Contracts – savings for the facilities and their employees on office supplies, apparel and educational opportunities.
- Flexibility – with assisting providers in negotiating regional and custom contracts.

In addition, one area of focus and opportunity was computer hardware and software. Because of the overall volume and shipping logistics, finding savings and efficient options would be uniquely challenging. The ANTHC and their Intalere representative, Mark Creed, identified an opportunity around the procurement of IT hardware and software. Purchasing 800-1,000 PCs and other hardware each year combined with the cost of shipping them to Alaska could be inefficient and expensive, so they wanted to come up with a solution that would facilitate affordable pricing to span the entire IDN installation as well as making purchases more efficient.
THE SOLUTION
Creed and Stephen Redgate, director, supply chain management at ANTHC, searched for a reseller who could help save them money on their ongoing volume purchases and act as an advisor to the ANTHC for their specific needs. He introduced Intalere supplier SHI International Corporation and their representative Dale Phelps to the consortium.

SHI is a global provider of information technology products and services. From software and hardware procurement to deployment planning, configuration, data center optimization, IT asset management and cloud computing, SHI offers custom IT solutions for every aspect of a customer’s environment.

At the time, the only Dell products the consortium had purchased were procured by just one of the medical centers, and only for desktop products. Through its partnership with Intalere and Dell, SHI was able to secure a Preferred Distribution Agreement, driving significant savings, and consolidated shipping to Alaska. Additionally, SHI saved the consortium exorbitant shipping costs by organizing consolidated, cost-effective shipments from Dell to Alaska.

THE OUTCOME
Together, SHI, Intalere and Dell are saving the ANTHC 20-30 percent on Dell products, as well as purchases from other leading hardware and software manufacturers, assisting the consortium in implementing an IDN agreement. Due to the success that ANTHC has had, SHI, Dell and Intalere are replicating this model with other healthcare networks.

As part of an ongoing effort to help the consortium efficiently utilize their software licenses and maintenance, SHI and Intalere are working on providing them with Polaris Renewal Organizer – SHI’s IT Asset Management solution – which increases organizational standards compliance, cost-savings and better utilization of existing resources and streamlined IT processes throughout all stages of a product’s life cycle.

“With the Polaris Renewal Organizer, which is no charge to the ANTHC, SHI and Intalere have helped us proactively keep track of all of our IT maintenance and support agreements, which has allowed us to take advantage of cost-savings through full utilization of promotions and manufacturer buying programs,” said Redgate.

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Stephen V. Redgate ∙ Director, Supply Chain Management ∙ Alaska Native Tribal Health Consortium

About Intalere
Intalere’s mission focuses on elevating the operational health of America’s healthcare providers by designing tailored, smart solutions that deliver optimal cost, quality and clinical outcomes. We strive to be the essential partner for operational excellence in healthcare through customized solutions that address customers’ individual needs. We assist our customers in managing their entire non-labor spend, providing innovative technologies, products and services, and leveraging the best practices of a provider-led model.