THE CHALLENGE

Established in 1905, Lewistown Hospital is a 123-bed non-profit acute-care community hospital located in Pennsylvania's rural heartland. Serving 80,000 members of the Juniata Valley, Lewistown employs more than 1,000 people including 128 physicians and allied health practitioners. An independent facility, Lewistown is located near several large metropolitan areas in the Northeast corridor such as Philadelphia, and is only 70 miles from the Penn State Hershey Medical Center.

“One of the more common diseases in our population is lung cancer,” said Diane Kline, director of material management. “We also follow national trends for sites such as breast, prostate and colon.” Lewistown's senior leadership, always passionate about bringing the highest level of care required by the community, recognized a need for improved local access to state-of-the-art radiotherapy services. In addition, by establishing a treatment niche, the hospital could realize increased revenues and boost efforts to acquire highly-qualified clinical personnel.

“Because we are a rural hospital, competition for physician recruitment with the major cities around us is challenging. We spend significant dollars acquiring personnel,” she explained. The increased profits realized would enable redistribution of capital to other areas of the organization requiring better financial solutions.”

THE SOLUTION

A valued member since the 1980s, Kline contacted her Intalere team to collaborate in the development of a cost-effective purchasing plan to help Lewistown realize their goal of a new multimillion dollar cancer center. At the heart of their strategy was the acquisition of powerful cutting-edge equipment for cancer detection and treatment that would set Lewistown Hospital apart from its regional competition. They decided to invest in the most advanced, name-brand instrumentation and technologies available on the market — linear accelerators and PET/CT scanners that were only being used in prominent research hospitals worldwide. They also incorporated instrumentation—specific electronic medical record (EMR) and treatment planning systems to enhance outcomes while significantly reducing patient stress and travel.

In addition to assisting with the construction of a cost-effective and logistical procurement strategy, Lewistown asked Intalere to help mediate negotiations with equipment manufacturers. “We had personal guidance from experts on the Intalere team,” said Kline. “They looked at our proposals, tore them apart; then put them back together again. They knew what to leave in and what to trim out.”

A SHORT TAKE ON SUCCESS

The Challenge:
- Rural community in central Pennsylvania requires cutting-edge care for lung and other cancers.
- Local independent hospital in competition with several better-equipped urban facilities less than 100 miles away.

The Solution:
- Intalere TargetBuys® enable creation of state-of-the-art cancer center.
- Membership in Intalere Keystone Alliance provides significant ongoing savings and regional prominence.

The Outcome:
- Cancer treatment and detection success rates greatly improved.
- Increased revenues and significant boost to physician recruitment efforts.
Success Story Diagnostic Imaging

During the planning process, exclusive TargetBuys for the brands of linear accelerator, PET/CT scanner and related treatment planning and EMR software systems became available from Intalere at a significant discount. Intalere TargetBuy promotions deliver exceptional savings for a limited-time on a diverse assortment of market-leading products selected to meet the immediate aggregate needs of the membership. “By utilizing TargetBuys, we saved 50.8 percent off the original cost,” Kline explained. “With the help of Intalere, we were able to stay within our budget.”

As the new cancer center began to take shape, leadership at Intalere and Lewistown Hospital became convinced that the region would greatly benefit from the formation of an Intalere Alliance: virtual integrated delivery networks working together to drive improvements in quality and financial outcomes. Alliance members drive additional savings by pooling purchasing volume, improving margins and enhancing outcomes with best-practice networking. Program participants nationwide regularly demonstrate up to 20 percent annual savings.

THE OUTCOME

Lewistown Hospital continues to provide excellent care for patients at its cancer treatment facility, a state-of-the-art center offering advanced, aggressive radiation therapy in a relaxed rural setting. Since the acquisition of this equipment, the success rates for tumor localization and treatment delivery has greatly improved due to earlier detection and more precise treatment techniques says Dr. Bernard Rogers, Medical Director of Radiation Oncology. In fact, Lewistown Hospital was honored with the Corporate Excellence Award by the American Cancer Society as well as an Intalere Healthcare Achievement Award for outstanding performance in community impact. Physician recruitment has also been markedly enhanced.

“Intalere helped make our vision a reality. Not only did we save 50.8 percent on the purchase of capital equipment using TargetBuys, Intalere also provided technical expertise and negotiation strategies that were invaluable during the early phase of the project.”

Diane Kline · Director, Material Management · Lewistown Hospital, Lewistown, Pa.

Finally, a few months after the new Community Cancer Center opened, Intalere established the Keystone Alliance – with Lewistown Hospital as the founding member. “Through cooperative relationships among similar hospitals in our region, we are already recognizing greater opportunities for cost-savings, networking and education,” said Kline. Costs are reduced by pulling together each alliance member’s purchasing volume for higher tier pricing and relationships are strengthened via regular meetings that bring together managers from different clinical areas.” In one year, the Keystone Alliance has grown to include ten healthcare systems and 56 locations throughout the region, leveraging purchasing volume to realize additional savings through the creation of preferred vendor agreements.

“Intalere is a true partner with Lewistown Hospital because they have aligned their goals with our goals to help make us a success. The leadership is visionary and their regional managers are willing to put in an extensive amount of time and energy—just like I am—into improving efficiencies, so we can meet our mission to deliver quality economical healthcare for our community.”