

WSHMMA
54th Annual Conference
Purchase Services Best Practices & Trends

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Purchase Services Contract Administrator

- 30 year Supply Chain experience
- 20 years Commodity Buying & Negotiations
- 10 years Negotiating Purchase Services
 - 5-years: large IDN
 - 5-years: single hospital w/several medical centers

Early Years

Challenges:

- Department heads negotiating in silos w/out SCM input
- Difficult locating all existing contracts
- Clinicians negotiating contracts
 - ✓ Not their skill set
 - ✓ Sign contracts w/out really knowing what they are signing (i.e. Freight FOB Ship Pt, Penalties, Auto-renew terms, Non cancelation clauses etc.)

LAST 5 YEARS

IMPROVEMENTS:

- End Users partnering w/SCM to negotiate contracts
 - ✓ Trust level attained through teamwork
 - ✓ Treated as valuable resource
 - ✓ KPI collaboration
 - ✓ Inclusive QBRs

PURCHASE SERVICE CONTRACTING BEST PRACTICE

- RFPs great approach for multi-yr. uncontested contracts
- SCM “lead” all negotiations
- QBRs for all major contracted services
- SCM partnering w/ Key Stake Holders
 - ✓ To fully understand the service parameters
 - ✓ Comprehend the need
 - ✓ Grasp quality considerations