

Guthrie Group Purchasing Organization Membership

Corporate Purchasing and Value Analysis

What is a GPO?

- A group purchasing organization (GPO) is an entity that is created to leverage the purchasing power of a group of businesses to obtain discounts from vendors based on the collective buying power of the GPO members.
- Guthrie's primary GPO is Vizient, and secondary GPO is Captis

COLLABORATIVE CONTRACTING

Utilizing Vizient as its foundation, Captis leverages existing resources and tools to negotiate additional value based on the ability to aggregate and deliver market share commitments that result in better cost efficiency.





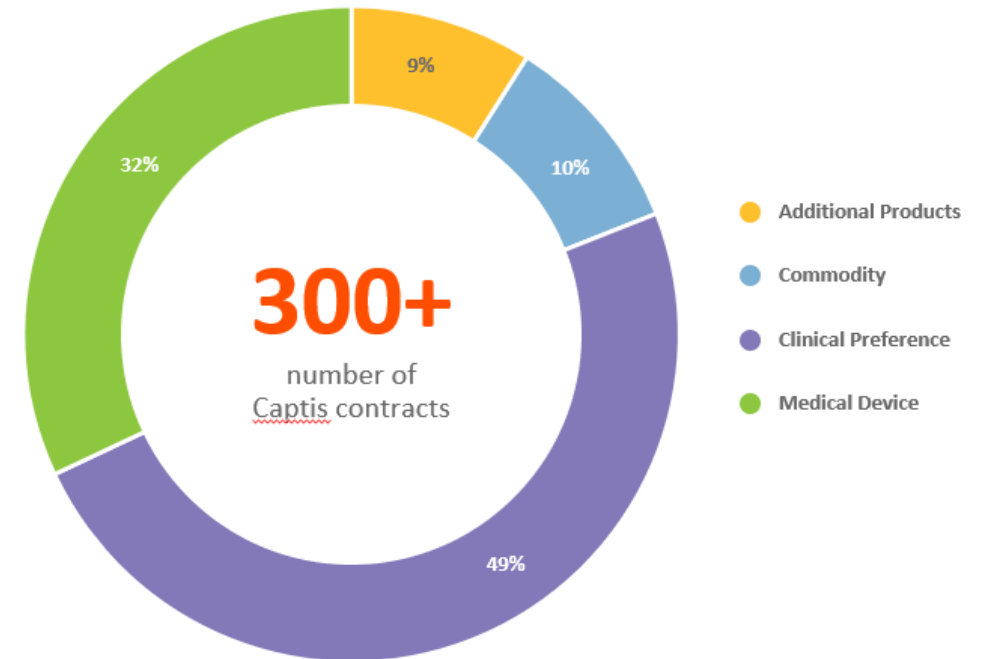
Company Introduction for Providers

Captis is a collaborative healthcare organization delivering savings and value for members through aggregation and committed spend. Captis members participate in a portfolio of **contracts** (Commodity, Clinical Preference, Medical Device and Pharmacy) and **programs** (supply chain, clinical, pharmacy and finance). The member driven and owned network has accomplished member objectives by establishing a culture of innovation and accountability. The group seeks to increase efficiencies and reduce expenses by aggregating spend and redesigning supply chain processes. With 90+ members, 300+ contracts in its portfolio and \$16 billion in annual member spend potential, Captis has documented \$1.1 billion in savings since 2008. Captis is supported by two service providers: Mayo Clinic Supply Chain and Vizient.

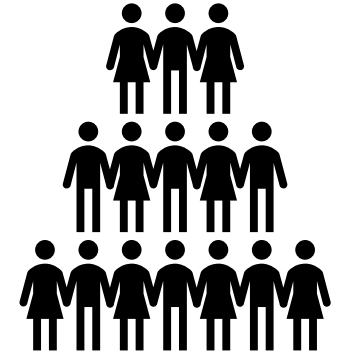
This organization is a member and owner of Captis and is committed to purchasing from and participating in the Captis portfolio of contracts, services and programs. Providers are encouraged to review existing contract commitments and understand Captis spend requirements. Captis provides several opportunities for clinicians to influence contracting strategy including clinical committee and advisory panel participation and clinical feedback surveys. Contact your Captis Clinical Representative or Supply Chain leader for more information.

Captis Initiatives

- Contract awards announced (3-year contract life usually)
- What goes into this?
 - Mayo Clinic Value Analysis Process occurred
 - Mayo Clinical Trials
 - Subject Matter Expert Panels
- New Product Process begins
 - Usage and forecasting analysis completed
 - Guthrie physicians identified and consulted
 - Decision support tapped
 - Revenue cycle consulted
 - Trials conducted if needed
 - Voting occurs and logistics of conversion begin



Captis Member Behaviors...



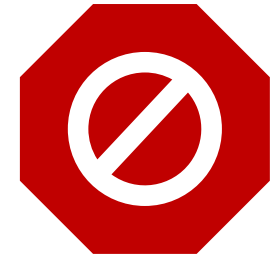
- Participate in innovation that drives value.
- Create a single voice during the sourcing and contracting process, members refrain from negotiating local or individual agreements on behalf of their respective organization.
- Captis contracts have quiet periods... when in doubt say nothing and always come to Value Analysis first!

KEY LEARNING: Behaviors needed of all Caregivers... Led by YOU!

Ensure confidentiality of ANY pricing, strategy and market intelligence.

Pricing sharing is prohibited – this is necessary to avoid fines, loss of membership in buying consortiums, helps us maintain a bargaining edge with vendors. Most important: there are significant legal ramifications with any price sharing.

Leaders are required to complete an annual conflict of interest and disclose any relevant changes to their conflict of interest. Our CQVA rosters will be sent to the Compliance Department for review.



Meeting with Vendors

- Please encourage your teams to coordinate with corporate purchasing when vendors reach out or providers are interested in a new product
- Remember vendors should be getting credentialed with Green Security/SYMPLR before coming on site
 - No printed badge, no meeting
 - We are all responsible