

# Good Samaritan Hospital

## The Challenge

Good Samaritan Hospital set a goal of becoming the lowest-cost provider in its market while maintaining its ability to deliver outstanding diagnostic, surgical and therapeutic care. Leadership sought to optimize supply chain efficiency and to reduce overhead by eliminating the need for an off-site warehouse.

Huron worked collaboratively with hospital leadership and staff to implement non-labor cost savings through contract negotiations, utilization practices and standardization. Huron also led a redesign of the entire supply chain process, improving workflow, technology and efficiency, allowing Good Samaritan to sustain bottom line benefits.

“Our work with Huron helps us continue to deliver excellent care at a competitive cost, positioning us for a strong future.”

**ANDREW LEEKA, PRESIDENT AND CEO,  
GOOD SAMARITAN HOSPITAL**

## Our Approach

**Reducing Supply Costs.** Huron worked with Good Samaritan to centralize purchasing, leverage volume and renegotiate contracts. This approach delivered annual recurring savings across clinical and non-clinical supplies, including medical/surgical supplies, implants, contract services, food and nutrition, environmental services and pharmacy and laboratory costs.

## Results

**\$7.8M** recurring cost savings (140 percent of target savings)

One-time savings of **\$200,000** from inventory reduction

Recurring labor savings of **\$70,000**

**Transforming the Supply Chain.** Huron redesigned core supply chain processes and workflow to be more efficient, transparent and accurate. The engagement automated the supply replenishment process and reengineered the purchase order process, creating a paperless environment.

**Enhancing Technology.** Huron improved utilization of Good Samaritan’s Materials Management Information System (MMIS) to increase efficiency, eliminate redundancies and improve turnaround time. The engagement also implemented RFID technology to increase visibility of assets and to improve inventory controls for cath lab supplies and hospital equipment.

## Results & Benefits

Reducing overhead costs through its redesign, Huron helped Good Samaritan move to a JIT (Just In Time) supply replenishment program, eliminating the need for an off-site warehouse.

Good Samaritan is a 408-bed hospital and academic medical center with nearly 95,000 outpatient visits per year. The hospital has more than 1,500 employees and has 600 physicians on its medical staff.