

Supply Chain Services

Achieving High Performance
in Health Care


accenture

High performance. Delivered.

• Consulting • Technology • Outsourcing

Health providers have a significant opportunity to improve and sustain operating performance by addressing their supply chains in a holistic manner. The traditional nonlabor supply chain represents 40 percent of the typical hospital system's total operating expenses, with roughly 25 percent of supply chain expenses related to administration, overhead, logistics, ineffectiveness and inefficiency.

More than ever before, providers need to wrestle control of their supply chains. Their supply chain practices are often plagued by an over-dependency on third parties, fragmentation, limited information, misaligned incentives, poor control, inconsistent use, excessive choice and limited visibility. More and more financial pressure is being placed on the supply chain to evolve beyond managing transactions and deliver high performance, through both expense reduction and revenue enhancement.

Accenture has been successful at helping organizations address supply chain issues through our deep industry experience in consulting, technology and outsourcing. Our point of view is that the supply chain is a critical process that can and must evolve. Health organizations need a supply chain strategy that identifies processes to be improved, the architecture for technologies and data, and competencies for their people. We believe that one size doesn't fit all. Depending on their situation and objectives, health

organizations can adopt different types of supply chains.

We are recognized as a global leader in both supply chain and health care consulting, with more than 7,000 dedicated supply chain consultants across all industries, many of whom are dedicated entirely to the health care industry. We have both the vision and the knowledge of best practices to help you build a sustainable, strategic supply chain that can improve the performance of your organization.

Our key service offerings

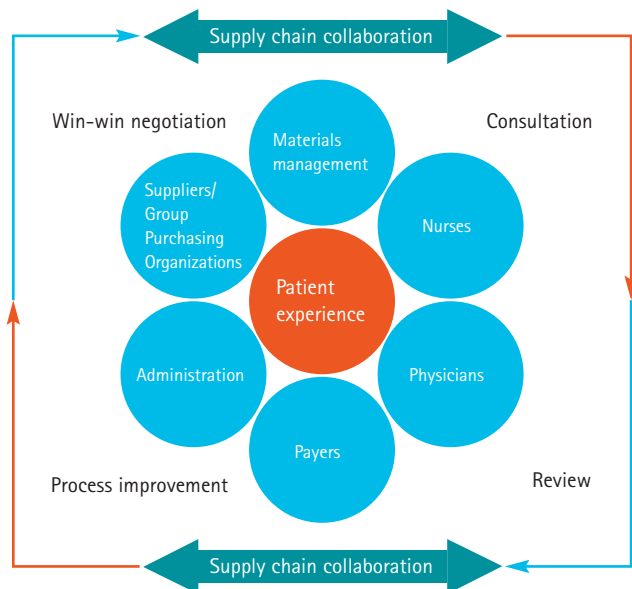
Accenture's approach is designed to deliver high performance throughout your supply chain by enhancing collaboration, connecting processes across your organization and extending them to your partners. We can help you reduce the variability in your supply chain to improve your patient outcomes and customer satisfaction. And we can integrate your supply chain systems with your revenue cycle to help you capture charges.

We have proven supply chain methodologies, supported by a depository of combined knowledge via proprietary tools and procedurally-based project packs that collect and disseminate data across the practice. Our supply chain team is comprised of clinicians, physicians, pharmacists, lab/blood specialists, strategic sourcing specialists and supply chain technologists. Our seasoned analysts support field-based teams to enable timely engagement delivery at an accelerated pace.

Accenture can help hospitals succeed across ALL aspects of the supply chain:

- **Assessment:** We focus on clinical and nonclinical departments across the organization to identify opportunities in key product streams including operating rooms, cath labs, cardiology, nursing/commodities, and purchased services such as dietary, housekeeping and equipment maintenance. We establish a value of opportunity portfolio and

Supply chain collaboration



prioritize key areas for operational improvement to provide you with a roadmap for implementation.

- **Contract optimization:** We help providers implement a combination of national, regional and local contracts that help you understand when to use group purchasing organizations and when to contract on their own to drive the most value. The process entails a holistic approach across the entire organization with a specific emphasis on clinician involvement. We can deliver quantifiable, measurable savings that improve performance.
- **Logistics:** We help organizations evaluate their internal and external management flows. We examine the entire supply chain process, all the way from replenishment to internal charge capture.
- **Supply chain enterprise resource planning (ERP) implementation:** Enterprise solutions integrated with the supply chain allows for greater magnitude of savings (stronger financial controls, reporting, etc.) as well as the ability to maintain savings over the long term. Accenture helps to define your processes, supply chain infrastructure, and future vision. We offer a structured implementation approach, with experienced supply

chain and enterprise solution resources who understand leading practice supply chain processes, and the impact of a chosen ERP package on these processes. We help you manage the risk associated with successful implementation.

- **Content management:** This is integral to data integrity and daily management of your supply chain, allowing visibility into management of product sourcing and utilization. Accenture provides leadership and team members to cleanse, aggregate, and append attributes to enrich your item and master files (vendor, item and charge description), and deliver a comprehensive item master to the production environment.

Our collaborative, adaptive solutions are designed to enable high performance, independent of specific procurement, distribution or outsourcing arrangements. We have both a clinical and a nonclinical focus on efficacy and process to help you select and use products and medications at the right time, in the right place, and for the right patient. We can help to reduce variability of products, services and vendors to improve financial performance, customer satisfaction and the patient experience.

About Accenture's Health & Life Sciences Group

Accenture's Health & Life Sciences professionals deliver innovation and insight to both the private and public sectors of the marketplace, which includes integrated health care providers, health insurers, managed care organizations, public health organizations and pharmaceutical, biotechnology and medical products companies. With more than 5,000 professionals dedicated to serving the global Health & Life Sciences industry, Accenture is committed to working with clients across the industry to help them achieve and sustain high performance. We have worked with companies of all sizes, including 21 of 24 health care and pharmaceutical companies in the FORTUNE® Global 500.

About Accenture

Accenture is a global management consulting, technology services and outsourcing company. Committed to delivering innovation, Accenture collaborates with its clients to help them become high-performance businesses and governments. With deep industry and business process expertise, broad global resources and a proven track record, Accenture can mobilize the right people, skills and technologies to help clients improve their performance. With more than 110,000 people in 48 countries, the company generated net revenues of US\$13.67 billion for the fiscal year ended August 31, 2004. Its home page is www.accenture.com.

For more information on achieving high performance, contact Health & Life Sciences:

Lewis Redd
+1 678 657 5478
lewis.redd@accenture.com

John S. Walko
+1 412 809 5852
j.walko@accenture.com

Copyright © 2005 Accenture
All rights reserved.

Accenture, its logo, and
High Performance Delivered
are trademarks of Accenture.

