

Success Story

Sustaining rural healthcare through an integrated supply chain approach

BACKGROUND

HENRY COUNTY MEDICAL CENTER

PARIS, TN

Henry County Medical Center (HCMC) is a 142-bed rural community hospital. Historically, HCMC had limited opportunities to save money in resource and supply management due to the volume based, tiered structure of most supplier contracts.

To combat the downward pressure on hospital margins, HCMC engaged The Resource Group to improve supply and services pricing, enhance operational and logistical processes, and create long-term independence for the health system.

OPPORTUNITY

As a progressive, integrated health care organization committed to serving the needs of its community, HCMC's objective was to implement sustainable savings and efficiencies without compromising quality of care. Success would allow them to compete with much larger hospitals and health systems in the Memphis and Nashville markets so they could continue to serve their local community.

SOLUTION

The Resource Group implemented its User-Directed Integrated Solutions to accomplish the following:

- **Change Management:** Build trust, integrity, and engagement throughout the transition process
- **Operations and Logistics Optimization:** Enhance processes around inventory management, receiving, and purchasing
- **Strategic Sourcing:** Implement a best-in-industry contract portfolio to immediately capture savings and build long-term financial sustainability purchasing. The results supported HCMC's ability to invest in areas that enhance its competitive ability in the market.

Savings
achieved through
The Resource
Group delivered
a bottom-line
**improvement
of 32%.**



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IMPACT



9.7%

Reduction in non-payroll spend



18%

Annual savings in supply spend

Included 31% annual savings in implantable products



32%

Bottom-line improvement



\$1.19M

In annual savings

98.5% better than the original goal of \$600K

Along with achieving sustainable savings, The Resource Group built trust and relationships with clinicians, elevating supply chain to function strategically rather than reactively in the organization.

“The Resource Group brought solutions that delivered service to our physicians, products they can rely on, and value from a cost perspective. This approach resulted in annual savings of almost 10% in our supply and service expenses.

Our strategic partnership with The Resource Group aligns with our values, our mission, our commitment, and our financial goals. We look forward to continuing our relationship with The Resource Group as we work to provide quality care for our patients.”

Brad Bloemer,
CFO, Henry County Medical Center



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