

# REDUCE COSTS WITHOUT JEOPARDIZING PATIENT CARE

## A Strategic Approach to Non-Clinical Spending

### The Opportunity for Health System X

LogicSource sees a significant opportunity for Health System X to reduce its non-clinical expenditures. Our initial estimates indicate that a partnership with LogicSource could deliver an annual savings of **\$197MM - \$233MM**:

<b>Health System X Annual Net Patient Revenue</b>	<b>\$20.9B</b>
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*Source: Net Patient Revenue is 2021 (ending Dec 31, 2021) from the consolidated statements of operations*

<b>Estimated Non-Clinical Spend</b>	<b>\$4.2B</b>
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*Non-Clinical: IT, Facilities Management, Marketing and Corporate Services (HR/Benefits, Finance and Professional Services), Spend on average 20% of net patient revenue. Source: LogicSource proprietary industry and health system data*

<b>Estimated Addressable Non-Clinical Spend</b>	<b>\$3.1B</b>
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*15% of net patient revenue is typically addressable through LogicSource solutions. Note, the categories LogicSource addresses are typically outside of current GPO/RPC buying programs. Source: LogicSource health system data*

<b>Estimated Annual Savings on Addressable Spend</b>	<b>\$197MM - \$233MM</b>
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*LogicSource will typically drive non-clinical system wide OpEx and CapEx cost reductions of 6-10%. Typically, these savings are delivered over 2-3 years and are incremental to the savings achieved through GPOs/RPCs. Source: LogicSource proprietary industry and health system data*

### How We Get Started

LogicSource will validate the savings opportunity through a Mutual Value Assessment (MVA) – a health-check on your non-clinical spend management process. The MVA is a no-cost, no obligation deep dive into your current spend and procurement practices including interviews with key executives and stakeholders, plus comprehensive analysis of data including contracts, rate cards and invoices.

At the conclusion, LogicSource will present a detailed partnership proposal – including sourcing strategies and benchmarks – to deliver the targeted savings in partnership with Health System X.

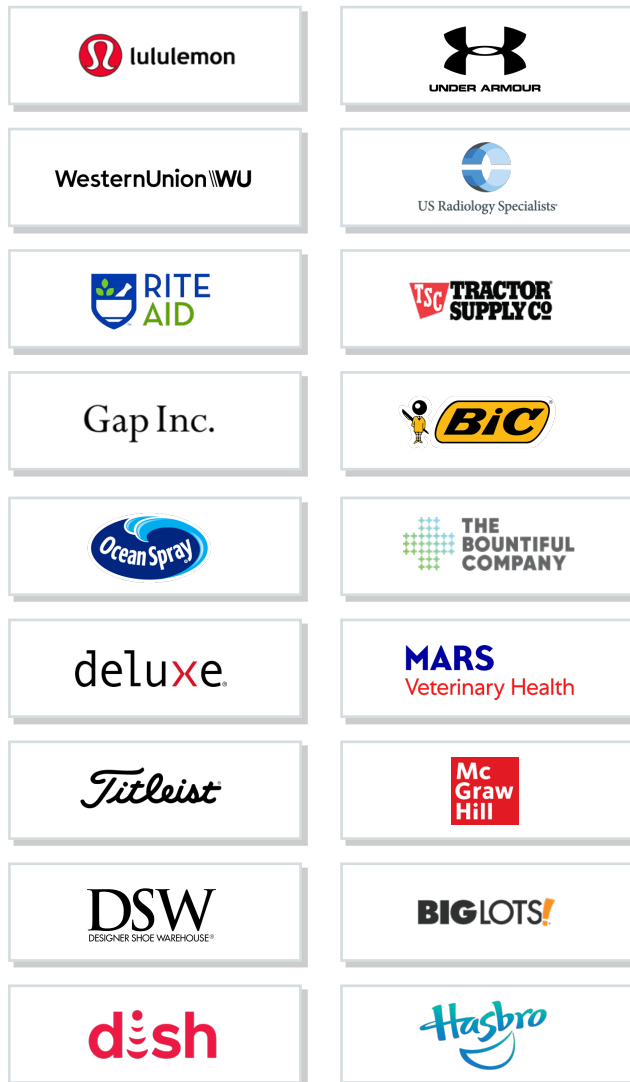


## About LogicSource

As a leading Procurement Services and Technology provider, LogicSource builds partnerships with the world's most recognizable brands to deliver savings faster and deeper than the system can achieve on their own or through traditional partnerships.

- + We utilize our \$65B+ of cross-industry non-clinical spend data to generate benchmarks, sourcing strategies and category insights
- + Our teams are in the market every day, executing 15,000+ sourcing events annually on behalf of our clients
- + We bring ready-to-deploy expertise, onsite program management and pre-built tools and technology to help our clients accelerate time-to-value and realize significant bottom-line improvements across their non-clinical spend

## REPRESENTATIVE CLIENTS:



**LogicSource has built proven partnerships with leading Healthcare organizations that drive process and operational efficiencies, measurable and sustainable bottom-line improvements, and ultimately, better outcomes for the communities they serve.**

Our Sourcing & Procurement Solutions have driven more than \$1 billion in savings and profit improvement for our client partners.

**Let's Start the Conversation.**

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