Group Purchasing Power for Physicians

Medical Group Purchasing 101

Part of the Power2Practice Physician Education Program
Introduction

If you’ve gone through the doors of a wholesale club like Sam’s, Costco, or BJ’s, you know group purchasing. However, group purchasing power for physicians isn’t all about forty gallon jugs of toothpaste.

We’re going to introduce you to the pure power of group purchasing for the medical community. Medical wholesaling isn’t focused on membership fees or truck-sized carts; It’s about saving money on what you already buy for your practice (up to 40%), increasing your revenue stream through additional items and inviting you to be a part of an exclusive community of other physicians.

Join in to find out more....
Section 1
What is Medical Group Purchasing?
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Medical group wholesale purchasing is:

› Like a co-op
› Purchasing power disbursed among all members of the group
› You buy what you want and need, but don’t have to buy simply to attain required minimums or quantities
› You can buy a lot of a single item, small amounts of items in large quantities and more
› Governed by a single entity that shepherds the buyers into the discount program
What is Medical Group Purchasing?

Medical wholesaling happens all around us. Hospitals take advantage of group purchasing programs, especially multi-location centers. They’ll purchase under a single account for 25 hospital venues, for example, negotiating deep discounts.
What is Medical Group Purchasing?

But, you are not a hospital. As an individual physician or solo practitioner, you may feel that group purchasing does not apply to you.

The truth is: There are programs that specifically allow physicians to become part of a larger purchasing group (of other solo practitioners), to harness group purchasing power.

With these programs, you continue to operate in exactly the same way, but are part of something a lot larger. There is power in numbers!
Section 2
How Group Purchasing Works
How Group Purchasing Works

The first step to obtaining a membership in a medical group purchasing organization is to self-identify.

Raise your hand to join a community of others like yourself. You become “bundled in” to the group, but all of your registration, ordering, shipping, and payment information is separate, including:

- Your medical ID number
- Your tax ID number
- Your practice address
- Credit card/purchase order information
- Contact representative

Power2Practice
Integrative Medical Software
How Group Purchasing Works

Wonder What Bundling Means?

The organization leverages large volumes of purchasing power to command higher discounts from manufacturers, distributors and other vendors.

The organization then turns around and passes the discounts along to the group members, thus reducing costs on supplies, services and equipment.
How Group Purchasing Works

In a way, you can look at physician group purchasing like a visit to a shopping mall.

When you go to a mall, you have a general idea of what you’re looking for. You know that there will be specialty stores throughout the mall (sunglasses, jewelry, baby clothes).

You have to point yourself in the direction of the stores you want to shop from. But the difference between you and those mall-goers is that you have priority access and specialized discounts from those shops.

The GPO mall offers items such as:

› Nutrients and supplements
› Office furniture
› Office supplies
› Lab tests and supplies
› Computers and software
› Food, drinks and break room items
› Medical/surgical supplies
› Pharmaceuticals
› As well as services including human resource procurement, patient support services, IT support and capital asset management
How Group Purchasing Works

Choosing Your Companies

Once you’ve joined the GPO, you select the companies you want to receive discounts from. With hundreds of reputable organizations aligning to make their wares available to GPO members, you’ll have many to choose from.

In some cases, the GPO itself will simply register your name and you’ll receive access to the discounts. Other organizations may have a separate form for you to fill out or a private website with a unique code for discounts. Your GPO can also make recommendations on the best deals from certain companies.
Section 3
Common Misperceptions About Group Purchasing Organizations
Common Misperceptions About Group Purchasing Organizations

One of the biggest benefits of joining a GPO is flexibility. As part of a medical GPO, you do not have to change your purchasing habits at all. Because you are shopping in the same membership group as other physicians, your order is bundled with other doctors (though shipped separately and securely).

Let us dispel a few other myths:

There is no specific place. You do not have to go to a building or shop somewhere. Your discounts are available online and in places you may already shop, but there’s no single location required.

You are in a group, but there are no group activities. There aren’t meetings, or roll calls, or assemblies, or responsibilities. You’re part of an exclusive group by your physician status only.

Joining a group costs you only the amount of time in which you need to get up to speed on the program. There are no fees, no commitments, no charges. Nothing is added on to your purchase price and you are not billed for membership or access.

You won’t find the minimums you do at a standard wholesaling store. Yes, you can buy vitamins in extremely high quantities if you resell them in your practice, but you do not have to. Your order is bundled together with other orders, which makes up those high quantities.

Your orders are guaranteed to be complete and delivered on time.
Power2Practice is the first integrative medicine EMR software platform dedicated to the unique clinical needs of the integrative medicine practice. Through an entirely cloud-based system, Power2Practice’s electronic medical record solution is easy to use and instantly intuitive.

With Power2Practice, physicians can actively engage patients in the health and wellness process. Features such as e-prescribe, billing, connections to major medical suppliers and laboratories, and automatic appointment confirmation ensure no time is wasted.
Please contact us at [www.power2practice.com](http://www.power2practice.com), email [info@power2practice.com](mailto:info@power2practice.com), or call 800-590-7459 for a free, live 30-minute demo.