



LOANER TRAY TAXES

VENDOR MANAGEMENT EXPERT

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Jeff Wertz | Vice President Surgio Health

Beyond Clean Vendor Management Expert:

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Recently, [a hospital system announced they would be charging \\$100 per loaner tray delivered](#). This approach certainly shines a spotlight on a complex challenge and forces a serious conversation between all parties - which I love to see. However, this policy treats a symptom, not the disease.

Vendors object that they are providing this equipment at the surgeon's request and the hospital's benefit - while incurring the cost in getting it to them. Not too long ago, it was standard for freight to be charged to the hospital. Now the tables have turned, and the vendors are getting charged?

I'd speculate the unique circumstance of this hospital using off-site reprocessing services is what drove this policy. Whereas most hospitals haven't bothered taking the time to measure costs to the tray level in SPD, there's now a clear line item - and it adds up quickly.

Traditionally, in response to a heavy-handed policy like this, vendors become frustrated and find somewhere else to make up the difference in their contracts, or the hospitals transition to other vendors (which can result in other downstream costs). Does this sound like the definition of insanity to anyone else?

As we previously reviewed, loaned inventory has its pros and cons for vendors and hospitals. But optimizing inventory should be a mutual goal. Both stand to benefit significantly from less variation and more consistency. Whether you are a hospital or a manufacturer, you stand to benefit from better measurement and analysis of your own data so you can come to the table with newer solutions.

I'm starting to think no one read [my first article](#)...

Have more vendor management questions? Contact Jeff at: jwertz@surgio.com

Beyond Clean Vendor Management Expert Biography:

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Jeff has 10 years of healthcare experience developing, implementing, and selling technology to hospitals, ASC's, and private practices throughout the country. He currently serves as VP of Product & Business Development at Surgio Health where he partners with health systems to design and deliver innovative modern technology and data to improve surgical logistics. Jeff spent his early years as a medical device representative supporting surgeons and hospitals in orthopedic trauma and extremities procedures. He is passionate about drawing on this past experience to apply novel technology solutions that better address and inform the needs of each stakeholder.

For more information about improving vendor management in your facility, contact Jeff at jwertz@surgio.com

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