

With Premier, National Capital Area Shared Services, DC area retirement/senior living provider saves 12% to 15% on food

CHALLENGE

Controlling costs is a challenge for all healthcare communities. Since 2009 National Lutheran Communities & Services (NLCS), based in Rockville, MD, has grown from one community to four in Maryland and Virginia. With that growth has come added incentive to streamline purchasing operations to realize greater value from aggregating a larger purchasing volume.

PREMIER SUPPLY CHAIN

SOLUTION

Dan Look, the organization's director of special projects, was engaged to help NLCS in this process. About that same time, Healthcare Council of the National Capital Area's group purchasing subsidiary National Capital Area Shared Services (NCASS) became an affiliate of Premier.

Look helped NLCS examine its purchasing options, the best of which was to reengage with NCASS, of which NLCS is a founding member. Look is familiar with Premier, having worked with the healthcare alliance on other projects in the past.

NLCS started with food, one of the largest expenses and one of the most important determinants of residents' satisfaction. Premier and NCASS moved NLCS to US Foods, where Premier has industry-leading pricing. "We started with food and introduced Premier to the purchasing departments of each community," Look said. "It has been a beneficial relationship."

RESULT

"We've had excellent savings, roughly 12 percent to 15 percent," Look said.

Because of that success, NLCS plans to conduct a complete purchasing audit in the second quarter of 2013. "Where are we purchasing well," he said, "and where can we benefit more by engaging more closely with Premier?"

"Is there a silver bullet that has validated our use of Premier and NCASS? No, it's a variety of reasons. It's cost savings. It's access to knowledge. It is efficiency. It is one phone call as opposed to hunting people down. It's a good partnership. Premier and NCASS are there when we need them."

*Dan Look, director, special projects
National Lutheran Communities & Services,
Rockville, MD*

"With Premier, we're looking at available efficiencies across the board and throughout all communities," said Courtney Malengo, NLCS public relations director. "A lot of what Dan has brought to the table has helped start that process. We are beginning to think differently, to look at the perspective of the forest, not just one tree. This will lead to considerable cost savings over time."



National Lutheran Communities & Services

National Lutheran Communities & Services is a faith-based, not-for-profit ministry of the Evangelical Lutheran Church in America serving people of all beliefs. It provides seniors with a variety of lifestyle, residential and health care options through retirement communities in Maryland and Virginia:

- The Village at Rockville, Rockville, Md.
- The Village at Orchard Ridge, Winchester, Va.
- The Legacy at North Augusta, Staunton, Va.
- The Village at Crystal Spring, Annapolis, Md.

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National Capital Area Shared Services (NCASS) is a regional GPO, a wholly-owned subsidiary of the Healthcare Council of the National Capital Area (a non-profit association of providers in Maryland, Virginia and the District of Columbia). It has documented hundreds of millions in savings and cost containment since 1972. NCASS joined the Premier healthcare alliance as a group affiliate in 2008.

[National Capital Area Shared Services](http://NationalCapitalAreaSharedServices.com)

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