

Small hospital, big savings

OptiFreight® Logistics

Learn how a small regional hospital saved over 30 percent* on inbound shipping — without affecting patient care

In a quiet rural community in South Dakota, a 25-bed hospital is at the forefront of one of the most overlooked (and unexpected) cost-saving strategies in healthcare today: inbound freight costs.

Imagine lowering your own freight costs as much as this hospital has: a full 30 percent* in the first year on the program with OptiFreight® Logistics. “We were always frustrated with shipping costs before,” said the Purchasing Director. “We were simply paying what our suppliers charged us for freight.”

Driving an easy way to save

Then, Cardinal Health introduced the value of professional freight management and revealed the savings that OptiFreight® Logistics could create month after month, year after year. “We saw how much we could save and got started. That was only two years ago, and the savings keep coming,” the Purchasing Director said. “In fact, it’s the easiest process we’ve ever went through to save money. OptiFreight® Logistics doesn’t need to involve a lot of people, like new product conversions do.”

Best of all, this hospital has substantially reduced inbound freight costs without impacting delivery. “I’m getting the same products, delivered at the same time. But with OptiFreight® Logistics, it just costs less,” the Purchasing Director said.



Over 30%
savings*

Roughly \$1,000 savings per bed**

Average \$17.49 savings
per package**

“ I’m getting the same products, delivered at the same time. But with OptiFreight® Logistics, it just costs less. ”

Purchasing Director
Small regional hospital in South Dakota



Getting started was easy

"It really didn't take any time," the Purchasing Director said. She simply provided a list of suppliers who shipped products to the hospital, and the supplier relations team at OptiFreight® Logistics took it from there. These freight management professionals enrolled the suppliers into the program, to ensure they would use the appropriate account number when shipping. Every product that ships via this account number saves the hospital money.

Online dashboard provides visibility

Every month, the hospital receives the latest savings update online. There, they can customize the data into a variety of reports. "The dashboard proves we're doing the best we can do to save the most," said the Purchasing Director. If she has a question, she can log into her dedicated support person for assistance.

Seeing the savings grow

In just a few short months, "the savings really start to add up," the Purchasing Director said. "As Purchasing Directors, we're all responsible for looking at every angle of our budgets to save. This may seem like a little work at first, but it's well worth the time. Why wouldn't you do it?"

Freight management by OptiFreight® Logistics

See the difference

- Comprehensive program delivers diverse solutions for hospitals
- Visibility and control enable real savings
- Expertise and proactive support extend the hospital's advantage

Why focus on freight?

Because freight spend is typically just two to three percent of a hospital's supply spend†, it isn't always a top-of-mind target for improvement. "But it should be," said Marc Mullen, Vice President/General Manager of OptiFreight® Logistics. "It's a simple way to lower costs without impacting patient care. The ROI is high, and the level of change low."

"You pay when you ship anyway. Why not save every time you do?"

Purchasing Director
Small regional hospital in South Dakota

Call today to receive
a free consultation

866.457.4579, option 1



cardinalhealth.com/optifreight

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*Based on small regional hospital customer data

**Based on shipments sent directly from suppliers — through OptiFreight® Logistics — to a small regional hospital from January 1, 2014 to December 31, 2014. Individual customer savings may vary.

† Based on internal Cardinal Health healthcare industry analysis and estimates.