



# Novation<sup>®</sup>

**Company:**

Novation

**Applications:**

Mobile Business Intelligence Application



*"The speed with which member hospitals are accessing the mobile app, capturing savings opportunities, and interacting with all the charts and graphs on the iPhone and iPad is unbelievably fast. We're clearly excited about delivering a much more useful and intelligent BI experience to member hospitals and Sales reps in the field."*

– Guillermo Ramas  
VP of Strategy and  
Product Development for Information  
and Data Services at Novation



*"We consider our mobile apps very successful with regards to price benchmarking in health care and supply chain markets today."*

– Guillermo Ramas  
VP of Strategy and  
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**Novation**, the industry's leading supply contracting company, delivers unmatched savings to the more than 65,000 members and affiliate sites of VHA Inc., UHC, and Provista LLC nationwide. By combining scale and expertise with data-driven tools and information, Novation offers the most extensive range of advanced contracting services in the industry. Novation provides alliance members with sourcing services and information and data services. Based in Irving, Texas, Novation develops and manages competitive contracts with more than 600 suppliers. In 2010, VHA, UHC, and Provista members used Novation contracts to purchase approximately \$40 billion in product and services.

## Reducing hospital supply costs with MicroStrategy Mobile

Purchasing teams across U.S. hospitals buy thousands of unique items each day, such as knee implants, drug-coated stents, and latex-free gloves. Healthcare purchasing is not an easy place to be because of high costs, the pressure to drive costs down, and the lack of pricing structures and tools that help hospitals make smart shopping choices. It can become a tough process altogether to know what's available in the market, what's important about the high-tech devices that physicians from various departments demand, what the pricing structures are for the endless products that every hospital needs to purchase, and how to drive down costs at the local hospital level.

Working closely with MicroStrategy, Novation developed powerful supply chain applications for the iPhone and iPad that have revolutionized the way hospitals perform price benchmarking. The apps are used regularly by both VHA, a national network of not-for-profit healthcare organizations, and UHC, a national alliance of the nation's leading nonprofit academic medical centers.

Powered by MicroStrategy technology, the apps give buyers the information they need to compare prices on thousands of items. With the recent adoption and use of iPhones and iPads across hospitals, the idea of bringing this technology to a mobile platform has just recently come to fruition. VHA and UHC have rolled out the new mobile apps to give member hospitals a price benchmarking application on their iPhone and iPad, and with it, a clear view of their supply chain on-the-go, as well as graphical snapshots of pricing information hospital buyers need to make smart purchases.

Today, an iPhone/iPad user at a hospital can see what they are buying through a particular catalogue from a particular manufacturer. For example, a materials manager can focus on an exact stent, and view the entire price curve for this item. The app shows the price of the stent at the 50th percentile, and what the price would be if the price were renegotiated and moved to the 20th percentile."

Consider the typical user, a Director of Materials Management (DMM), who



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*“From the perspective of the buyer, more actionable information means speedier analytical decisions to serve patients, improve operational efficiencies, and implement new savings opportunities. The more information a hospital has access to, the more power it has to make decisions that improve the bottom line.”*

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VP of Strategy and  
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*“Hospitals, under constant pressure to offset declining margins and shrinking reimbursements, now have mobile access to continually retrieve and monitor important information on supply prices, and also compare that price to market trends.”*

– Guillermo Ramas  
VP of Strategy and  
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*“Hospital personnel using their iPhone or iPad have the opportunity to make fast decisions by switching products or accessing lower pricing on the products they plan to purchase.”*

– Guillermo Ramas  
VP of Strategy and  
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has to meet with physicians and service line managers to learn what it is that they want the hospital to purchase on their department's behalf. “If we put an iPad in a conference room meeting, the DMM can look up the price for an item, like cotton gauze or needles, keep the discussion going, and know the cheaper price to pay for these items,” said Ramas. “If they want to buy an item for the first time, they can look it up before contracting for it.”

Currently, the Novation database covers 1,500-plus hospitals, which represents \$64 Billion in non-salary operating spend. Across these hospitals, C-level executives, service line managers, physicians, and clinicians use a combination of desktop computers, iPhones, and iPads. Of this mix, Ramas envisions the iPad use will become dominant as it rolls out to more member hospitals.

### The continued spread of mobile BI at VHA and UHC hospitals

Officials at Novation see a growing demand for mobile BI apps across the landscape of hospitals because it clearly appeals to the physician who moves around from unit to unit. In addition to witnessing a growing demand for mobile apps, Novation believes the variety of mobile apps will naturally proliferate, and that it will be easy to do with MicroStrategy Mobile's rapid deployment. According to Ramas, full application build time was two to three weeks, and that included development time as well as time to set up the servers, security, firewall, and prototype work. “What was really a turning point and unbelievably impressive was sitting down with a MicroStrategy beta consultant and two days later, playing with an app on my iPhone that I could show to our executives,” said Ramas.

“Our experience selecting MicroStrategy and working with them to build the app has been fantastic,” said Ramas. In fact, so much so that Novation has changed its philosophy and BI strategy. From now on, all analytics apps that are member-facing will port to the iPhone and iPad. Mobile BI is now a key part of the development process at Novation.

### Endless app possibilities with MicroStrategy Mobile

Mobile BI has quickly revolutionized health care pricing and negotiation processes for hospitals, and Novation anticipates that integrating mobile BI technology with CRM apps will follow in the near term. Field reps visiting hospitals will have important information available on their iPhones and iPads as they drive up to a hospital, thanks to GPS mapping and geolocation functionality. Without having to look up key contact information or run reports as one would typically do on a desktop, a field rep will be able to access relevant reports for that hospital, recent purchases as well as savings opportunities based on contracts, contact information for key people, recent email exchanges, and such. This information can be generated automatically on an iPhone/iPad before the field rep enters the hospital.