

Tip of the Month – May, 2011

Orthopaedic Vendor Fairs

Timothy J. Bray, MD OTA President, 2010

In our current climate of 'cost containment,' orthopaedic traumatologists have the opportunity to impact significantly the financial bottom line for the operating room by assuming a leadership role in designing and implementing an orthopaedic vendor fair.

The objectives of this single day event are to encourage surgeon participation in the evaluation and selection of trauma products, and to contribute to controlling operating room costs. This approach ensures your involvement in selecting devices that directly impact patient care. Such proactive partnering by surgeons with their hospital's procurement process demonstrates good faith, promotes competitive bidding by suppliers of approved devices, and helps improve inventory management. As you can imagine, depending on volume, there exists a potential savings of hundreds of thousands of dollars.

It is imperative that the orthopaedic trauma section pre-negotiate with the hospital administration a memo of understanding that a percentage of the savings will be reinvested in the trauma program to help offset fixed costs such as PA salaries, access to the operating room and orthopaedic trauma administrative staff help.

The process begins with creation of a list of specifications for desired implants based upon fracture location and desired treatment alternatives i.e. clavicle plates, humeral nails, IM hip implants etc. We have been able to identify 23 body part/fracture implant systems for our review. The review day is selected months in advance to allow a fair and equitable opportunity for all vendors to participate. Vendors are invited to bring their information, and present their products on equal sized tables in a room large enough to accommodate the entire group. Each surgeon is given a ballot, the numbers are tallied and the winners are subsequently invited to meet with representatives of the hospital purchasing department to negotiate institutionally appropriate contracts for consignment or purchase, and vendor support.

We have found it best to end up with 2 or 3 vendors for each item, as each remains more interested in competing to provide service, and maintain business share. This basic, free-market system is a valuable tool for developing partnerships with your hospital's trauma administration. It results in products that you deem best for the care of your patients, are cost friendly to the hospital and respectful of inventory space in the operating room.