

SUCCESS STORY

Westmed Medical Group



Westmed Medical Group is a multispecialty medical practice with 500 physicians, advanced care providers and 1,500 employees. The group provides patients with access to more than 60 medical specialties and subspecialties across 13 office locations in New York and Connecticut.

Connex Partners matched Westmed with SIB Fixed Cost Reduction, believing the practice could benefit from SIB's services. SIB specializes in helping companies and organizations manage and optimize smaller, indirect expense areas such as waste hauling, telecom, maintenance contracts, utilities, bank fees and more. SIB performs its review with no upfront cost and is compensated a percentage of the savings delivered to its clients. As part of its model, SIB works with current vendors so as not to disrupt client operations in any way.



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"We place a huge emphasis on expense management at Westmed," said Anthony Colletta, Westmed CFO. "Naturally we focus far more on the larger areas like staffing, clinical supplies and pharmaceuticals. As CFO, it's my responsibility to oversee our practice efficiencies, and part of that means stewarding our limited resources appropriately."

"I was drawn to SIB's experience not only in the healthcare sector but also their work with thousands of clients in other industries that use the same services," continued Colletta. "SIB's contingency model also appealed to me. The financial impacts of the COVID-19 pandemic put a strain on our ability to tackle new projects and drove us to seek out opportunities for incremental cost savings."

Westmed ultimately chose to engage SIB for a cost savings review of a dozen recurring expenses. They provided SIB with a recent invoice and the authorization to represent Westmed before its vendors.

SIB completes its review over a 90-day period and delivers savings in three ways:

1. Historical contract compliance audit
2. Service level review and optimization
3. Benchmarking rates and renegotiation (typically with current vendor, unless directed otherwise by the client)

SIB doesn't promise to find savings in every category reviewed, but even when no savings are found, it allows clients to rest assured they are not overspending. In addition, a periodic check-in with vendors is good for strengthening your relationships.

SIB delivered savings to Westmed in phone/internet, laundry, medical waste, solid waste, shredding, document storage and bank fees. These savings represented a 15% reduction in Westmed's annual spend in these areas. All new pricing was implemented with existing vendors.

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SIB's expertise extends beyond its vast database of vendor pricing. The company also negotiates the best possible terms on behalf of its clients. For example, SIB included language into Westmed's laundry agreement to protect the company from penalties if its usage drops due to the pandemic.

"This showed me that SIB considers Westmed a true partner, going above and beyond its mission to achieve savings for our business," concluded Colletta.

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