

Senior Living Operator Saves \$117,000 in Medical Supplies

Cost Reduction



Client

Founded in 1991, Bickford Senior Living is a growing, second generation, family-run business. They own and operate 65 senior living communities with a staff of 2,500, serving 3,000+ residents in eleven states. Bickford was introduced to SIB by the portfolio director of National Health Investors (NHI) the Real Estate Investment Trust that owns their buildings.

Solution

- Provide login credentials to SIB for the medical supply vendor.
- Run a material usage report for a year's worth of purchases.
- Compare each line item from the material usage report to our robust repository of benchmark data containing thousands of pricing data points across a broad range of similar customer profiles.
- Establish new target pricing for each item and contact Bickford's vendor representative to leverage our findings and renegotiate rates.

Challenge

Bickford's medical supply costs were increasing. Without pricing benchmarks, they could not determine if their contract rates were competitive or how to identify best-in-class pricing targets for renegotiation. Bickford's owners wanted to reduce costs without changing the incumbent vendors or disrupting operations.

Results

After proposing our rates for each line item, supported by real-world data, the medical supplies vendor agreed to SIB's new suggested rates. SIB implemented the rate reductions with no additional effort from the client and delivered savings within 30 days. Bickford strengthened its relationship with the medical supplies vendor and saved over \$117,000 annually and maintained its same service levels.

Testimonial



"SIB's hard work made the review easy. We look forward to seeing what they can save in other areas."

Mike Eby

Chief Financial Officer, Bickford Senior Living

Savings Highlights:

- ✓ **\$117,000** in medical supplies cost savings
- ✓ New rates negotiated in **<30 days**

SIB continues to review, monitor, and validate rates to ensure that the savings stay in place. Bickford also opted to engage SIB in future cost reduction for utilities, waste removal, and bank fees.