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# CEO MESSAGE

by Dennis L. George, APS CEO

To say this has been a year packed with change would be a massive understatement. When it comes to healthcare supply chain, I can't remember a year quite like 2016, and I've been a healthcare executive a long time. We saw several of the large national GPO players either merge, rebrand or shift focus (or in some cases, all of the above) to match the demands of legislation, new payment reimbursement models, quality improvement and innovation. This included our national GPO partner of many years, MedAssets. As you know, VHA/UHC merged, forming Vizient, Inc., which in turn acquired MedAssets to form the nation's largest healthcare services company. As a result of this merger, APS now offers members a national portal as a *Vizient Strategic Partner*.

The healthcare industry has never seen such unprecedented change coupled with dense uncertainty. This change and uncertainty, along with the likelihood of repealing and replacing national healthcare reform legislation, will deeply affect every department within your organization, including supply chain. It will impact APS members, from our small 15-bed hospitals to our large metro area hospitals.

As the industry evolves around us, APS remains strong. Our Regional Services portfolio and Staffing Program continue to provide members distinct savings opportunities. Kansas and Missouri hospitals, regardless of national GPO affiliation, have no-cost access to some of the most favorable contracts in the market. Just a few of our most highly-beneficial and utilized agreements include our contracts with Airgas for medical and industrial gases, MedAssure for medical waste disposal services and our Natural Gas Program. We've developed innovative new relationships with vendors like HSS, Inc. to help hospitals pro-actively manage aggressive and violent patients, and TruBridge, which focuses on delivering business, consulting and managed IT solutions to rural healthcare providers. I'm proud APS continues working locally and regionally with vendors on behalf of our membership to secure exclusive agreements and add palpable value.

Workforce has and will continue to be a challenge for our members. The APS Staffing program has stepped up to the plate, providing reliable workforce solutions for our hospitals. I cannot understate the impact of the APS Staffing program. Since 2013, the program's usage has increased 42%, and **in the last year alone, more than 1 million staffed hours came through APS Staffing!** That's simply remarkable. More and more area hospitals are understanding the program's value and savings, which grants hospitals no charge access to nearly 50 staffing agencies under one contract. We vet and audit our staffing agency partners yearly to ensure they meet the high standards of care and quality your patients deserve. In 2017 we'll kick off an exclusive new program, **shiftexpress**, that provides a cloud-based staffing solution for non-clinical staffing needs. Right now, we're testing this solution with a small handful of hospitals, and the feedback is extremely positive. Be on the lookout for a big shiftexpress kickoff early next year.

There's a reason APS is well-known for its service and dedication. The APS Client Services team has worked throughout the year to ensure we're not only maintaining a solid regional portfolio, but deepening discounts whenever possible with nationally contracted vendors. We achieve this through further negotiating national agreements to benefit our membership. Just one example is the distribution agreement with Medline for med-surg supplies. Our specialized Medline agreement brought APS members substantial, hard cost savings – **all achieved by the combined purchasing power of APS members.**



# CEO MESSAGE

Our team also has tirelessly worked to ensure our Legacy MedAssets members have a national GPO transition that's as seamless and painless as possible. This process extends well into next year as Vizient continues the monumental task of combining the largest contract portfolios in the industry, which it expects to complete by next fall. I'm impressed with the speed and flexibility Vizient has given our members in using Vizient agreements so APS members can expeditiously take advantage of available cost savings. I'm also encouraged by the dynamic technological tools Vizient has already implemented or is creating, giving hospitals analytics like they've never seen. Vizient's commitment to collaboration among networks, hospitals, providers and other key stakeholders will tap into collective power to help our members increase savings and improve operational efficiencies beyond what we can achieve alone. APS members will have access to these key networks and collaborations to get the most benefit possible.

As new programs or initiatives come across your desk in 2017, I ask you to reach out to APS. **Our hospital associations jointly own APS as a resource for ALL Kansas and Missouri hospitals.** Let us evaluate your savings plans, perform cost studies and connect you to the right opportunities – and we offer these services and more at no charge.

As part of my job as CEO, I get the pleasure of traveling our beautiful states of Kansas and Missouri to attend meetings, conferences and visit with hospital administrators and staff. I'm honored to consistently hear praise about the exceptional service level the APS team provides hospitals, regardless of their size. I also receive heartfelt thanks from hospitals for our support of both KHA and MHA's efforts to bring you quality, relevant educational opportunities, including the annual conventions. This means we are genuinely living and breathing *our mission* to advance the missions of KHA and MHA by serving as a dedicated advocate for hospitals and other healthcare organizations by reducing the expense of managing products and services and enhancing revenues.

As markets and regulations change around us, we remain committed to you and your goal to provide your communities the highest level of cost-effective care. I look forward to continuing our relationship with your organization to strengthen and elevate healthcare in our states. And if you don't currently take advantage of all APS offers, please call us! We'll gladly sit down with you in person to hear your needs and *develop solutions together*.

On behalf of the APS team and Board of Directors, I'd like to wish you, your staff and family the happiest of holidays and a wonderful 2017!

*Dennis L. George CEO*

Happy Holidays from APS



# Are You Ready?

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# REGIONAL SERVICES

## Settlement Opportunities with Class Action Capital

The APS agreement with Class Action Capital allows members to sign up risk-free to participate in various class action settlements. Carefully check out two NEW settlement opportunities below and updates on previously announced settlements.



**New Opportunity! Optical Disk Drive (ODD) Settlement**—A \$124,500,000 settlement, which claims that the Defendants conspired to fix, raise, maintain or stabilize prices of ODDs between 2003-2008. ODD refers to a DVD-RW, DVD-ROM, or COMBO drive. If your organization purchased a computer with a DVD-RW drive between 2003-2008 (the vast majority of computers contained a DVD-RW drive during this time period), you're likely eligible for a refund. Visit [www.classactioncapital.com/aps](http://www.classactioncapital.com/aps) to view settlement opportunities, participation information and authorization forms.



**New Opportunity! Lithium Ion Batteries Settlement** — A \$19.5 million settlement, with much more expected, which claims that the Defendants and co-conspirators engaged in an unlawful conspiracy to fix, raise, maintain or stabilize the prices of Lithium Ion Battery Cells ("Li-Ion Cells"). Lithium Ion Battery Products include, but aren't limited to, laptop/notebook computers, tablet computers (e.g., iPads), mobile phones, smart phones, digital cameras, camcorders, digital video cameras, digital audio players (e.g., iPods), power tools and many types of portable medical equipment. Visit [www.classactioncapital.com/aps](http://www.classactioncapital.com/aps) to view settlement opportunities, participation information and authorization forms.



**Open Opportunity! Blood Reagents Anti-Trust Litigation** — This lawsuit claims that defendants, Immucor and Ortho-Clinical Diagnostics violated federal antitrust laws, and as a result of defendants' alleged conduct, the prices paid by entities for Traditional Blood Reagents were higher than they otherwise would have been. Kansas and Missouri hospitals can still sign up to participate in this settlement. Visit [www.classactioncapital.com/bloodreagents](http://www.classactioncapital.com/bloodreagents) to view settlement opportunities, participation information and authorization forms.

**Status Update. Visa and MasterCard Settlement** — A \$6 billion dollar settlement for businesses that accepted Visa or MasterCard credit or debit cards in the U.S. any time between Jan. 1, 2004 and Nov. 28, 2012. The settlement alleges Visa and MasterCard violated the law by setting interchange fees and then made and enforced rules that prohibited merchants for steering customers to other payment methods, resulting in merchants paying excess fees to accept Visa and MasterCard.

In June, 2016, the U.S. Court of Appeals for the 2nd Circuit issued a decision that remanded the class action settlement case back to a lower U.S. District Court. In basic terms, it means members who are participating in this settlement are on hold as we await action on the next proceedings. It's likely the settlement refund amounts will remain unchanged, it's just now a matter of timing.

**Status Update. Flexible Foam Products Settlement** — This settlement pertains to price fixing by major manufacturers of flexible foam products like mattresses, pillows, upholstered furniture and carpet underlay. Several members signed up to participate in this opportunity, and Class Action Capital has informed APS it anticipates issued refunds early in 2017.

**Don't leave money on the table!** These settlements are highly relevant to many hospitals, and Class Action Capital has already identified many members as being eligible to recover meaningful funds. *If you sign up to participate, your hospital is not entering in a lawsuit!* You are simply submitting a claim to recover your organization's rightful pro rata share of the settlement funds, which have already been, or will be, set aside into an escrow account.

Class Action Capital does not charge you to participate in these settlement opportunities. If and when you receive your settlement refund, Class Action Capital takes a small portion of the overall recovered fees.

### For more information, please contact:

Traci Parsons, APS Director Regional Services  
(913) 327-8730 • [traci.parsons@apskc.org](mailto:traci.parsons@apskc.org).

# REGIONAL SERVICES



## APS Responds to Increased Violence in Healthcare Settings with TEAM®

Last June we introduced Regional Services vendor, HSS, Inc. to members with a live demonstration of the *TEAM® Essentials and Advanced* programs at Newton Medical Center, Newton, Kansas. TEAM® is a unique, cost-effective training program to help your staff prepare for potential violent and aggressive patients. The event was so successful that APS offered another live demonstration at Shawnee Mission Health - Prairie Star, Lenexa, Kansas, in early November. Twenty hospital and healthcare representatives heard more about the award-winning TEAM® program from Seth Karnes, HSS Senior Manager, Healthcare Training Programs, who presented the program's benefits and features.

Rennie Shuler-McKinney, Director of Clinical Services, Behavioral Health at Shawnee Mission Medical Center is passionate about mitigating violence and keeping her team safe, which is why she arranged for her health system to host the TEAM® demo.

"As we continue to experience an increase in aggressive behavior in healthcare, I was looking for a training program that could be used throughout the hospitals," Shuler-McKinney said. "TEAM® Essentials is effectively designed for staff members including nursing, registration, behavioral health, secretarial staff, security - it truly applies to everyone. Seth's presentation style is engaging and allows participants to visualize their response to violent behavior." She also added that TEAM's e-learning component is a great resource for hospital-wide training.



Leaders from area hospitals and healthcare organizations learn about the TEAM® Essentials and Advanced programs in a live demonstration at Shawnee Mission Health - Prairie Star. Thank you to Shawnee Mission Health for hosting!

APS has negotiated excellent pricing and terms on the agreement with HSS for TEAM®.

"Not only is our live training program less expensive and requires less staff time commitment, it offers an interactive online training module that runs through your organization's existing learning platform," said Karnes. "This affords your team flexibility and convenience while ensuring staff is trained to deal with potential threats."

Contact Karnes for more information at (720) 641-5209 or [skarnes@hss-us.com](mailto:skarnes@hss-us.com), or visit the HSS online profile on our website - [www.apskc.org](http://www.apskc.org).

Be on the lookout for another live TEAM® demo in southern Missouri early next year!

## APS Says Goodbye to Long-time Executive Assistant

In September, we said goodbye to team member, friend and executive assistant of 17 years, Janet Ruby. Ruby supported Mike Dunaway, President of the Health Alliance of MidAmerica. Part of her role included supporting the APS team and Board of Directors. She was a familiar presence at hospital association and APS meetings, making sure our members had everything they needed before, during and afterward. Our staff and members will remember Janet for her kindness, sense of humor and her outstanding commitment to service.



Mike Dunaway and Janet Ruby celebrate Ruby's retirement at a staff luncheon to honor her in September.

APS has welcomed Blanka Bellinger to the team who has replaced Ruby as the Executive Assistant to Mike Dunaway. Bellinger holds a Bachelor's degree in Management from Baker University, Baldwin City, Kansas. Prior to joining APS, she worked for a government aviation agency, economic development corporation and aerospace organization where she utilized her skills as Executive Assistant, Office Manager, and Webmaster supporting internal and external customers.



Blanka Bellinger

"Blanka is a welcome addition to our team," said APS CEO, Dennis L. George. "She brings invaluable experience to our office and has stepped right in as a supportive staff member."

She can be reached at (913) 327-7200 or via email at [blanka.bellinger@allianceweb.org](mailto:blanka.bellinger@allianceweb.org).

# NATIONAL PARTNER NEWS

## APS Secures Pharmacy Distribution Agreement

Our relationship with Vizient brings the opportunity for the APS team to secure even deeper cost savings for our members. APS is proud to have negotiated a best-in-class agreement for pharmacy distribution with Cardinal Health for our Legacy MedAssets members.

The APS team worked quickly and diligently with Cardinal Health to implement an agreement that provides outstanding cost savings and terms and conditions on pharmaceuticals and contrast media.

“Cardinal Health is proud to provide pharmacy distribution services for APS members,” Ross Robertson, Cardinal Health Regional Sales Manager, Mid-Central, said. “Cardinal Health understands how critical it is to streamline your supply chain, identify cost-savings opportunities and improve your performance. And we have the solutions and analytics needed to make that happen.”

With one of the country’s largest distribution networks, Cardinal Health does more than make your process simpler and more affordable – it makes logistics work smarter for you, Robertson said. “We look forward to partnering with APS members to create efficiencies within their systems, all in the name of better care for your patients.”

“APS is excited about our partnership with Cardinal Health and the aggressive agreement and cost savings we are able to offer our members,” Kathi Branyon, APS Vice President, Client Services, said.

APS would like to thank those members who have switched to this agreement for your responsiveness, flexibility and patience. If you have any questions, please contact Branyon at (913) 327-8730 or [kathi.branyon@apskc.org](mailto:kathi.branyon@apskc.org).



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# APS IDN AGREEMENTS

Contract #	Vendor Name	Contract Description	Tier Max Pricing Effective Date	Contract Expiration Dates
MS01668	Attends - Tier 3 pricing	Disposable Adult Briefs and Underpads	12/1/15	11/30/18
MS02020	DeRoyal Industries, Inc.	Temperature Monitoring	1/1/15	12/31/17
MS02548	DeRoyal Industries, Inc.	Patient Safety	5/1/14	3/31/17
MS03307	DeRoyal Industries, Inc.	OB and Newborn Products	5/1/14	2/28/17
MS01308	Energizer Battery Co., Inc.	Batteries	1/8/14	12/31/16
MS02958	Integra LifeSciences Corp. (Jarit)	General Surgical & Specialty Instruments	1/1/14	9/30/17
PH90020	McKesson	Pharmacy Distribution	10/1/11	12/31/16
MS03449	Medline Industries	Post Mortem Kits	9/1/14	8/31/17
MS03407	Medline Industries	Aneroid Sphygmomanometers	7/1/14	6/30/17
MS03906	Medline Industries	DME - Canes, Crutches, Walkers	1/1/16	12/31/18
BM03386	Medline Industries	Wheelchairs	1/6/14	4/30/19
MS03618	Medline Industries	Alcohol Prep Pads	12/1/14	11/30/17
MS00623	Medline Industries	Incontinence	1/6/14	11/30/18
MS03415	Medline Industries	ECG Electrodes	7/1/14	6/30/17
MS02003	Medline Industries	Adhesive Tape	1/6/14	1/31/18
MS02010	Medline Industries	Transparent Dressing	1/6/14	1/31/18
MS02067	Medline Industries	General Wound Care	1/6/14	5/31/18
MS03894	Medline Industries- Tier 2 Pricing	Lap Sponges & OR Towels	11/1/15	10/31/18
MS02290	Medline Industries	Nursing Procedure Trays	1/6/14	3/31/17
MS02360	Medline Industries	Suction Catheters	1/6/14	2/28/19
MS02622	Medline Industries	Patient Scales	1/6/14	5/31/17
MS02690	Medline Industries	Anti-Embolism Stocking Products	1/6/14	8/31/19
MS02750	Medline Industries	Advanced Wound Care	1/6/14	3/31/17
MS02939	Medline Industries	Antimicrobial Dressings	1/6/14	3/31/17
MS03053	Medline Industries	Admission Kits	1/6/14	3/31/17
MS03187	Medline Industries	Exam Room Paper Products	1/6/14	3/31/17
MS03306	Medline Industries	OB and Newborn Products	1/6/14	5/31/17
MS02221	Metrex	Surface Disinfectant	9/1/13	12/31/18
MS02689	Sempermed	Exam Gloves	3/18/14	3/31/17
MS03465	SIZEwise Rentals	Specialty Therapy Beds-Rental	12/1/14	11/30/17
MS03024	Steris	Instrument Cleansing	10/1/13	3/31/17
MS00124	Suture Express	M/S Suture Distributor	1/1/15	12/31/17
MS03158	Medical ID Solutions (Price Chopper Medical Wristbands Inc.)	Patient ID Bands	6/16/14	8/31/17
MS02183	Uresil	Drainage Catheters	6/16/14	6/30/19





7015 College Boulevard, Suite 150  
Overland Park, Kansas 66211

## APS REGIONAL CONTRACTED VENDORS

- |                                   |  |
|-----------------------------------|--|
| Airgas                            | Hillyard                                   |
| Air Products & Chemicals, Inc.    | HSS, Inc.                                  |
| Alderman Acres Mfg.               | Interior Landscapes, LLC                   |
| Anderson Erickson                 | Jim-Dar Enterprises                        |
| Chart Industries                  | Koch Filter Corp.                          |
| Class Action Capital              | Konica Minolta Healthcare Americas         |
| Clean Solutions Janitorial Supply | MedAssure                                  |
| Company Kitchen Vendor Services   | Office Depot                               |
| Constellation Energy              | Pur-O-Zone                                 |
| CSI Leasing                       | Safety Services, Inc. (SSI)                |
| CSS Consulting Group              | Shred-It (Stericycle)                      |
| Datamax                           | Snacks on Racks                            |
| Dean Foods (Meadow Gold)          | Specialty Medical Systems / Zutron Medical |
| Doximity                          | Staples                                    |
| EMTS                              | SunRx                                      |
| FOBI                              | TruBridge                                  |
| General Electric Company          | Unisource Document Products (UDP)          |
| Graves Menu Maker Foods           | Voss Lighting                              |
| Hiland Dairy                      |  |

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## EVENT CALENDAR

**December 8, 2016**

APS Holiday Luncheon  
*Jasper's Italian Restaurant*  
*Kansas City, Missouri*