



Medbuy Corporation

Medbuy Corporation is a national Group Purchasing Organization (GPO) dedicated to assisting Canadian healthcare providers with lowering their supply chain costs and delivering improved patient care. The organization is committed to maximizing value for its members by negotiating long-term, mutually beneficial agreements with leading suppliers.

Rising healthcare costs, limited resources and rapidly evolving market conditions are just some of the challenges that Medbuy helps its members overcome by providing professional contract management and national market intelligence.

The Challenges

Although Medbuy has significant credibility in long-term contract management at a national level, the organization had previously experienced challenges with its contract management system.

The Medbuy contract management team had a proprietary system in place that was developed specifically for them nearly 10 years ago. While the system successfully tracked all automated processes around contract management, Medbuy no longer had the internal resources to continue to grow the system or to even maintain it. With a growing and ever-changing business, being able to make ongoing changes to the contract management system was essential for Medbuy.

To determine if they should create another homegrown system or seek an out-of-the-box system, the team examined both their current and future needs. Their short-term goal was to have a system that worked effectively while their long-term goal was to automate the entire process in one system—from RFI to contract management to renewals to reporting.

The Medbuy team wanted a system that they could grow with and one that they could help to develop along the way. Because a large component of what the team does is tracking rebates from suppliers, they determined that what they needed was a customized solution to help them achieve their goals.



"We chose Ariba because of the robustness of the solution and because of its flexibility."

Cyndy Donnell
Chief Contracting Officer
Medbuy



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The Solutions

After working with their consulting group to review several vendors' solutions over a period of 18 months, the Medbuy contract management team determined that Ariba had the solutions to best help them to implement what they required in a contract management system.

"We chose Ariba because of the robustness of the solution and because of its flexibility," said Cyndy Donnell, Chief Contracting Officer at Medbuy.

Medbuy implemented Ariba Contract Management™, Ariba Sourcing™ and Ariba Buyer™ concurrently in early 2008 to achieve a shortened contracting cycle and to be able to interact electronically with suppliers.

The Benefits

Medbuy has achieved great results since implementing its Ariba solution less than one year ago. "Having everything reside in one system, when it used to be in several different systems, makes the process significantly more efficient for us," said Bill Bouwmeester, Medbuy Vice President and Chief Financial Officer.

The Ariba closed-loop system, which allows Medbuy to push out everything electronically to the supplier community and have them respond online, has been a major benefit.

Overall efficiency and improved cycle times are other primary benefits that the Medbuy team has achieved to date. "The contracting process, which might have taken six months before, has now been greatly reduced. What used to take two weeks now takes only 20 minutes with the push of a button," said Donnell.

The next phase of the Medbuy team's Ariba project will focus on developing a customized system to track rebate dollars against the volume of rebates they anticipated when contracts were initiated. The team is currently continuing its Ariba implementation, but plans to begin work on this custom solution in the near future.

While the Medbuy team is committed to getting the most out of the Ariba solutions it has now, they have also given consideration to potentially adding transactions to the scope of the project in the future.

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About Medbuy

Medbuy is Canada's leading healthcare Group Purchasing Organization. We deliver the best net price for healthcare supplies, pharmaceuticals and services, at the lowest cost. Owned by our Member hospitals and healthcare organizations, Medbuy works on behalf of its Members to identify contracting opportunities, negotiate best value contracts and provide day-to-day contract management. Medbuy assists organizations to maximize their supply chain savings, which enables them to reinvest dollars where it counts – into patient care. For more information, go to www.Medbuy.ca.

About Ariba, Inc.

Ariba, Inc. is the leading provider of spend management solutions to help companies realize rapid and sustainable bottom line results. Successful companies around the world in every industry use Ariba Spend Management software and services. Ariba can be contacted in the U.S. at 1.650.390.1000 or at www.ariba.com.