

How to Use the GPO for Medical Commodities & Equipment Statewide Contract

Contract #: HSP39	Contract Duration: 7/1/14 to 6/30/20
MMARS #: HSP39*	Options to Renew: Two of one year each
Contract Manager:	Peter Etzel 617-720-3397 peter.etzel@state.ma.us
This contract contains:	Supplier Diversity Program (SDP)
UNSPSC:	42-19-00
Last change date:	5/20/16

Contract Summary

This contract covers a Group Purchasing Organization (GPO) agreement for Medical Commodities and Equipment with sole Contractor, Managed Healthcare Associates (MHA), whose GPO membership includes over 9,000 healthcare facilities such as hospitals and nursing homes.

The GPO realizes savings and efficiencies by aggregating purchasing volume and using that leverage to negotiate discounts with manufacturers, distributors and other vendors of healthcare supplies. Please see item 1 under Additional Information below for more information on a GPO. MHA supports the Commonwealth by using their contracts to establish the acquisition prices for medical commodities purchased from distributors who committed to work with a GPO through SWC HSP33 for Medical Commodities and successor contracts; and by allowing direct purchases of equipment from manufacturers using the GPO's contracts through SWC HSP38 and successor contracts.

Benefits and Cost Savings

- Aggregation of the GPO's membership national purchasing volume to establishing manufacturers' prices



- The GPO supports two Statewide Contracts HSP40, Medical Commodities and HSP38, Healthcare Equipment and their successor contracts.
- HSP38 Healthcare Equipment uses a Request for Quote (RFQ) process through MHA

Who Can Use This Contract?

Applicable Procurement Law: MGL c. 7, § 22; c. 30, § 51, § 52; 801 CMR 21.00

Eligible Entities:

01. Cities, towns, districts, counties and other political subdivisions
02. Executive, Legislative and Judicial Branches, including all Departments and elected offices therein;
03. Independent public authorities, commissions and quasi-public agencies
04. Local public libraries, public school districts and charter schools;
05. Public Hospitals, owned by the Commonwealth;
06. Public institutions of high education
07. Public purchasing cooperatives;
08. Non-profit, UFR-certified organizations that are doing business with the Commonwealth;
09. Other states and territories with no prior approval by the State Purchasing Agent required; and
10. Other entities when designated in writing by the State Purchasing Agent.

Pricing and Purchase Options

Purchase Options:

No direct payments are made to the GPO. The GPO lists their portfolio of contracts on their website and is accessible once the purchaser establishes a user name and password by contacting the MHA account manager listed below.

For purchaser job aids, click here: [COMMBUYS Purchasing Job Aids](#).

General Hint - One way to find this SWC is with “Advanced Search” entering the contract number (three letters two digits) in the “Description” field.

Additional Information

Geographic service and delivery areas – The Contractor will be able to provide the requested service(s) throughout the Commonwealth.



Group Purchasing Organization (GPO)

GPO savings and efficiencies are realized by aggregating purchasing volume and using that leverage to negotiate discounts with manufacturers, distributors and other vendors of health supplies such as pharmaceuticals, biologics, medical/surgical equipment, laboratory supplies, and capital equipment. GPO's actively negotiate contracts with manufacturers on behalf of their members, and/or provide their members access to the purchasing contracts of other GPO's.

MHA is not itself a vendor on this contract, but through MHA the Commonwealth can access MHA's national contract pricing. Their role is further explained in "Using the Contract".

Using the Contract

This contract supports and helps establish the pricing on two other Statewide Contracts from which the actual purchases are made: HSP38 Healthcare Equipment, Furniture, Furnishings and Related Services and its successor contracts, and HSP33 Medical Commodities and its successor contracts.

Buying Equipment using SWC HSP38 and successor contracts: Before purchasing healthcare equipment, read the Contract User Guide for SWC HSP38 Healthcare Equipment, Furniture, Furnishings and Related Services or its successor contracts. It details an RFQ process that involves the GPO that must be followed when purchasing healthcare equipment with a value greater than \$2,000. This RFQ process allows purchases from distributors on the SWC HSP38 and successor contracts as well as directly from manufacturers having a contract with MHA, but not with the Commonwealth. Once the RFQ process is completed and all competitive pricing is available each purchaser is required to inform OSD of their RFQ results.

Online portfolio of Contracts: The GPO provides an online portfolio of its many contracts with healthcare "manufacturers" for medical commodities and healthcare equipment. The GPO contracts can be viewed on the [MHA website](#) by a purchaser who obtains a username and password from MHA.

Buying Commodity Supplies using SWC HSP33 and its successor contracts: Purchasing Entities, before purchasing medical commodities, need to read the Contract Users Guide for SWC HSP33 and its successor contracts. Four vendors on SWC HSP33: Geriatric Medical, Invacare, McKesson, and Westnet are designated as GPO Distributors, who have committed to work with the MHA to have access to the GPO contracts and pricing. The GPO's contract pricing becomes the acquisition cost price for those four Distributors for a particular item. The acquisition price a GPO Distributor uses in calculating its sales price to a purchaser cannot be higher than the GPO contract price even if the Distributor pays more from another source.

The online catalogs can be very useful to Purchasing Entities in determining which manufacturers and products are available at the GPO contract price. If a purchaser is looking for a manufacturer or product



and can't find it online they should contact the MHA Account Manager listed below. In many cases the same product is identified by different names in the industry.

Contract development and additions: MHA works with the Commonwealth to customize solutions and contracts to better meet needs. MHA can help a purchaser locate and evaluate products from multiple manufacturers and identify better products &/or lower cost alternatives. If a purchaser identifies a product it intends to purchase that is not on a MHA contract or the volume justifies seeking lower pricing MHA will make a good faith effort to add the product and/or manufacture to its portfolio.

Where to Find Contract Information on COMMBUYS

To find in depth Master Blanket Purchase Order (MBPO) information: on the [COMMBUYS](#), login page click on the "Contract & Bid Search" link, click the Contracts/Blankets button, enter the contract number (three letters two digits) in the Contract/Blanket Description, (if you have logged in and searching, some users will see a box labelled "Header Major Status" – if so, use the dropdown menu to select "3PS-Sent"), then all users click the "Find It" button, to see the MBPO. If you see a "vCurrent" MBPO, it is historical information from the prior COMM-PASS system. Click the link you want to see. The Contract User Guide and RFR are posted with the MBPO.

Strategic Sourcing Team Members

Name	Organization
Debra Combra	Dept. of Mental Health
Jennifer Fennell	Lemuel Shattuck Hospital
Judi Lydon-Ruby	Wrentham Developmental Center
Dorothy Martin	Dept. of Mental Health
Jacqueline Paye	Western Massachusetts Hospital
Kathy Rufo	Tewksbury State Hospital
Brian Sullivan	Western Massachusetts Hospital

Vendor List and Contract information-Sole Contractor

Group Purchasing Organization	Contact Name	Phone Numbers	Email
Managed Healthcare Associates MMARS VC0000712228	Kimberly Thompson	800- 948-7172 Fax 855-485-1106	KThompson@mhainc.com
COMMBUYS PO-14-1080-OSD01-OSD10-00000001279			

Detailed vendor information is available on [COMMBUYS](#), click on the "Registered Vendor Search" link.

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