

The Honorable John Cornyn United States Senate Washington, D.C. 20510

Dear Senator Cornyn:

My hospitals rely on management partner. My GPO Inc., a Group Purchasing Organization (GPO), to be our trusted cost-aggregates our purchasing power and that of other hospitals to negotiate discounts with suppliers on our behalf. My GPO works with me and my organization to deliver the best value from suppliers, and it does so through a transparent, client-driven, fair and highly ethical contracting process. I encourage you to support the important work that GPOs provide to hospitals like ours by maintaining this current, effective cost-cutting solution during these health care reform debates.

MY GPO delivers tremendous savings to my organization, along with operational improvements.

MY GPO adheres to a very strict ethics and compliance policy. Because of this, MY GPO is able to ethically conduct business on our behalf to aid with cost-management initiatives that support our delivery of quality patient care. Most importantly, all contract and product decisions with suppliers are made by us – the clients.

Right now, capital spending is tight, and our operating margins remain extremely low, and we're able to operate successfully because of our relationship with MY GPO. If GPOs were diminished, here are a few ways we and the entire healthcare industry would be affected:

- Our health system would be unable to aggregate our purchasing power with that of other systems, resulting in lost negotiating leverage with suppliers and higher prices.
- Because GPOs help hospitals negotiate thousands of contracts needed for consumables, services and equipment, our health system and others would be forced to hire more staff and thus increase our operating expenses at a time when we are seeking every efficiency available to reduce our operating costs.
- Instead of the transparency into contracting pricing MY GPO offers (where clients make contracting decisions based on pricing offered by suppliers for a large group of health systems), we may be forced to negotiate with suppliers on our own without the marketplace intelligence that group contracting provides leading us to pay higher prices.

A key component of reforming the U.S. health system must include reducing the underlying cost of providing healthcare services. This is the specialty of MY GPO and other GPOs. We urge you to promote cost-cutting solutions in resolving the current healthcare crisis, and (in particular) work to avoid any restrictive legislation on GPOs that could only hurt our ability to provide care to our patients and deliver the savings necessary for reform.

Sincerely,

Mr. Steve Pickett

Sr. Vice President, Chief Financial Officer

St. Luke's Episcopal Health System



The Honorable John Abney Culberson 10000 Memorial Drive, Suite 620 Houston, TX 77024-3490

Dear Representative Culberson:

My hospitals rely on My GPO Inc., a Group Purchasing Organization (GPO), to be our trusted cost-management partner. My GPO aggregates our purchasing power and that of other hospitals to negotiate discounts with suppliers on our behalf. My GPO works with me and my organization to deliver the best value from suppliers, and it does so through a transparent, client-driven, fair and highly ethical contracting process. I encourage you to support the important work that GPOs provide to hospitals like ours by maintaining this current, effective cost-cutting solution during these health care reform debates.

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Mr. Steve Pickett

Sr. Vice President, Chief Financial Officer

St. Luke's Episcopal Health System



The Honorable Kay Bailey Hutchison United States Senate Washington, D.C. 20510

Dear Senator Hutchison:

My hospitals rely on My GPO Inc., a Group Purchasing Organization (GPO), to be our trusted costmanagement partner. My GPO aggregates our purchasing power and that of other hospitals to negotiate
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