

The New York Times

Letter to the Editor

To: letters@nytimes.com

Your August 13th story, "Senators Investigate Hospital Purchasing," resurrects old and unfounded claims against the healthcare group purchasing industry. The GPO industry today is among the most transparent and ethical in healthcare. Nowhere did Ms. Walsh mention that most of the information requested is available at www.healthcaregpoii.org. Readers can see for themselves how GPOs currently operate, their business practices and the best way to follow up.

Need more? Ask small device manufacturers and hospital CEOs how we create tremendous value for patients and taxpayers. Ask respected researchers who find extraordinary cost savings associated with GPOs. Unfortunately, Ms. Walsh chose not to contact those people most truly in the know painting a negative picture. Three key points to add to her story: First, in 2005, our industry adopted a code of conduct to ensure ethical business practices that all members subscribe to. Second, we look forward to working with the Senate as they learn more about the vital role of GPOs. Mr. Grassley will be heartened to learn that the great majority the hospitals in his state of Iowa contract with GPOs. Third, few activities rival the success of GPOs in keeping health care costs low while preserving service quality. Two recent studies reveal that GPOs annually save the nation between \$36 and \$64 billion dollars.

Finally, Ms. Walsh mentions a "whistleblower" who worked in the industry for six months a decade ago. The only "news" here and what she failed to note is that the Department of Justice wouldn't touch her case. She also failed to note that Adroit Medical Products actually chooses to contract with a GPO to help sell its blankets to hospitals. They just don't like to pay the fee. Studies show that approximately 30 percent of products purchased by hospitals are "off contract." Rather than asking Congress to intervene, truly adroit companies are free to go directly to hospitals and do so when it makes economic sense.

Curtis Rooney
President
Health Industry Group Purchasing Association
2025 M Street, N.W. Suite 800
Washington, D.C. 20036
P 202.367.1215
F 202.367.2215
crooney@higpa.org
www.higpa.org