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Media Contact: Lauren Smith
(202) 470-5381
laurensmith@rational360.com

**HIGPA STATEMENT ON BUDGET DEBATE AND THE CRITICAL ROLE OF GPOS IN
HEALTH CARE COST CONTAINMENT, REDUCING BUDGET DEFICIT**

*Group Purchasing Organizations Projected to Save More Than \$100 Billion for
Medicare, Medicaid Through 2017*

Washington, D.C. (April 14, 2011) – Health Industry Group Purchasing Association (HIGPA) President Curtis Rooney today issued the following statement on the current debate over the U.S. budget and deficit, and on the billions in cost savings that group purchasing organizations (GPOs) deliver to American hospitals, Medicare and taxpayers:

“Both Republicans and Democrats agree that rising health care costs and increasing costs to Medicare are a major driver of the country’s troubling deficits. As the President, Congress and all parties to the health care delivery system search for ways to contain health care costs, group purchasing organizations continue to demonstrate that they are a critical piece of the cost-savings solution. GPOs are cost containment and are already saving billions for Medicare, American hospitals and taxpayers.

“GPOs are projected to save Medicare between \$104 and \$230 billion by 2017, while GPOs will save Medicaid between \$74.1 and \$162.5 billion over the same period. GPOs will continue to work within the health care supply chain to help deliver the best, most innovative products to hospitals at the best value, to promote critical pricing transparency and competition that will further drive down costs, and ease the financial burden on hospitals who are already operating in the midst of budget crises.”

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About HIGPA

The Health Industry Group Purchasing Association (HIGPA) is a broad-based trade association that represents 16 group purchasing organizations, including for-profit and not-for-profit corporations, purchasing groups, associations, multi-hospital systems and healthcare provider alliances. HIGPA’s mission is to advocate on behalf of health care group purchasing associations, to provide educational opportunities designed to improve efficiencies in the purchase, sale and utilization of all goods and services within the health industry and to promote meaningful dialogue between GPOs. For more information, visit www.higpa.org.