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**HSCA STATEMENT ON CBO’S ANNUAL BUDGET AND ECONOMIC OUTLOOK AND THE CRITICAL  
ROLE OF GPOS IN CONTAINING HEALTHCARE COSTS**

*HSCA Calls Attention to the Significant Costs Savings Group Purchasing Organizations Offer U.S.  
Health System, Medicare and Medicaid and Taxpayers*

**Washington, DC (January 26, 2015)** –Healthcare Supply Chain Association ([HSCA](#)) president Curtis Rooney today released the following statement on the annual Budget and Economic Outlook compiled by the Congressional Budget Office (CBO) and the billions in cost savings group purchasing organizations (GPOs) deliver to hospitals, Medicare and Medicaid programs, and American taxpayers:

“GPOs are a critical cost containment solution for the U.S. health system, which was one of the primary areas for budgetary concerns highlighted in the CBO’s annual ten year outlook. Hospitals and healthcare providers continue to face mounting financial pressure to cut costs, and will turn to their GPO partners to find savings and deliver the best products at the best value.

“By offering cost-effective solutions, GPOs are able to help hospitals preserve patient access to affordable, timely and effective care. By pooling resources and identifying areas for innovation in the supply chain, GPOs provide opportunities for lowering spending across the entire healthcare system.”

“A recent empirical analysis compiled by healthcare economists Dobson DaVanzo and Associates found GPOs generate up to \$55 billion in annual savings for hospitals, Medicare and Medicaid, and taxpayers. The report used U.S. government health data and specifically found that from 2013 to 2022, GPOs are expected to create savings of up to \$864 billion for the entire U.S. health system, \$229 billion in Medicare savings, and \$169 billion in Medicaid savings.”

To learn more about HSCA and its GPO members, click [here](#).

For the full Dobson DaVanzo report on the value of GPOs to the U.S. health system, click [here](#).

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**About the Healthcare Supply Chain Association (HSCA)**

The Healthcare Supply Chain Association, formerly the Health Industry Group Purchasing Association, is a broad-based trade association that represents 14 group purchasing organizations, including for-profit and not-for-profit corporations, purchasing groups, associations, multi-hospital systems and healthcare provider alliances. HSCA’s mission is to advocate on behalf of healthcare 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.supplychainassociation.org](http://www.supplychainassociation.org). Follow HSCA on Twitter [@HSCA](#).