

UNDERSTANDING DIFFERENT TYPES OF
REPAIR PROGRAMS
CONCLUSION



INSTRUMENT REPAIR EXPERT

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CLEAN**

Tim Cochran | Marketing Director
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When it comes to billing, there are multiple ways you can choose to be billed for services:

Line Item Pricing: The repair vendor performs service on the instruments that need repair. Typically, you are charged for the work that is performed. Bills can fluctuate dramatically from visit to visit, making budgeting more difficult for the facility. Some vendors may agree to a CAP (or dollar limit) to work within. The line item amount is either a local negotiated rate or linked to your GPO tiered pricing. Be cautious if you are being charged for inspection and cleaning and not just the repair of the instrument.

CAP (Capitated) Flat Daily/Monthly Rates: The repair vendor bills a full day/month regardless of the overall volume of instruments/sets to be serviced. Some vendors may have a limit on the number of instruments/sets they will service for the flat rate amount. This can be a good idea when you have implemented a full preventative maintenance (PM) program and/or the volume of work fluctuates from visit to visit. It's easier to budget. Some vendors will incorporate risk share clauses within these types of programs. This can be good for the facility and vendor alike as it protects you from over paying for the services. Most vendors will work within your parameters and budget as it relates to billing.

When agreeing to a low, flat daily rate, make sure you understand what is included in the rate. Ask questions such as: Does this include parts? Are extensive repairs included? How will I be billed if something needs extensive repair?

Many facilities are under the assumption that they have a flat daily rate and that's all they will pay. What they fail to realize is that this rate may not include extensive repairs or doesn't cover items that need to be sent to the vendor's regional/national repair center. Be cautious of a quoted low capitated rate that doesn't include the complete repair of the instruments to bring them back to their original OEM form, fit and function. Read the fine print of the contract and ask the questions!

Beyond Clean Instrument Repair Expert™ Biography:

TIM COCHRAN

AESCULAP TECHNICAL SERVICES

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Timothy is a Georgia native with over 30 years in the medical device industry. The last 18 years have been focused in the area of Marketing and Service Solutions within the home healthcare market and Sterile Processing Department (SPD). Timothy is currently working as Marketing Director of Healthcare Solutions with Aesculap, Inc. with a focus on creating service solutions within the SPD.

Timothy has a passion for service and educating customers on the importance of driving cost savings through maintaining a healthy instrument fleet. He holds a BS in Management from Southern Christian University and MBA from Kennesaw State University in Georgia.

Aesculap is an industry leader in asset repair and maintenance, partnering with healthcare facilities to extend the value of their surgical instrument fleet and equipment. Offering services both on-site and at their National Repair Facility, Aesculap customizes solutions to keep assets working at peak performance.

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Have more instrument repair questions? Contact Tim at: tim.cochran@aesculapusa.com