

Purchase Pattern of Cardiac Equipment

The predominant purchase pattern of cardiac equipment is one in which purchases are made directly from the manufacturer. Less than 10% of the respondents purchase solely from distributors. The U.S. Supplier segment hospitals tend to buy from distributors more and manufacturers less. Hospital purchasing groups are used by the Price/Quality and Quality segments, but not by the U.S. Supplier segment.

Major suppliers for all cardiac equipment are Hewlett Packard, Marquette, and Avionics. More than 40 companies were mentioned. U.S. Supplier hospitals tend to use Marquette more and Hewlett Packard less than other segments.

About two-thirds of the respondents indicated that their hospitals had increased spending on cardiac equipment in the past two years, with an average dollar increase of 35%. The percentage of hospitals claiming increased spending was highest in the Price/Quality segment and lowest in the U.S. Supplier segment. In terms of estimated percent of dollar increase, the Price/Quality segment estimated a 40% increase in dollar spending over the past two years, while the U.S. Supplier segment estimated a 20% increase.

The average (median) amount spent on cardiac supplies in the last year was:

All cardiac equipment	\$130,000
Single-Channel EKG equipment	\$ 31,500
Echocardiogram equipment	\$ 38,600
Stress testing equipment	\$ 36,600
Diagnostic cardiac equipment (patient monitoring)	\$ 33,000
Bedside (stand alone) micro- processor controlled patient monitoring equipment	\$ 18,900
Microprocessor controlled patient monitoring equipment systems	\$111,000

Two-thirds of the hospitals expect the amount spent on cardiac equipment to increase within the next year, and 15% expect it to decrease. The percentage of hospitals expecting increased spending on cardiac supplies is highest in the U.S. Supplier segment and lowest in the Price/Quality segment. U.S. Supplier hospitals expect a 53% increase in dollar spending next year, while the other two benefit segments expect only a 22-23% dollar increase.