

Appendix D: Reported spending and estimated savings and benefits under collective agreements

Figure D1: Reported spending under collective agreements, reported total financial savings and benefits and financial savings and benefits as a percentage of spending by collective agreement, 2023–24

Collective agreement	Estimated value of spending under collective agreement	Estimated total savings and benefits	Savings and benefits as a percentage of spending
Clinical			
Hypodermic Needles and Syringes	\$5,188,820	–\$313,648	–6.0%
Continence Management Products	\$10,906,940	–\$653,176	–6.0%
Hand Hygiene, Disinfectants and Chemical Products	\$8,340,365	–\$493,940	–5.9%
Cranial Neurosurgery Prostheses and Associated Consumables	\$3,941,085	–\$87,466	–2.2%
Monitoring Products	\$17,016,581	–\$115,925	–0.7%
Enteral Feeding and Oral Nutrition Support	\$12,582,795	–\$76,835	–0.6%
Sterilisation Consumables and Related Services	\$12,009,597	–\$14,198	–0.1%
Robotics Surgical System	\$22,506,149	\$13,333	0.1%
Interventional Radiology	\$23,223,003	\$69,762	0.3%
Dental Consumables	\$2,827,267	\$10,323	0.4%
Intravenous Access Devices and Administration Consumables	\$22,478,944	\$263,670	1.2%
Operating Room and Wound Drainage Consumables	\$16,536,789	\$428,580	2.6%
Respiratory Protection Equipment (RPE) Fit Testing Services	\$2,496,193	\$76,587	3.1%
Surgical Instruments - Open & Laparoscopic	\$30,077,043	\$1,669,718	5.6%
Orthopaedic Prostheses - Hips and Knees	\$40,766,978	\$3,042,840	7.5%
Respiratory Products	\$7,723,616	\$761,656	9.9%
Examination and Surgical Gloves	\$20,887,466	\$2,328,539	11.1%

Collective agreement	Estimated value of spending under collective agreement	Estimated total savings and benefits	Savings and benefits as a percentage of spending
Interventional Cardiology	\$26,822,861	\$3,293,168	12.3%
Sutures, Skin Staples and Removers, and Tissue Adhesives	\$9,696,529	\$1,226,575	12.6%
Drapes and Clinical Protective Apparel	\$46,505,437	\$5,940,900	12.8%
Spinal Prostheses	\$6,306,857	\$1,121,843	17.8%
Trauma Implants	\$22,097,183	\$5,616,676	25.4%
Heart Valve Replacement Products	\$1,882,840	\$309,390	16.4%
Skin Integrity Consumables	\$ 22,506,150	\$1,877,773	8.3%
Clinical total	\$395,327,489	\$26,296,145	6.7%
Indirect products and services			
Clinical Waste	\$20,000,000	-\$6,180,810	-30.9%
Laundry & Linen Services - Loddon Mallee Region	\$1,757,678	-\$502,484	-28.6%
Laundry & Linen Services – Metro Cluster	\$20,264,016	-\$4,525,658	-22.3%
Natural Gas (Large Sites)	\$22,426,783	-\$2,717,545	-12.1%
Non-Emergency Patient Transport	\$26,362,747	-\$1,441,692	-5.5%
Medical and Industrial Gases	\$10,070,861	-\$90,996	-0.9%
External Contracted Medical Imaging Services	\$80,000,000	\$-	0.0%
Utilities: Contract Management Services	\$143,000	\$-	0.0%
Agency Labour - Clinical and Support	\$57,758,922	\$46,856	0.1%
Language Services	\$11,724,197	\$31,654	0.3%
Electricity >40MWh	\$90,000,000	\$1,138,991	1.3%
Medical Locum Agency Services	\$48,253,418	\$1,088,020	2.3%
Building Services - Trades Metro	\$20,700,000	\$998,757	4.8%
Catering Supplies	\$58,520,929	\$4,089,799	7.0%
Heating, ventilation, and air conditioning, and related services (HVAC)	\$8,782,498	\$741,040	8.4%
Statewide Security	\$28,810,000	\$2,817,265	9.8%
LPG for Regional Health Services	\$1,991,720	\$259,710	13.0%

Collective agreement	Estimated value of spending under collective agreement	Estimated total savings and benefits	Savings and benefits as a percentage of spending
Pathology Services (Gippsland Region)	\$7,872,287	\$1,078,990	13.7%
Workplace Supplies	\$16,861,934	\$2,905,374	17.2%
Electrical Compliance	\$2,167,726	\$460,936	21.3%
Fire Protection System Maintenance	\$2,170,188	\$493,900	22.8%
Waste Management Services	\$7,418,762	\$2,332,150	31.4%
Fire Protection System Maintenance	\$3,060,387	\$1,430,465	46.7%
Security (Manpower) Services	\$-	-\$50,800	-
Utility Bill Validation and Reporting Services	\$-	\$3,899	-
Utility Metering and Data Services	\$-	\$110,785	-
Indirect products and services total	547,118,056	\$4,518,606	0.8%
IT			
Microsoft Enterprise Agreement (EA)	\$50,000,000	\$2,900,000	5.8%
SuccessFactors Implementation Panel	\$10,000,000	\$1,142,616	11.4%
Mobile Workstations and Associated Equipment	\$2,000,000	\$258,426	12.9%
Menu Planning/Food Services System	\$1,000,000	\$131,060	13.1%
Cisco Infrastructure and Associated Services Panel	\$20,000,000	\$3,489,820	17.4%
SuccessFactors Licensing Agreement	\$1,000,000	\$186,179	18.6%
VMware Enterprise Agreement	\$2,250,000	\$900,000	40.0%
IT total	\$86,250,000	\$9,008,101	10.4%
Medical equipment			
Renal Replacement Therapy Equipment and Associated Products	\$28,171,734	-\$2,643,655	-9.4%
Health Service Sourcing	\$74,627,469	\$-	0.0%
Beds, Mattresses, Patient Trolleys and Treatment Chairs	\$9,445,849	\$52,487	0.6%
Defibrillators and Associated Consumables	\$1,016,022	\$34,000	3.3%

Collective agreement	Estimated value of spending under collective agreement	Estimated total savings and benefits	Savings and benefits as a percentage of spending
Ventilators - Evergreen Review	\$1,909,045	\$69,320	3.6%
Medical Imaging Equipment and Radiotherapy Equipment	\$50,680,000	\$3,811,988	7.5%
Physiological Monitoring and Anaesthetic Gas Delivery Systems	\$3,322,721	\$286,915	8.6%
Pathology Consumables	\$7,662,391	\$843,362	11.0%
Pathology Equipment and Associated Consumables	\$14,754,100	\$1,817,601	12.3%
Rapid Antigen Test (RAT) Kits	\$1,412,001	\$199,369	14.1%
Infusion Pumps - Evergreen Review	\$6,475,168	\$1,318,881	20.4%
Medical equipment total	\$199,476,502	\$5,790,268	2.9%
Pharmaceuticals			
Radiopharmaceuticals	\$2,873,201	-\$409,508	-14.3%
Contrast Media and Non- Radioactive Kits	\$7,310,285	-\$480,101	-6.6%
Compounded Chemotherapy and MAB Preparations	\$59,983,256	\$1,860,711	3.1%
Pharmaceutical Products and IV Fluids	\$136,343,051	\$138,407,283	101.5%
Biopharmaceutical - Infliximab	\$12,260,114	\$25,845,652	210.8%
Biopharmaceuticals Long- Acting Granulocyte-Colony Stimulating Factor	\$1,328,363	\$5,695,637	428.8%
Gippsland Compounded Chemotherapy and MAB Preparations	\$-	\$305,493	-
Grampians Compounded Chemotherapy and MAB Preparations	\$-	\$551,483	-
Pharmaceuticals total	\$220,098,270	\$171,776,650	78.0%
Grand total	\$1,448,270,318	\$217,389,770	15.0%

Note: Utility Bill Validation and Reporting Services, Utility Metering and Data Services and Robotics Surgical System do not have spending information.
Source: VAGO, based on data provided by HSV.