



HEALTHTRUST Performance Group®

Laundry & Linen FAQs

What are the key differences between per piece and per pound pricing for laundry services, especially in acute versus non-acute settings?

The pricing structure often depends on the supplier's methodology. Generally, acute settings prefer per pound pricing due to efficiency, whereas smaller hospitals might opt for per piece pricing.

How can hospitals effectively manage laundry and linen expenses amidst supplier regionalization and fluctuating costs?

Regular business reviews with suppliers are crucial for cost management and quality control. These reviews help identify cost drivers, address behavioral issues impacting costs, and ensure alignment with service expectations.

Are quarterly business reviews (QBRs) common in the healthcare laundry and linen sector?

QBRs are essential but not universally practiced. They provide opportunities to discuss cost drivers, behavior changes, and service improvements, fostering better collaboration between suppliers and healthcare facilities.

What factors contribute to cost increases in laundry and linen services, and how can these be managed?

Cost increases can stem from labor expenses, raw material costs (like cotton), and supply chain disruptions. Effective management involves strategic planning, supplier partnerships, and leveraging data to justify cost adjustments.

How does managing laundry and linen expenses impact patient experience and healthcare outcomes?

Efficient linen management ensures uninterrupted services, contributes to patient comfort, and positively influences patient satisfaction scores and reimbursements, highlighting its direct impact on healthcare quality.



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HealthTrust at evs.sourcing@healthtrustpg.com

What strategies can healthcare facilities use to benchmark their laundry and linen expenses against industry standards?

Benchmarking involves analyzing cost metrics, comparing pricing structures, and evaluating service quality across similar healthcare facilities. Data-driven insights from benchmarking help identify opportunities for cost savings and performance improvements.

How can I determine if my health system should consider outsourcing laundry services?

Evaluate factors like equipment condition, space availability, labor efficiency, and cost of ownership. If your equipment needs frequent repairs, occupies valuable space, or isn't as efficient as outsourced options, it might be time to consider outsourcing.

What are the key differences between outsourced laundry services and customer-owned on-premise laundry?

Outsourced laundry involves a third-party provider owning and managing the linen process, while customer-owned on-premise laundry (COG/OPL) means you own the linen but outsource washing. OPL requires managing equipment, space, labor, and depreciation, while outsourcing transfers these responsibilities to the provider.

How can hospitals ensure a fair and transparent partnership with laundry service providers?

Hospitals should negotiate contracts that align pricing with actual usage, avoid hidden charges or surcharges, and ensure clear terms for linen ownership, replacement, and billing methodologies. Regularly reviewing and benchmarking contracts helps maintain transparency and fairness.

What are some common challenges health systems face when benchmarking linen and laundry costs?

Challenges include varying billing methodologies among suppliers, different contract terms within the same health system, and difficulties in creating apples-to-apples comparisons due to unit measurement variations (e.g., per pound vs. per piece). Developing standardized metrics and tools can aid in accurate benchmarking.

What role does data analysis play in optimizing linen and laundry costs for health systems?

Data analysis helps identify usage patterns, cost drivers, and areas for optimization. By collecting and analyzing data on linen usage, purchase behavior, and supplier performance, health systems can make informed decisions, negotiate better contracts, and track cost-saving initiatives effectively.

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