

Navigating change:

Best demonstrated practices for ASCs and Surgical Hospitals



Logistics Product Business Patient

Welcome





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Welcome





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Objectives



- Discuss how a clinical assessment can identify best demonstrated practices for navigating change
 - Describe how your pack program can drive product standardization and cost savings
- Reveal the importance of fostering clinical and operational alignment
- Explain the power of data analytics to improve performance and optimize the patient experience

About Cardinal Health



Recognized leader in healthcare supply chain transformation

 Top ranking for transforming the healthcare value chain to meet new challenges around costs, revenues and outcomes



Unparalleled understanding of healthcare value chain

- Supplier and leading manufacturer of med/surg products
- Leader in providing supply chain services with 40+ years experience

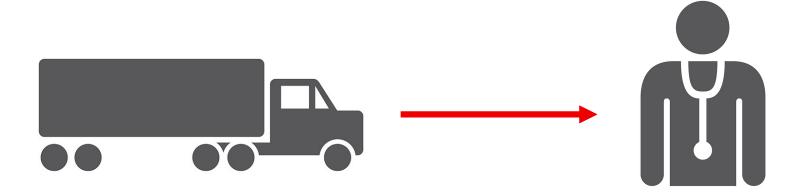
Leading med/surg distributor for ASCs and surgical hospitals

- Clinical team of perioperative nurses averaging 20 years of OR and supply chain management experience – to help facilities cut waste and OR costs
- Built to meet your unique needs both now and in the future

The value of a clinical assessment



- Identify best demonstrated practices from "dock" to "doc"
- Help navigate change
- Target new ways to improve performance



Procedure pack matrix



PACK PROCEDURE MATRIX	ANNUAL VOLUMES	MONTHLY VOLUMES	
CATARACT	2913	243	
DENTAL	26	2	
GENERAL SURGERY	126	11	
GYNE	157	13	
ORTHOPEDICS	243	20	
OTOLARYNGOLOGY	370	31	
PAIN MANAGEMENT	1641	137	
PLASTICS/RECONSTRUCTIVE	264	22	
UROLOGY	24	2	
TOTAL	5764	481	

How a clinical assessment works



- 1. Identify process improvements and safety standards
 - Maximize efficiency of case pick process
 - Evaluate safety standards compliance
 - Assess gown protection levels
 - Optimize draping practices

How a clinical assessment works



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2. Evaluate efficiency of current procedure supply

- Validate right pack for each procedure
- Determine supply chain impact on practice, throughput and costs
- Reveal level of returns to case pick area
- Seek supply consolidation opportunities for high-volume, supply-intense procedures

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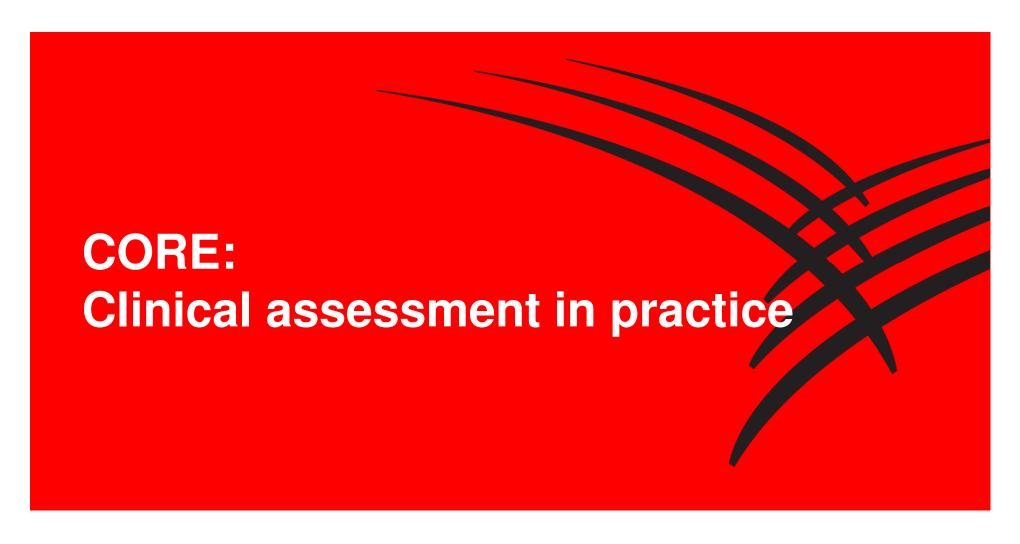
3. Uncover new cost savings initiatives

- Identify waste in pack components
- Explore product standardization
- Review adding single-sterile items to packs
- Evaluate clinical practices to increase efficiency and savings

Baseline tool



Vendor Cat. 29480 6554-01 9515 9545 BF309604 KC9024A 250PRL LUB-3PK144 CH200024	Vendor Cardinal Hospira Cardinal Cardinal BD	QTY 1 1	UM EA			- 1										
29480 6554-01 9515 9545 BF309604 KC9024A 250PRL LUB-3PK144	Vendor Cardinal Hospira Cardinal Cardinal	1	0.000 - 0.00 P			CURRENT PRACTICE					PROPOSED NEW VERSION PACK					
8554-01 9515 9545 BF309604 KC9024A 250PRL LUB-3PK144	Hospira Cardinal Cardinal	1 1 1	EA	Description	Single Sterile	Ext. Cost	Cat. #	QTY	Description	COST/ EA.	Ext. Cost	AL SAVINGS				
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9545 BF309604 KC9024A 250PBL LUB-3PK144	Cardinal	1	EA	cysto irrigation set	\$6.52	\$6.52	Distributed the second		1090ACC ACIDED GRANDER	5 1 AVE 2 10 WAY	\$0.00					
BF309604 KC9024A 250PRL LUB-3PK144	A CONTRACTOR OF THE PARTY OF TH		EA	large surgeons gown	\$2.88	\$2.88					\$0.00					
KC9024A 250PRL LUB-3PK144	BD	1	EA	XL surgeons gown	\$3.24	\$3.24) (S				\$0.00					
250PRL LUB-3PK144		1	EA	10cc syringe	\$0.09	\$0.09	70				\$0.00					
LUB-3PK144	Covidien	10	EA	4 x 4 gauze sponge	\$0.32	\$3.20	7				\$0.00					
19.000 (0.00	Cardinal	1	EA	skin marker /ruler/label	\$0.58	\$0.58		- 30		9 8	\$0.00					
CH200024	Cardinal	1	EA	3gm lubricant	\$0.06	\$0.06					\$0.00					
	Cardinal	2	EA	24 x 24 wrap for bowls	\$0.60	\$1.20	8	3 1		8 8	\$0.00					
10			* *			\$0.00	10	3 1		8 8	\$0.00					
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						\$0.00					\$0.00					
						\$0.00					\$0.00					
						\$0.00					\$0.00					
						\$0.00	NEW Cost per Procedure				\$0.00					
NEW	N/A	1	EA	CYSTO Pack	\$0.00	\$0.00	SAVINGS per Procedure:					\$1.79				
					Current Procedural Supply Cost:	\$ 24.50					Monthly Volume ANNUAL	110				



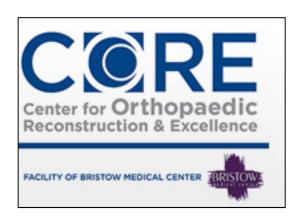


CORE goals



Open new surgical hospital in just 90 days:

- STEP ONE: Develop a new procedure pack program
- STEP TWO: Perform a full clinical assessment
 - Review data and provide suggestions/recommendations
 - Establish criteria for measuring progress





CORE collaboration



- Perioperative nurse visit on-site to collaborate with CORE staff
- Nondisruptive review of:
 - Packs
 - Case pick process
 - Procedure set-up
 - Draping practices
- Add key learnings around nationwide best practices

CORE results

- Reduced SKU count
- Decreased bulk stock in storeroom
- Improved utilization, less waste
- Better charge capture with all-inone packs
- Greater staff efficiency





CORE results

- Improved OR turnover time
- Better space utilization with just-in-time (JIT) inventory
- More time for patient care
- Cost savings



CORE best demonstrated practices





Strong pack program drives standardization and cost savings



Clinical and operational alignment helps ensure success



Data analytics to quantify progress and help facilitate improvement

#1: Strong pack program

- Standardize packs based on clinical needs and access to competitive GPO contracts
- Identify and combine all supplies for each procedure in a single pack, from OR set-up to cleanup

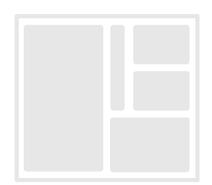




#1: Strong pack program



- Reduce SKU count
- Support inventory reduction goals
- Minimize need for clinicians to leave OR to pull supplies
- Replace time-consuming processes for supplies
- Help surgeons make best use of their time



#2: Clinical and operational alignment



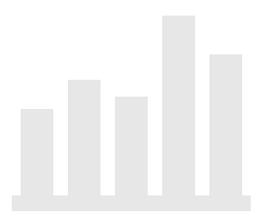
- OR and Materials Directors must have strong working relationship
- Essential to gain support from clinicians using packs
- Key: A fellow clinician performs clinical assessments
- New Products Review Program



#3: Data analytics



- Establish CORE data warehouse
- Develop customized dashboards:
 - Revenue Cycle
 - Physician
- Compare with industry benchmarks



CORE next steps



Semi-annual business reviews

Contract rebates

New clinical assessment approximately every

18 months



CORE advice



- Be open to clinical assessment recommendations
- Give yourself permission to change
- Change affects everyone, but is worth the effort
- "Keep your feelings in a container!"



Your own clinical assessment



Learn how to:

- Convert waste into real savings
- Evaluate your current clinical practices to support:
 - Patient safety
 - Patient and clinician satisfaction
 - OR efficiency
- Optimize your pack program for your case mix
- Ultimately, use best demonstrated practices to take back more time for patient care



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