"Building Patient Safety"

Patient Safety

Healthcare Supply Chain Efficiency

- Automatic Data Capture (Bar Codes, Data Matrix, RFID)
- e-Commerce (EDI / XML Transactions)
- Electronic Record Management (e-Records, e-Prescriptions)
- Assets & Equipment Tracking
- Traceability (e-Pedigree, Recalls)

Standardized Product Definition (GDSN™)

Standardized Location Identification (GLN)

Standardized Product Identification (GTIN)

Standardization ➔ Interoperability
Project Goals

- Set the stage for industry GLN implementation (Sunrise 2010) with a trusted partner.
- Guarantee GLN Registry completeness at the transactional level.
- Demonstrate ability for GLN utilization within P2P (high volume, diverse product and diverse service needs)
- Document lessons learned.
- Prepare for GLN Price Management and Contracting processes.
Getting Started

• Select a partner
  • Mayo’s Med-Surg Distributor, Cardinal Healthcare

• Agree on scope
  • Focus on relevant (P2P) transactions
  • Convert EDI; train Customer Service and P2P personnel; phone and fax; issues management
  • Most significant Mayo Entities (90% of Mayo Spend). Lawson ERP.
  • Base business as well as JIT (ValueLink)
### Mayo Hierarchy

Current Mayo Clinic hierarchy includes 4 levels:

<table>
<thead>
<tr>
<th>Level</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1&lt;sup&gt;st&lt;/sup&gt; level</td>
<td>Enterprise Entity</td>
</tr>
<tr>
<td>2&lt;sup&gt;nd&lt;/sup&gt; level</td>
<td>Contract Membership Entity</td>
</tr>
<tr>
<td>3&lt;sup&gt;rd&lt;/sup&gt; level</td>
<td>Receiving Location</td>
</tr>
<tr>
<td>4&lt;sup&gt;th&lt;/sup&gt; level</td>
<td>Special Handling Location, Delivery Location (future)</td>
</tr>
</tbody>
</table>

(note: Any level except Enterprise Entity may be a Ship-To)
Timeline

- Timeline – 6 month engagement
  - Planning Phase
  - Design Phase
  - Testing Phase
  - Implementation Phase
    - Base (MCF, MCA, MCR, FSH)
    - JIT (MCF, MCA)
    - Simultaneous ERP Implementation (LMH)
  - Wrap Up Phase

<table>
<thead>
<tr>
<th>Aug 2008</th>
<th>Jan 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning &amp; data synch</td>
<td>Mapping changes &amp; testing</td>
</tr>
<tr>
<td>Phase 1 Base Wave 1</td>
<td>Phase 1 Base Wave 2</td>
</tr>
<tr>
<td>Phase 1 Base Wave 2</td>
<td>Phase 1 Base Wave 3</td>
</tr>
<tr>
<td>Phase 2 ValueLink Wave 1</td>
<td>Phase 2 ValueLink Wave 2</td>
</tr>
<tr>
<td>Phase 2 ValueLink Wave 2</td>
<td>Phase 2 ValueLink Wave 3</td>
</tr>
</tbody>
</table>
Resources

• **Sponsorship**
  - Bill Zimmerman, Cardinal Health, Project Co-Sponsor (.1 FTE)
  - Joe Dudas, Mayo, Project Co-Sponsor (.1 FTE)

• **Core Team**
  - Tom Krueger, Cardinal Health, Project Co-Lead (.5 FTE)
  - Ken Pelletier, Mayo Clinic, Project Co-Lead (.5 FTE)
  - Jill Fliehman, Cardinal Health, Functional Lead (.25 FTE)
  - Debbie Petersen, Cardinal Health, Implementation Analyst (.25 FTE)
  - Bryan Allen, Cardinal Health, Implementation Analyst (.25 FTE)
  - Russ Mullin, Mayo Clinic, Implementation Analyst (.25 FTE)
  - Ross Hamernik, Mayo Clinic, Programmer (.25 FTE)

All Resourcing done with no incremental budget requests!
Challenges

• There was not a 1:1 relationship between a few GLNs and Cardinal Health account numbers (ship-to’s)

• Systems Changes Required

  • Storing 13 digit GLNs in Mayo Lawson custom table required a system change
  • Minor changes needed in EDI transactions to support new identifier
  • Minor changes to Cardinal Health JIT system to accommodate GLN.

All Change Requests made with no incremental budget requests!
By the Numbers...

- Converted 35 customer account numbers to GLNs
- Over 80% of Mayo EDI lines now using GLNs (roughly 50% of total).
- $100M worth of business now conducted with GLN (no account #), approximately 20% of Med-Surg Spend.
- Of the largest suppliers that Mayo Clinic transacts with, Cardinal Health has the lowest price error rates.
  - Cardinal Health .5% error rate
  - Overall 5% error rate
Lessons

- Start with your largest and most trusted trading partners first – they will have the best view of your organization
- Converting to EDI allows early success without significant investment
- Train end users (customer service/P2P)
- Don’t forget an ongoing change process to manage new locations
- Providers should manage their own GLNs
- P2P drives registry integrity (can’t buy it any other way)
- Don’t fear the unknown
Wrap Up on P2P

- **White paper**
  - Available for distribution (authored by Mayo, Cardinal Health and GS1)
  - Contains letters, resourcing/costs, presentations, plans, etc. needed to implement.

- **MHS**
  - 20 Regional Hospitals and associated clinics

- **Rural communities**
- **Meditech MM System**
- **Approx. 10% of spend but 10-12 more mini conversions**
- **VHA to assist with coordination**
- **System has been evaluated and vendor very supportive.**
- **Currently also evaluating GTIN pilot**

- **RX**
  - Initial discussions only. Lower priority.
Next Phase

- Data Synch (GDSN)
- GPO Rosters
- Finance
- Supply Chain Transactions
- Traceability
- Contracting
Next Phase

- **Scope**
  - Contracting, Price Management and Rebate Management.
  - Close the loop of 2010 Sunrise Scope.
- **Project kicked off in April (as planned)**
- **Multiple Leading organizations involved:**
  - Provider – Mayo Clinic
  - Distributer – Cardinal Health
  - GPO – VHA/Novation
  - Manufacturer – BD and Johnson & Johnson Health Care Systems Inc (JJHCS)
- **Currently in planning phases. Preliminary objective of 3Q implementation.**
- **Attempting to insert critical measurements of value into the solution.**
  - Identify costs associated with implementations.
  - Realize standardization is broader than 5 trading partners.
  - Critical mass will demonstrate true value of standardization.
Sunrise 2010 is not a dream!!!!

"Do not hit the snooze button."