



# FRENCH HOSPITALS INITIATIVES AUREA / Eprocurement Common purchases

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The global language of business

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## JUST A REMINDER FROM PARIS 2006

We are now a network of 52 Hospitals – 32 university hospitals and 20 very big hospitals – A capacity of 115 000 beds and places

We consider that we are very similar about purchases, procurement and logistic (except for very specific university activities), and then able to plan common projects and to focus on the same processes and organizations

The 32 U.H. constitute 35 % of public purchases, and 20 % for public and private hospitals. With the 20 very big NUH hospitals, the first rate is about 45 %.

Our market segmentation is done. Our total spending for purchases is about 6 billions € (25 to 28 % // total spending)

A target of 70 % of common purchases within 3/5 years, under contract with the government since April 2007





## AUREA E PROCUREMENT REVIEW

- ✓ We are 18 university hospitals
- ✓ The solution has been operative since June 2006 and is now deployed in 9 U. Hospitals (Amiens – Dijon – Lille – Marseille – Montpellier – Nantes – Poitiers – Reims – Rouen)
- ✓ We have to finish the program in June or July 2008, with the following schedule:
  - Angers / February
  - Lyon / April (AUREA connected with Oracle ERP)
  - Metz, Nancy, Nimes, Strasbourg / May and June
  - Clermont – Ferrand / July
  - Fort de France and Grenoble / to plan





## AUREA E PROCUREMENT REVIEW

- ✓ New Hospitals are now trying to join the program. For example Valenciennes and Lens, two very big NU Hospitals from the North, belonging to UNI.H.A., and may be a big private Hospital with them
- ✓ The Cancer Hospital National Union, with 20 Hospitals, is presently managing a contract to use AUREA
  
- ✓ They are all interested by using AUREA, in order:
  - ❖ To give care units a way to get supplies, directly with electronic directories (especially for drugs, medicals devices, reagents and housing supplies) [See F BISCH demonstration yesterday morning]
  - ❖ And particularly to use the same common electronic directories than the first University Hospitals, expanded for two years with industrial suppliers





## AUREA / The laboratory example

- ✓ Today, biology is clearly the most developed field
- ✓ First, because the 16 main companies of diagnostic (about 80 % of our purchases, in value) have built a market place called “DIAGDIRECT”, with the same interest than our
- ✓ And also because laboratories have been a priority for us, for giving them budgets and the access to direct procurements on line, using electronic directories
- ✓ **DIAGDIRECT members are:**  
Abbott, Beckman Coulter, Becton Dickinson, BioMérieux, Bio-Rad, Dade Behring, Diagnostica Stago, Elvetec, Fumouze Diagnostics, Horiba ABX SAS, Ortho Clinical Diagnostics, OXOID SAS, Sebia, Siemens - DPC France SAS, Siemens - Medical Solutions Diagnostics SAS
- ✓ **AUREA and DIAGDIRECT are connected through ACHATPRO for UH and CEGEDIM for diagnostic companies**





## AUREA / The laboratory example

- ✓ In Montpellier, our pilot in 2007,
  - ❖ **AUREA is now used,**
  - ❖ **For more than 80 % in value of the daily procurements**
  - ❖ **For more than 50 % of procurements about catalogues, now replaced with electronic directories**
  - ❖ **All the orders on directories are delegated to the management of laboratories**
  - ❖ **And the orders concerning unauthorized reagents or accessories are partly delegate, because the laboratory can see the other products of the firm on contract with the Hospital**
  
- ✓ In November 21, DIAGDIRECT and UNI.H.A will sign a partnership agreement. We propose to sign the same kind of agreement with the other industrial partners





## AUREA / The laboratory example

- ✓ The interface between AUREA and DIAGDIRECT is the same with HOSPITALIS (CEGEDIM) for drugs and medical devices  
Nantes and BBraun, firm very committed in the program since the beginning, are now connected through AUREA and HOSPITALIS
- ✓ DIAGDIRECT now wants to propose to medical device firms to join it, because different DIAGDIRECT members are both diagnostic and medical device firms
- ✓ Since Marseille has deployed AUREA, in October, hospitals and medical units can use a new function, to go on sourcing in the **public directories** of the connected companies





## AUREA / The activity

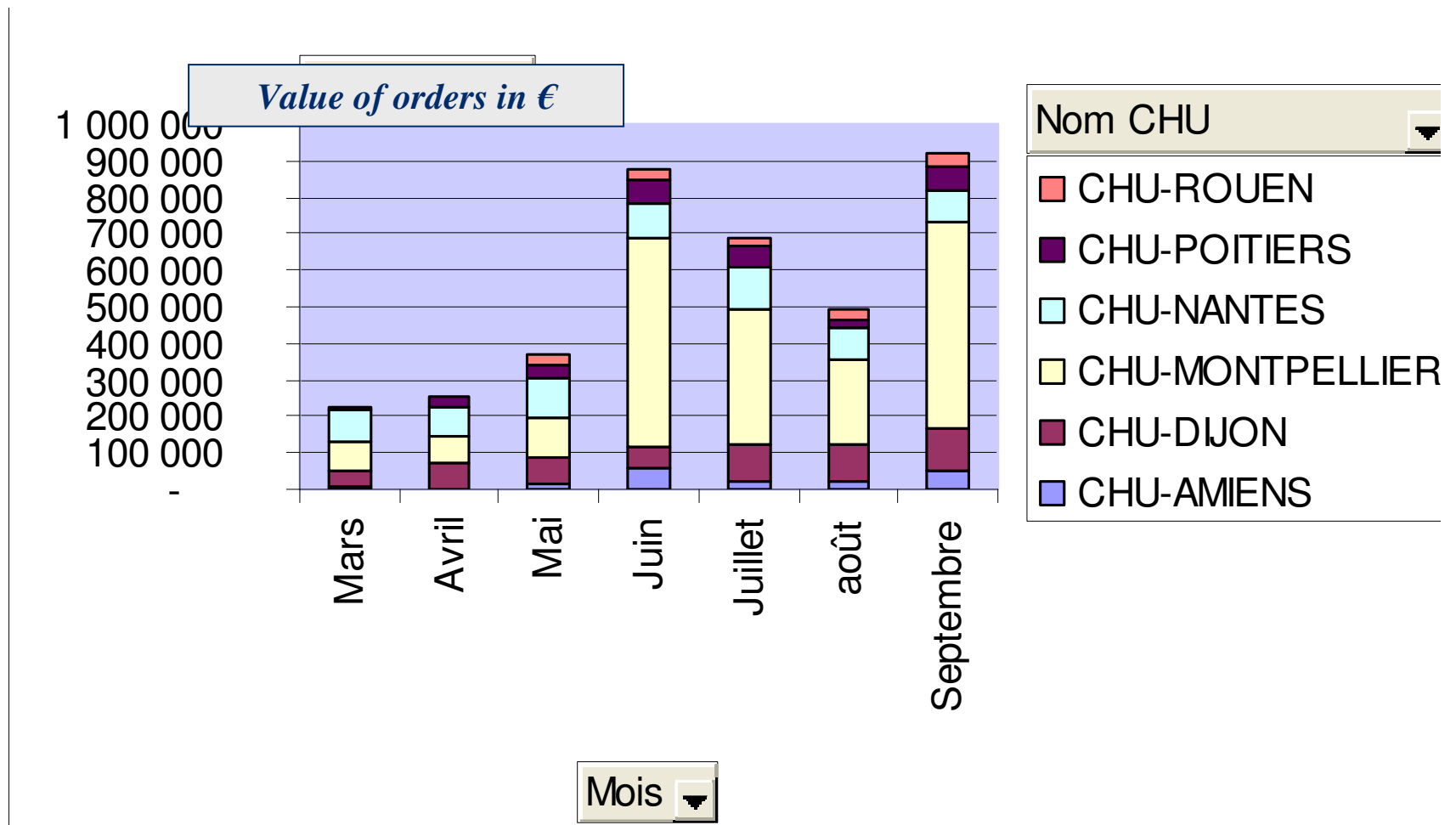
- ✓ AUREA is now working and regularly increasing
- ✓ In October, the activity has for example exceeded one million € of orders in value and 2000 orders, for the first 6 UH
- ✓ In order to speed up the growth of AUREA, we have decided a new organization between HU for the industrial taking part in the program, to extend quickly suppliers and directories. Our global strategy has always been to propose to our suppliers a critical mass, to interest them to productivity and then to justify the development of electronic directories:
  - ❖ Now, when a HU is the first to use a new directory, we ask the other UH to keep and use it within 6 months
  - ❖ Common purchases are now a priority for AUREA, because with national deals, suppliers will be sure to use electronic directories with all the UH





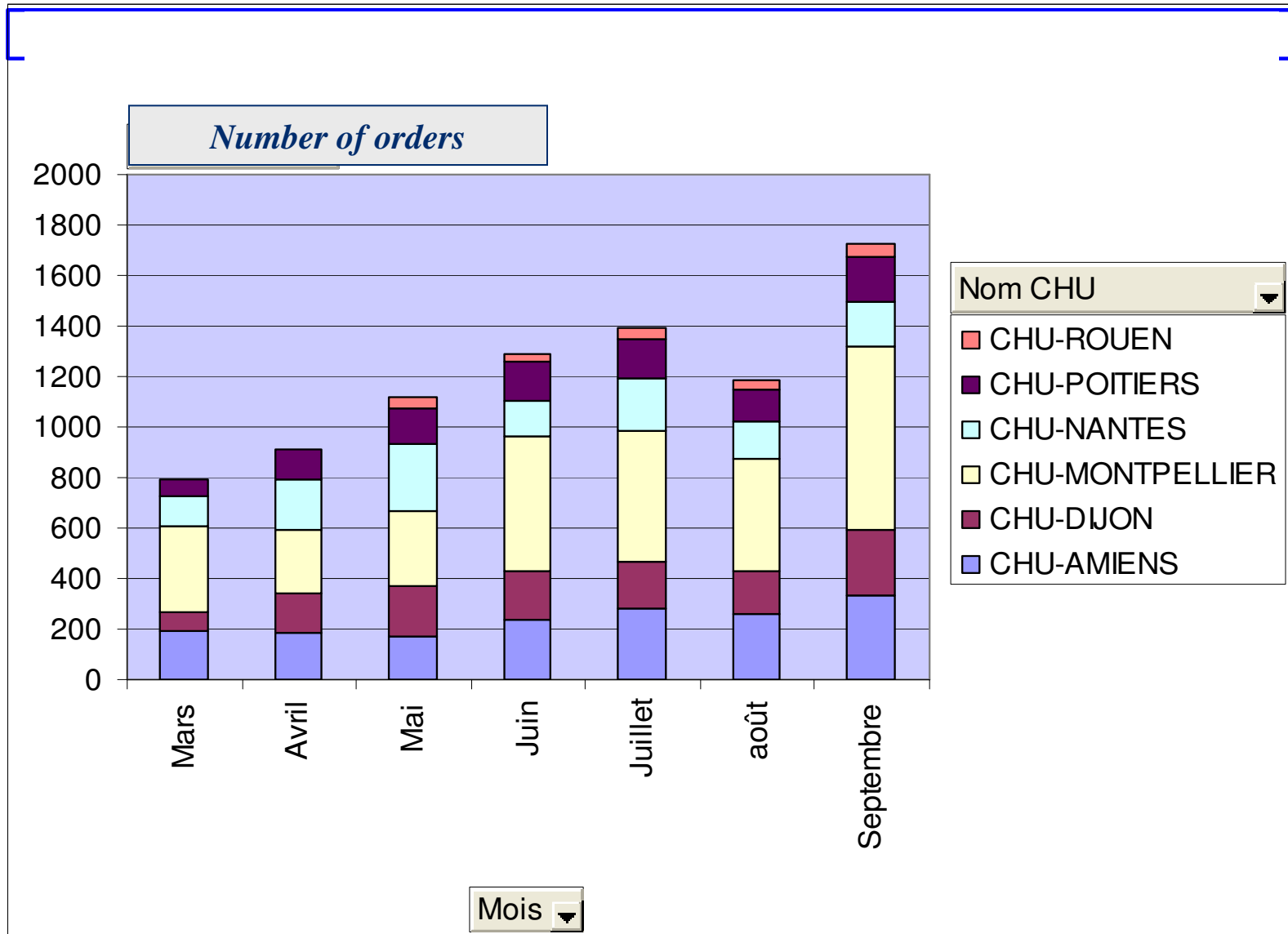


# AUREA ACTIVITY VALUE OF ORDERS





# AUREA ACTIVITY NUMBER OF ORDERS





# MD catalog on the platform

Already available in the platform	In progress	Planning to be defined	
<b>Ansell</b> <b>Asept In Med</b> <b>B. Braun</b> <b>Cardinal</b> <b>Hartmann</b> <b>Intersurgical</b> <b>Médisport</b> <b>Polysem</b> <b>Scientix</b> <b>Sendal</b> <b>Smith médical</b> <b>Smith &amp; Nephew</b> <b>Stryker</b> <b>Tétra</b> <b>Tyco</b>  =>5000 Références	<b>Anios</b> <b>Arrow</b> <b>Assut</b> <b>Brothier</b> <b>Chirurgie ouest</b> <b>Contrôle graphique</b> <b>Doran</b> <b>Euromedis</b> <b>Eurosilicone</b> <b>Fresenius Kabi</b> <b>Peters</b> <b>Téléflex</b> <b>Térumo</b> <b>Thuasne</b> <b>3M</b> <b>Vygon</b>	<b>Alcon</b> <b>Bard</b> <b>Baxter</b> <b>Becton Dickinson</b> <b>Boston scientific</b> <b>Cair</b> <b>Cochléar</b> <b>Codan</b> <b>Coloplast</b> <b>Convatec</b> <b>Cook</b> <b>Cordis</b> <b>Cousin</b> <b>Edwards</b> <b>Ethicon</b> <b>Faulding</b> <b>Gamida</b> <b>GEMS</b> <b>Given</b>	<b>Guidant</b> <b>Hospira</b> <b>Integral Process</b> <b>KCI</b> <b>Kimberly</b> <b>Lépine</b> <b>Life Europe</b> <b>Lohmann</b> <b>Maco</b> <b>Medtronic</b> <b>Medwin</b> <b>Môlnlycke</b> <b>NM Médical</b> <b>Prodimed</b> <b>Pulsion</b> <b>Respironics</b> <b>Sylamed</b> <b>Urgo</b> <b>Vitalitec</b>



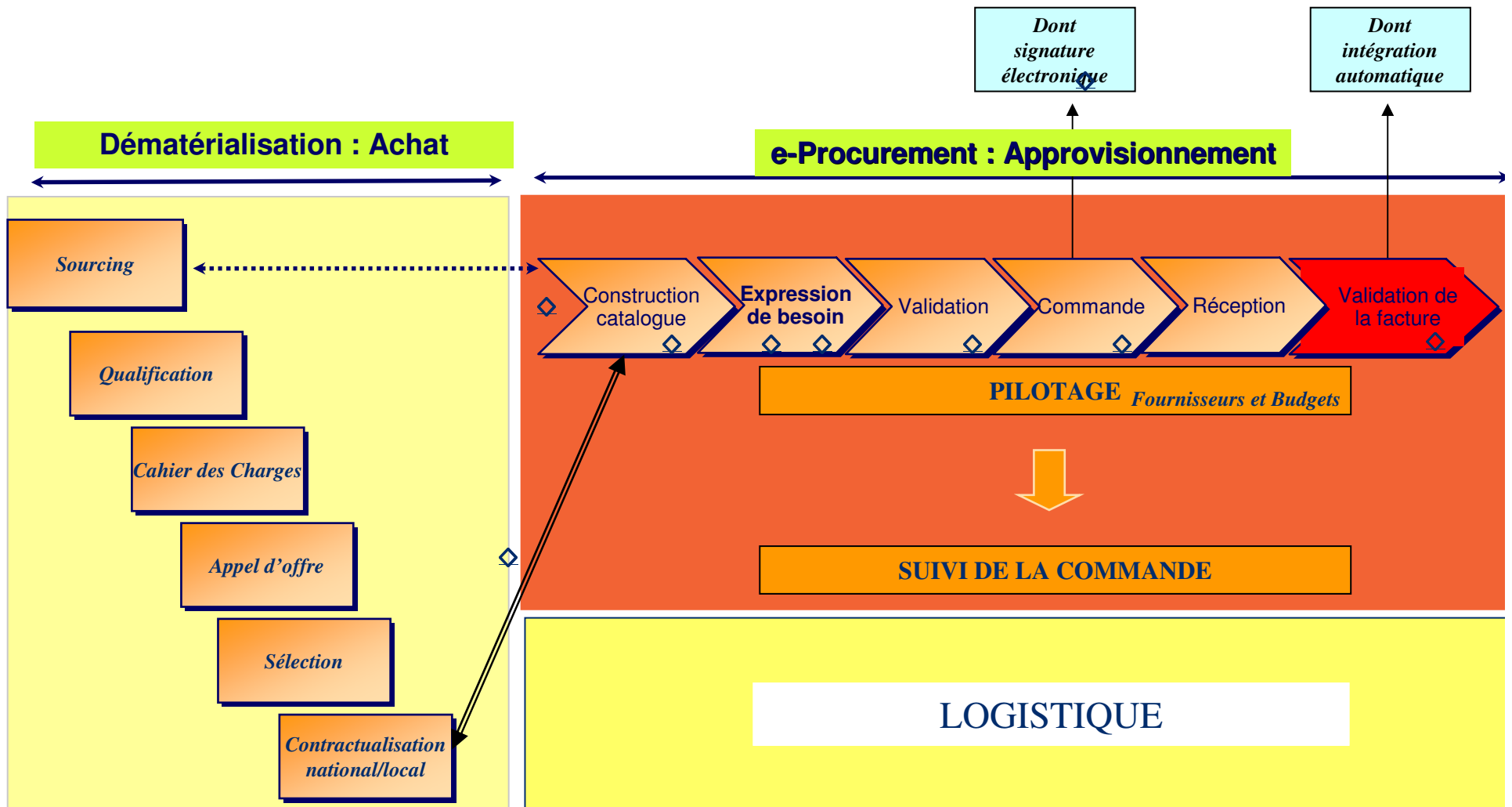
## AUREA / The activity and the future

- ✓ *That's why electronic directories are now required by UNI.H.A, as public market conditions; but still with a logic of negotiation and adjustment, to let our suppliers the time to produce and test their directories, and to organize themselves*
- ✓ After orders, we are now working about deliveries and bills.
- ✓ Concerning bills, the 18 HU of AUREA and UNI.H.A are the first hospital partner of the French Ministry of Finance, and they are on the point to succeed in a new electronic process, registered by the law. See after for the future process...
- ✓ The automatic comparison between order, delivery and bill, and the automatic process to make a payment, are the main segment to increase productivity. It is also very important to decrease our deadline of payment, and to be able to negotiate discounts with our suppliers





# AUREA EPROCUREMENT AND BILLS



*Hors périmètre*

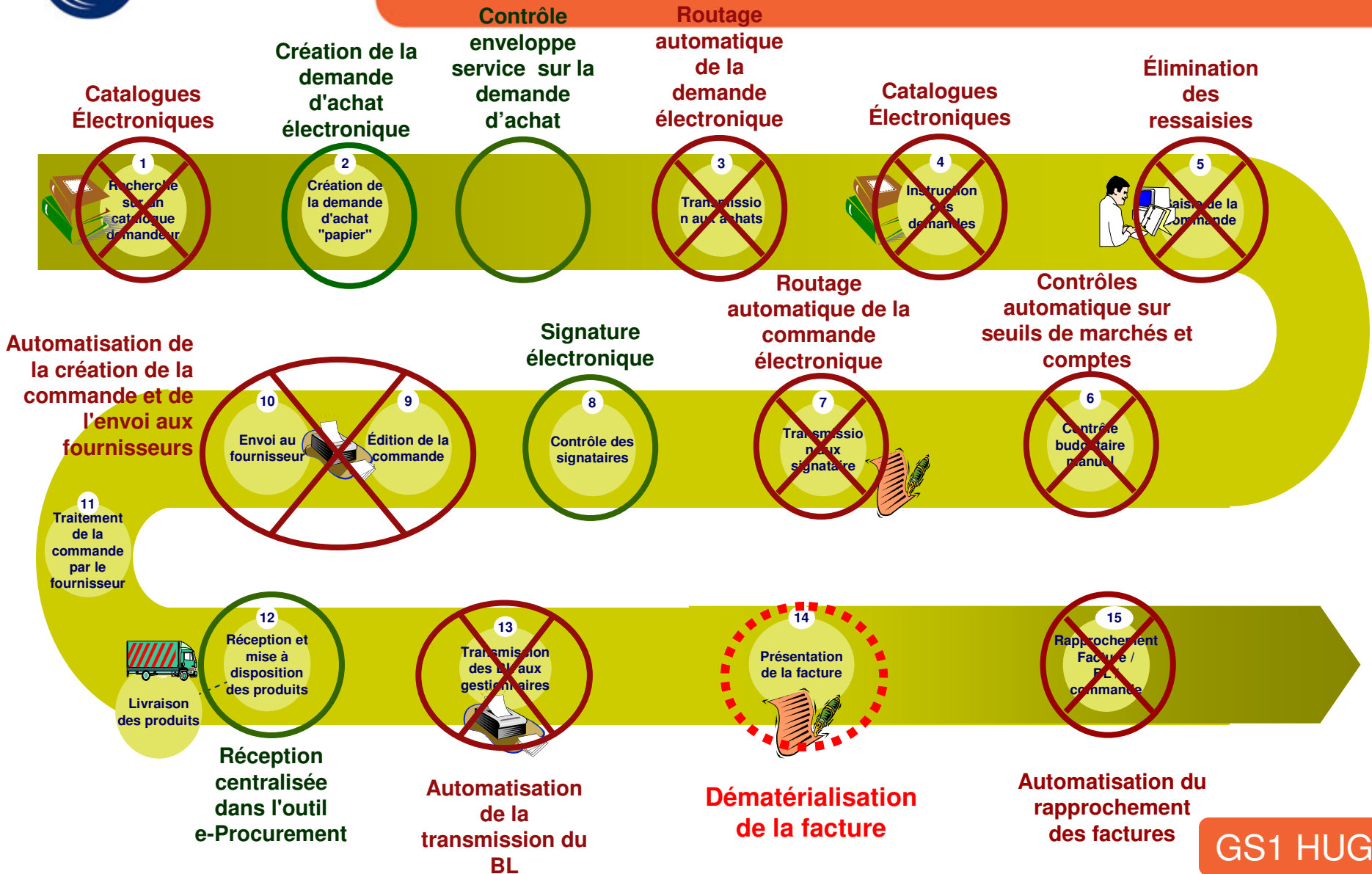
GS1 HUG

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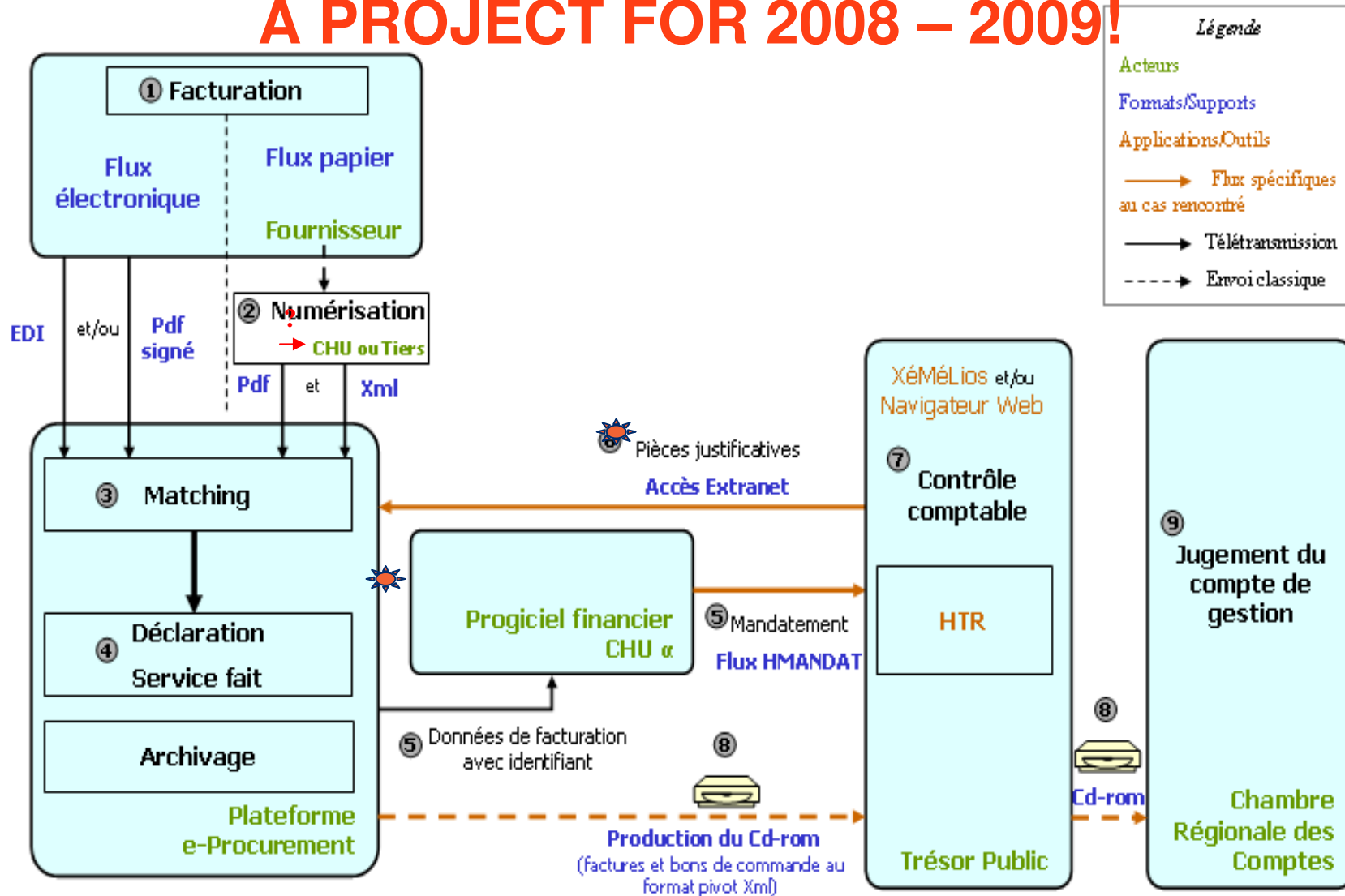




# AUREA EPROCUREMENT GLOBAL PROCESS



# AUREA E – PAYMENT... A PROJECT FOR 2008 – 2009!



A system of references and standards, shared between Hospitals and suppliers, through common electronic directories, is a first condition to succeed in the matching of orders, deliveries and bills, without too many errors and rejections. Then it is the also the condition for productivity and time limits under control!



## AUREA, UNI.H.A AND GS1

- ✓ We know that AUREA has been a first motive for adopting between our hospitals a common system of references and standards, shared with our suppliers
- ✓ The U.H suppliers board has made **the choice of GS1** for codification in April 2006. And the U.H general managers board has made the same decision in July. This decision is valid for the 51 hospitals
- ✓ In 2006 – 2007, the French High Authority of Health (H.A.S) has chosen GS1 as the only codification standard for drug traceability, from industrials to patients in France.
- ✓ We hope that the Ministry of Health will make soon the same decision in the other fields, concerning traceability and tracking. But it also depends on us... and you.
- ✓ In Paris 2006, I also explained that our strategy would be to use systematically GS1 standards, in every hospital, for every new project with tracking, traceability, processes, organization and logistic. And, for example, one of our UH have begun to require EAN – UCC standard as a public market condition
- ✓ And to increase quickly common purchases, we need at a short time limit, from the beginning of 2009, a common data warehouse between the 52 members of UNI.H.A. **With the same system of references and standards...**







AUREA, UNI.H.A AND GS1

... WE CONFIRM THAT GS1 EAN UCC WILL BE OUR  
STANDARD FOR CODIFICATION

THANK YOU FOR YOUR  
ATTENTION

