



The Global Language of Business

GS1 Healthcare Provider Advisory Council Webinar

Streamlining processes, delivering benefits, building future foundations: GS1 standards implementation in South West Healthcare

Terry Hoy, Regional Supply Chain Manager, South West Supply & Logistics, South West Healthcare, Australia
October 2017



Welcome and thank you for attending!



- Welcome to our August 2017 webinar. Thank you to our guest speaker –mr Terry Hoy, Regional Supply Chain Manager, South West Supply & Logistics, South West Healthcare, Australia
- Some housekeeping for today:
 - All attendees will be on mute
 - If you have questions during the presentation, please type them into the questions area and these will be monitored then answered at the end of the call
- After the webinar:
 - Within a week, the recording will be posted to: http://www.gs1.org/healthcare/hpac_webinars
 - All previous webinars are also posted to this location, so please feel free to use this resource and share the link

The GS1 Healthcare Provider Advisory Council (HPAC)



Focus is on thought leaders and adopters of GS1 Healthcare Standards from the global clinical provider environment. Their final goal is to improve patient safety, cost efficiency and staff productivity through implementation of GS1 standards.

**A forum for sharing
and discussion**

**Identification of
projects and case
studies**

**A source of expertise
and advice**

- About the practical realities of implementation of GS1 Standards in the care giving environment in regards to the impact on clinical care and patient interaction
- That support the adoption of GS1 Standards in healthcare providers and retail pharmacies
- For publication, presentation and sharing
- To those involved in GS1 standards development, the wider Healthcare stakeholder community and senior executives/decision-makers to gain their buy-in and support for implementation of GS1 Standards

HPAC Activities



Webinars

- Monthly webinars open to all stakeholders interested in learning about GS1 standards implementation in the care giving environment.
- http://www.gs1.org/healthcare/hpac_webinars

Awards

- Twice per year
- Provider Best Case Study Award
- Provider Recognition Award
- The prize is travel / accommodation to attend the next GS1 Healthcare conference
- <http://www.gs1.org/healthcare/hpac>

GS1 Healthcare also holds two global conferences per year. The next conference will be in Chicago from October 17-19, 2017, with significant Healthcare Provider participation on the agenda.

Presenting today



Terry Hoy

- Regional Supply Chain Manager,
- South West Supply & Logistics,
- South West Healthcare,
- Australia

***Streamlining processes,
delivering benefits, building
future foundations***

*GS1 Standards implementation
at South West Healthcare*



October 2017

Introduction

- Who and where we are
- Background
- What has been achieved
- Savings
- Agencies' perspective
- Next step
- Questions



Five patient rights

- Right patient
- Right drug
- Right time
- Right dose
- Right route



...and the right medical device, right caregiver, right documentation...

...and for patients in sparsely populated areas

- Right location (or only location)

How Australia's size compares to Europe

Australia:

Population = 24.1 million

Size = 7.6 million km²

Persons per km² = 2.66

Europe:

Population = 743.1 million

Size = 10.18 million km²

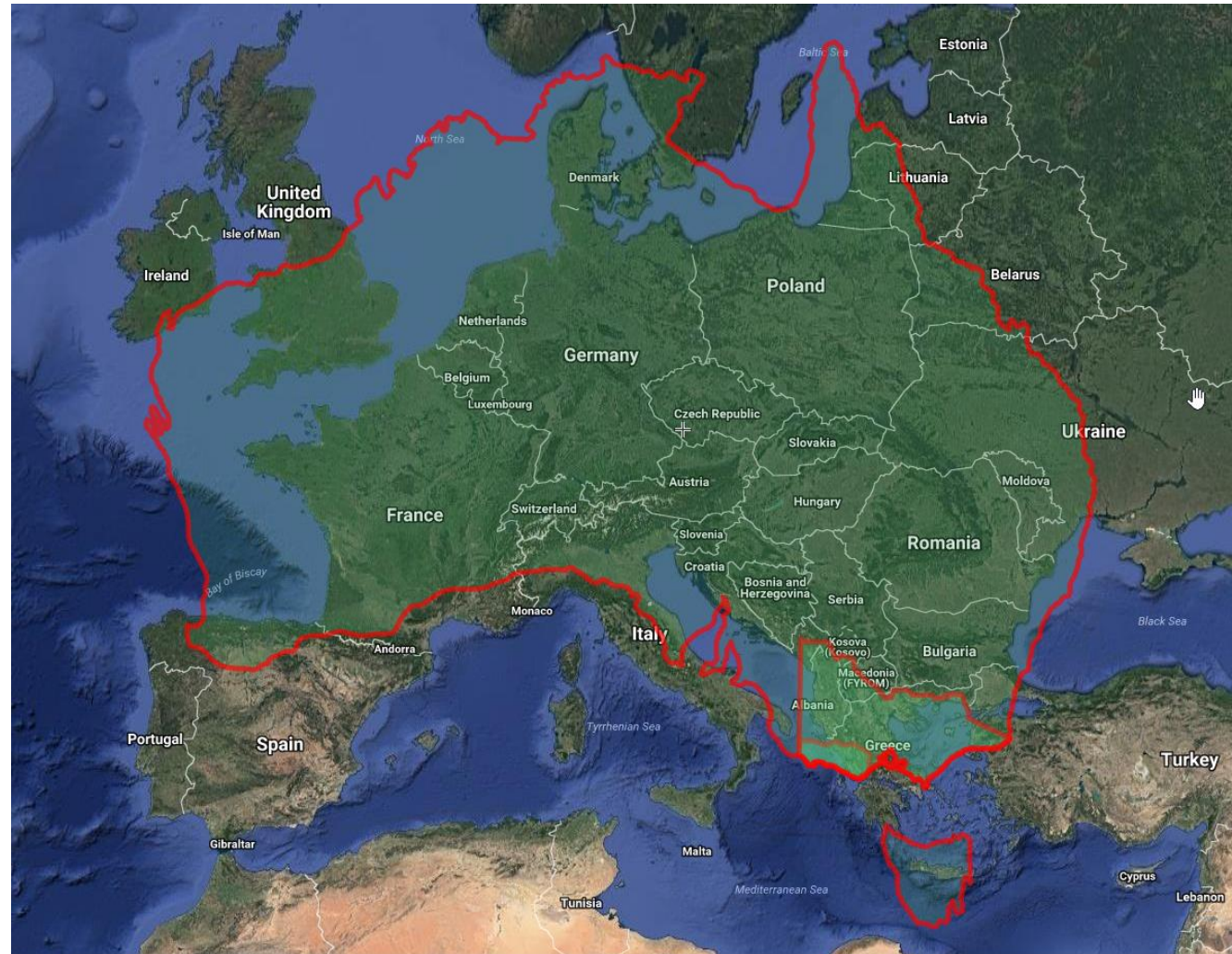
Persons per km² = 27

United States:

Population = 323.1 million

Size = 9.83 million km²

Persons per km² = 31.27



How Victoria's size compares to Germany

Victoria:

Population = 6 million

Size = 237,629 km²

Persons per km² = 25.2

Germany:

Population = 82.6 million

Size = 357,376 km²

Persons per km² = 230.8

Britain:

Population = 65.6 million

Size = 209,331 km²

Persons per km² = 248.2



How GS1 identifiers and standards have helped

- For the patient:
 - Travelling distances to receive healthcare
 - Onus on health agencies to ensure they do not travel in vain
 - Leads to more admissions than outpatient clinics
 - Geographically spread outpatient clinics adding to higher overall costs
 - Preventing admissions
 - Need to prevent having to travel extra because doctors or medical supplies not ready at the right location in the right time
 - Lack of alternative opportunities to receive care so high level of dependency on health agency

How GS1 identifiers and standards have helped

- For the health agency:
 - Sourcing funds can be challenging
 - Business cases to source revenues that can be used for new projects
 - Requires good planning and quality stock keeping
 - Create good working environment so professionals will be happy to work outside the big cities
 - Happy professionals bring better served patients

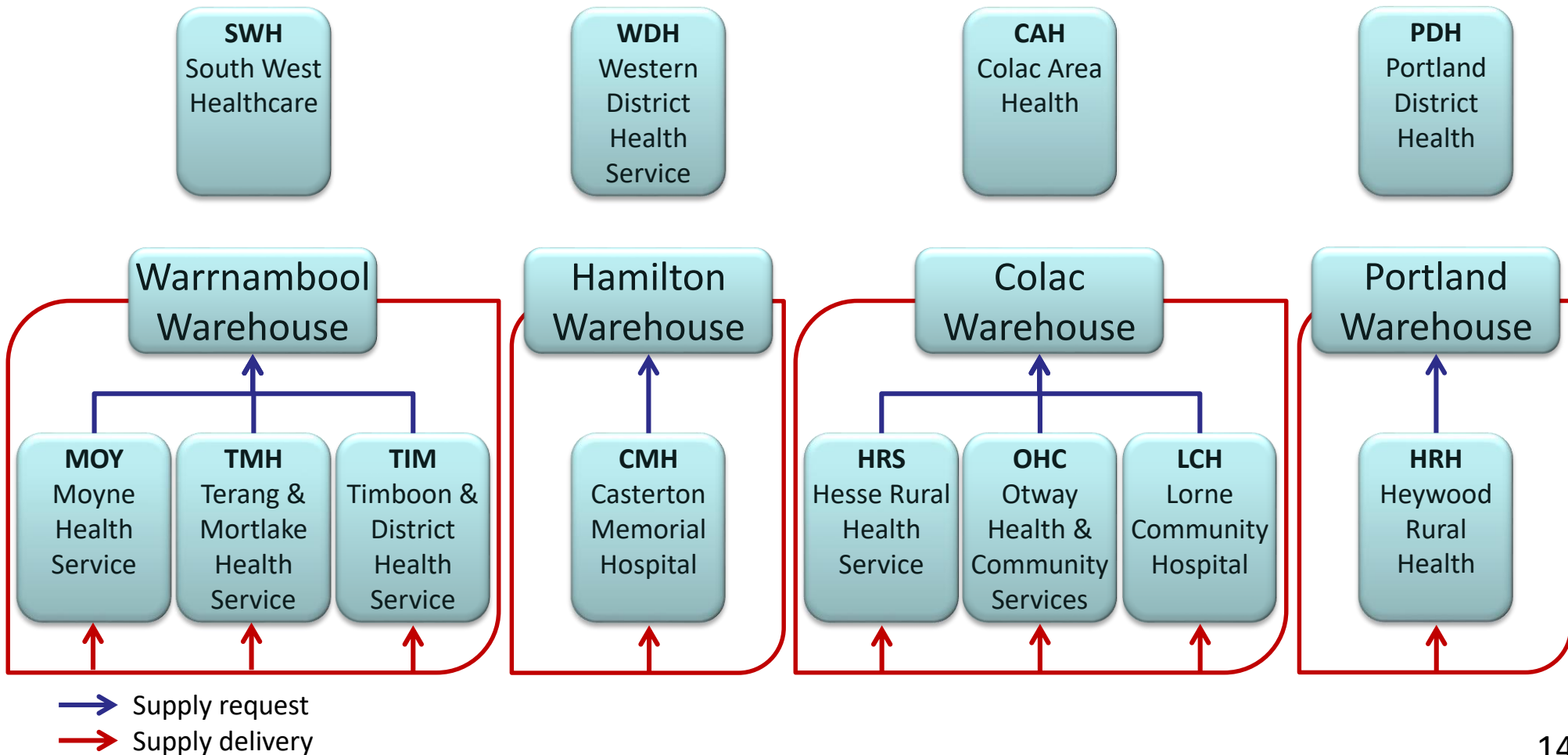
SWARH Financial Management Information System (FMIS)

- FMIS Rural and Regional upgrade
 - Oracle FMIS fundamentally designed for large organisations
 - Ensured the most efficient model was considered and implemented
 - Region-wide approach required to gain longer term benefits and payback from system
 - Duplication of time and effort avoided where possible
 - Some centralisation of functions required
 - Benefits and costs shared equitably

Collaboration between Finance and Supply to achieve region-wide benefits with buy-in from all agencies

Original Supply structure

Organisation Supply Structure



South West Supply and Logistics



Acute beds	476
Aged care beds	658
Acute psychiatric inpatient beds	20
Total beds	1154

Total operating theatres	15
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What has been achieved

- Only rural alliance to implement a centralised supply model
 - One catalogue across all agencies, stock value AUD\$800,000
 - Significant savings and efficiencies versus decentralised model
 - Centralised purchasing skill set
 - Improved inventory control and purchasing practices
 - Opportunities for small agencies
 - Improved buying power
 - Current stock value AUD\$420,000



South West Healthcare

Invest in Supply Chain Reform

- Existing costs across the region AUD\$1.5M
- Central model costs
 - Phase 1 (like for like) AUD\$1.1M
 - **Initial Saving** **AUD\$394K**
- Phase 2 (improved purchasing/procurement)
 - **Reinvestment** **AUD\$316K**
 - 1.00 FTE Clinical Product Adviser
 - 2.00 Category Managers
- **Cash saving across sub region** **AUD\$78K**

Process Savings

- First agency in Victoria to implement Business to Business (B2B) transactions (partnership with Melbourne Health)
 - Stationery Punchout, health information forms, food services, prosthetic ordering

Orders	CXML suppliers (about 42)	All suppliers (about 800)	% of CXML orders
CXML POs p.a.	13,216	29,668	45%
PO lines p.a.	81,158	117,904	69%
Process savings	Minutes p.a.	Rate/minute	Savings p.a.
Process savings	101,448	\$0.52	\$52,753
Reduced on holds processing	24,347	\$0.52	\$12,661
Total	125,795		\$65,413

Logistics Savings

- Collaboration with South West Linen Services distribution
- Avoid purchase of additional truck:
 - AUD\$100,000 cost avoidance
- Distribution costs reduced 50%:
 - Driver redirected to Warehouse
- Further opportunities:
 - Pharmacy
 - Theatre packs
 - Food

Realised Savings SWSL

SWSL expenditure per annum (AUD\$)

Total expenditure	\$23,798,013
Percentage targeted savings (3%)	\$713,940
Percentage reviewed to date	10.48%
Saving achieved	5.33%

SWSL savings per annum (AUD\$)

Overall previous expenditure	\$2,493,872
Overall forecast expenditure	\$1,234,652
Overall realised savings	\$1,268,490

- Savings based on review and action against 239 items



South West Cancer Centre

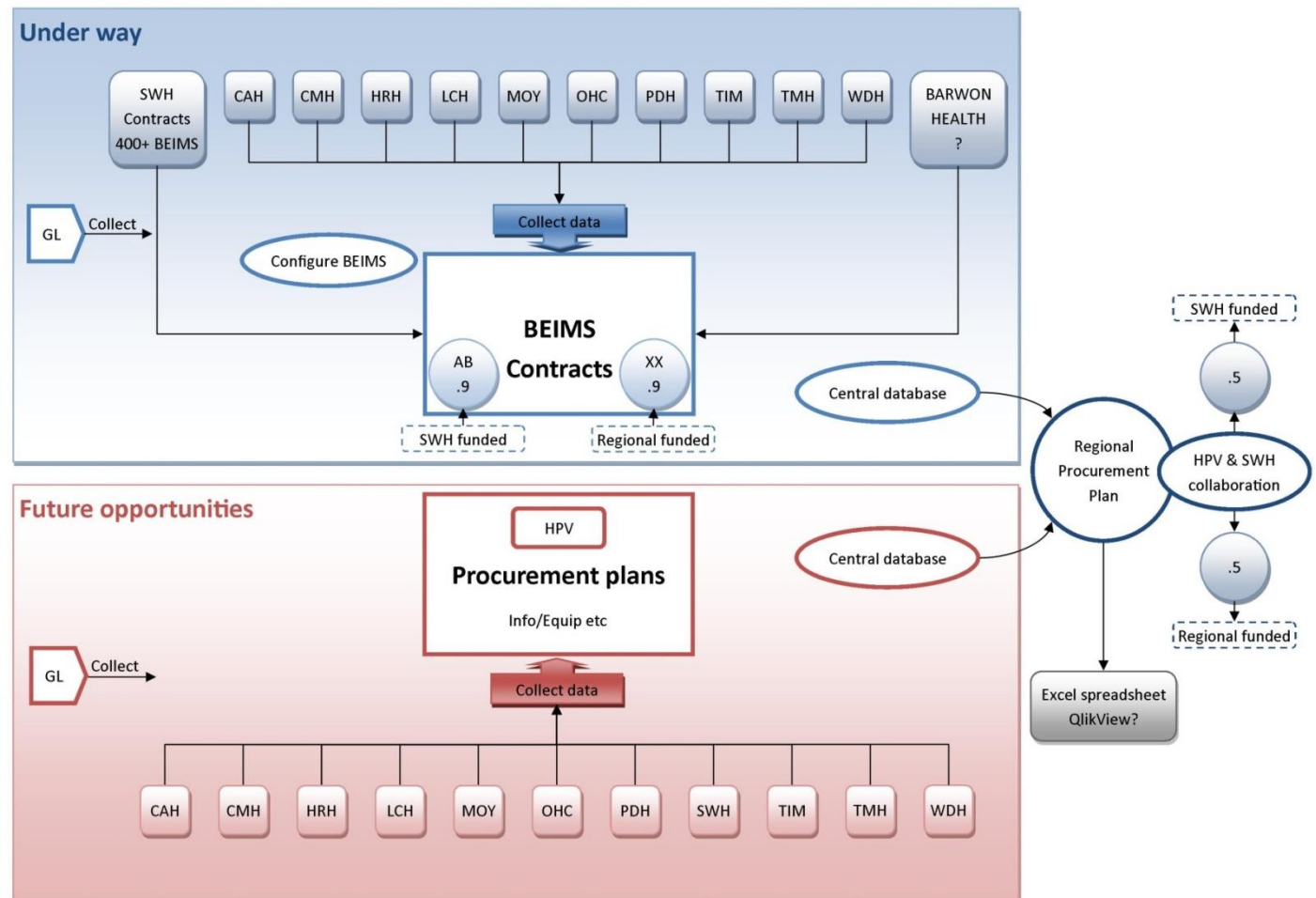
Imprest (ward product management) expansion review

Number of items on imprest at max level	192
Value of imprest at max level	\$19,194.69
Number of items not scanned	91
Value of items not scanned	\$ 9,192.66
Number of items to have level decreased	41
Value of items to have level decreased	\$ 2,485.69
Number of items to have level increased	14
Value of items to have level increased	-\$ 634.69
Potential savings	\$11,043.66
Value of imprest if changes adopted	\$ 8,151.04

- WDHS Anaesthetics imprest (ward product management) over three month period (21/3/16 to 21/6/16)

Culture of constant improvement

- Centralised procurement and contracts – regional collaboration



Culture of constant improvement

- Supply Chain improvements and savings are just the beginning
 - More ways to improve health & care
 - Great examples of implementations around the world where the patient and clinician are the focus
 - GS1 standards are not just for 'supply chain'
 - 'Supply chain' does not stop at the hospital door

Visiting & learning from others



Lessons from others

- It is not about supply chain or procurement in isolation – it is about what it does to make the patient pathway more transparent and safer – we need to change how we think
- GS1 standards are core enablers to being able to achieve the next layer of efficiency and visibility across health systems at a local, national and global level
- Regulation is the best enabler – but it is not the only way - the industry stakeholders in many countries are leading change and improvement but working together

More lessons from others

- The value comes in the implementation in operational use – not in just agreeing that we need to do anything – the key is finding the best point to start and do so
- Not all organisations or health systems are the same in structure, they differ from country to country, but the lessons translate to help to support your business case
- Solution providers need to be natively supporting standards to make the benefits possible
- Though sometimes hard for many to understand, the benefits for patients care are definitely there

Key actions to go forward

- Enable data capture across SWH
- Enable clinical team in the process – ensure support & share the benefits
- Automate processes
- Assist in improving patient care and safety
- Continue to benchmark and share knowledge
- Establish foundations for future development
- Partner with suppliers to improved supply chain leading to better patient outcomes
- Work with GS1 for the support we need to make it happen

Conclusions

- Identified opportunities for SWH's supply chain to continue to evolve and improve
- Highlighted importance of better linkages between supply chain and clinical teams
- Created community of open collaboration for gathering knowledge and networking
- Interoperability provided by a framework of standards is just as critical to success and the solution
- Sharing successes and networking – locally and globally – help us to identify and reach our potential

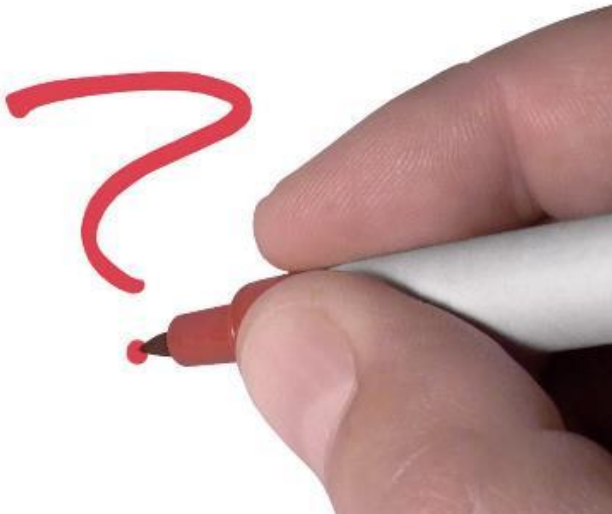
Questions





South West 
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HPAC Questions and contact details



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