Australia National Product Catalogue & E-procurement
Western Australia Health

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WA Health

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Australia

Total expenditure on health per capita, 2004
(in US$)

Map Source: World Health Organization

Data Source: National Health Accounts Unit, Evidence and Information for Policy, and Communicable Diseases (CDS), World Health Organization.

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Australia in perspective

Population:
- 21.4 Million
- 70% Coastal cities

70% Healthcare budget
Government funded

- Hospitals
- Medical Practitioners
- Pharmaceuticals
- Dental
E-health is cited as a major enabler of reform

The Australian Government has signaled fundamental health reform and improvements as major policy objectives

Establishment of the Health and Hospital Reform Commission

Negotiating new Australian Healthcare Agreements with the six (6) State Governments and two (2) Australian Territories
National E-health Transition Authority vision

Develop better ways of electronically collecting and securely exchanging health information, and

Facilitate e-health systems that unlock quality, safety and efficiency benefits
What is the National Product Catalogue?

A single electronic source of product and pricing data with synchronization between supplier to GS1 and GS1 to purchasing systems:

- Medicines
- Medical devices
- Healthcare
- Non-medical
- Hosted by GS1
Key building blocks for E-health

Right Patient: Individual health Identifier (IHI)
Right Provider: Health Provider Identifier (HPI-I and HPI-O)
Right Information:
- Clinical Models and Terminologies (SNOMED CT)
- International Health Terminology Standards Development Organisation (IHTSDO)
- Australian Medicines Terminology

Right Product: National Product Catalogue (NPC)
Consistent Messaging protocols and processes
- HL7 and IT-14 (ISO standards)

Sent Securely: Core Connectivity / National Authentication Service for health (NASH) / Service Instance Locator (SIL)
Western Australia

Land Area: 33%
Population: 10%
Growth: 2.1%
Exports: 35.8%
Mining: 27.4%
Unemployment: 2.8%
Shared Service
Health Corporate Network

Whole of Government
Strategy & Policy

Whole of Health

Strategic Services
Planning and design

Decision Support
Information, consulting, analysis, negotiation and representation

Processing Services

Finance
Human Resources

Management Information
ICT
Supply

HCN Clients

Corporate Services
Supply

- Purchasing
- Accounts Payable
- Warehousing
- Inventory management
- Distribution including imprest services
- Tendering and Contracting
- Contract and Supplier Performance Management
- Procurement Information Management
Managing the business process

E-Procurement standardises the electronic exchange of data, information, documents and processes.

1. Manage the data process
2. Establish the business processes
3. Automate procurement processes
4. Synchronise with suppliers
5. E-procurement
Automated purchasing

- Approved products catalogued and inventory centrally maintained in Oracle core (blankets)
- Catalogue uploads from Oracle core into i-procurement at least daily
- End users search on approved product list
- Approval of the purchase is work-flowed
- Min/Max runs against inventory daily

Oracle

- Lines consolidated into PO’s based on ship to and supplier
- PO’s faxed to supplier

PO’s transmitted via e-procurement directly into supplier system
Closing the loop

Supplier → Oracle PIM → HUB (HCN) → Supplier

NPC (GS1) → Changes → Oracle PIM

Oracle 11i

Direct Link to HCN HUB

No Link to HCN HUB

Supplier

iProcurement
Janitorial items are set up internally as inventory to source from a supplier directly. GTINS and GLN at issue level.

iProcurement Requisitions

Set up to bypass health inventory to source directly from a supplier

Oracle
- Requisitions Generate
- Purchase Details Generated
- Autocreate
- Requisitions consolidated - Supplier + Buy Site
- Std PO Created

Order
- Order transmitted to supplier daily
- Order received by Supplier
- Ward Box delivery direct to hospital

Report
- Order Report
- Report to hospitals to verify receipts
Key challenges - Learning as we go:

- Being an early adopter of GS1XML messaging for e-procurement
- Coordinating a single product catalogue with pricing for multiple hospital organisations
- Getting purchasing staff and hospital staff to use the product catalogue as a primary source of information
- Managing Unit of Measure
Additional benefits of the NPC

- Improved medications management
- Unique product authentication
- Greater ability to track and trace products
- Improved safety and efficiencies for hospitals
Key message

Developing robust business processes to support good data management is the key to successful supply chains