



Bar Codes will save NHS Millions

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Statement or Question - Will they?

- Not unless:
 - you've got them – they have to be available
 - collected them – in context of your supply chain
 - and know what to do with them

Context & Background

- Starting point was delivery of savings
- Challenging economic climate
- Overarching policy for greater autonomy
- Opportunity for change – the rationale “if procurement efficiency hasn’t been addressed what justification is there for cutting front line services.”
- Profile has been raised
 - £1.2bn recurring saving target set
 - NAO Report
 - PAC
 - NHS procurement landscape needs clarity
- Supply chain not just procurement

Timetable

- PCTs cease to exist April 2013
- GP practices will be part of an authorised CCG or 'shadow' CG by April 2013
- NHSCB established by Oct 2012 and will start to 'authorise' CCGs, but NHSCB won't take on full responsibilities until April 2013
- Remaining NHS trusts will become FTs by April 2014, but any trust not ready will work to FT status under new management arrangements
- "New" slimmed down version of the department will be at its fighting weight by April 2013

Current issues for the NHS

Whole range of issues for the NHS

- NHS procurement doesn't operate in an environment that's rich in quality supply chain information or necessarily recognises its value
- Pricing differentials
- Fragmented spend
- Contract compliance
- Inventory management
- Back office
- Range rationalisation

Current Position

- GS1 Announcement – June 10th 2011 - “The NHS has enormous buying power if it works consistently and GS-1 bar coding is a key foundation block to improve it.” – Simon Burns MS(H)
- National Audit Office report
- Public Accounts Committee hearing
- Recent CEO procurement workshop, strong commitment from David Nicholson – NHS Chief Executive

Objective

- Awareness is needed in higher levels of NHS Trust management.
 - Understanding of what's needed
 - What are the opportunities
 - Develop a strategy to deliver on the opportunities
- Technology can enable change but actually its just part of a system wide change management process. Ultimately the agenda must be owned by the NHS
- Good purchasing decision are based on good information – the NHS needs a source of good information

Suppliers

- The supply chain needs to be more efficient – for everyone
- Areas of mutual benefit should be explored
 - Greater efficiency
 - Reduced cost to serve
 - Supplier maintained data
 - Enriched data



DH Initiatives

- Commitment to standard coding – GS1 to go into NHS Operating Framework
- Raise awareness and make clear the opportunity and necessity of committing to standard coding through a procurement/information strategy – working as part of QIPP, NHS Institute and GS1
- Working with the Foundation Trust Network to create a focused interest group
- Putting in place the means for the NHS to understand and access the right technology, identify areas of excellence and case studies and business case templates, ROI tools. Enable the use of appropriate technology, lower the barrier to entry
 - Putting in place a framework for Catalogue & Exchange services
 - Assessing the best way of helping the NHS to put effective inventory management solutions in place

DH Ongoing or in development

- Support existing data standards Establish/support data standards
 - GS1
 - NHS eClass
 - dm & d
 - GMDN
- Data Pool strategy – needed but too early to seek central support

So, never been a better chance to make the changes needed..... CEOs taking it seriously, Government taking it seriously, even clinicians transforming procurement and supply chain must become a strategic objective for NHS Trusts or the millions that bar coding (and the other changes needed) can release won't be

