

# BECKER'S --- **HOSPITAL REVIEW**

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## **How Nebraska Medicine aligned its clinical and supply chain teams to achieve greater operational efficiency**

**By Mackenzie Bean**

**T**he amount of time clinicians are spending on administrative or supply chain-related tasks is necessary to maintain a hospital's bottom line.

Nearly 20 percent of a clinician's workweek is spent performing supply chain related tasks in medical and surgical inpatient units, according to the 2016 Cardinal Health Supply Chain Survey.

"If you have 10 nurses, that can add up to more than \$200,000 in wasted time in a single year, not even taking into account nurse overtime," Stephen Spencer, enterprise program manager for Cardinal Health Inventory Management Solutions, said during a May 9 webinar hosted by Becker's Hospital Review and sponsored by Dublin, Ohio-based Cardinal Health. "More importantly, that has an impact on patient safety and quality outcomes."

The same survey found nearly 25 percent of hospital staff have witnessed an expired or recalled product used on a patient and almost 20 percent of respondents have seen or heard of patient

harm occurring due to a lack of necessary supplies.

During the webinar, Mr. Spencer and Morgan Shradar, BSN, RN, manager of procedural services at Nebraska Medicine's Bellevue Medical Center, discussed successful collaboration between supply chain staff and clinicians.

Furthermore, Ms. Shradar shared five ways Bellevue (Neb.) Medical Center's partnership with Cardinal Health helped the hospital improve inventory management, streamline clinician workflows and remove the communication barriers between supply chain leaders and healthcare providers.

### **Obstacles to a successful supply chain**

Supply chain inefficiencies not only threaten patient care, but also increase fatigue, workload and strain for clinicians and supply chain leaders. Ms. Shradar witnessed these consequences firsthand among Bellevue Medical Center staff.

"When we sought to revamp our supply chain two years ago, our team was feeling a lot of these stressors," she said,

highlighting three major supply chain challenges that challenged Bellevue Medical Center.

### Poor inventory management

While the hospital already had an automated solution in place, it didn't possess the reporting capabilities or deliver the key insights the hospital needed in a timely fashion. "I had zero visibility [into] our supply levels and consumption patterns," Ms. Shradar said.

Bellevue Medical Center's storage rooms each contained an average of \$11,000 in expiring product every month. "We had no good method of understanding and managing our inventory without it being an extremely manual process," she said.

### Overcomplicated clinical workflows

The hospital's supply chain also had too many human touch points in the clinical workflow, which resulted in compliance issues and workarounds, according to Ms. Shradar.

Nebraska Medicine Bellevue staff spent four to six hours a week labeling products with either a

gold star, green star or red star to indicate expiration status. "When we mismanaged products or failed to trigger a reorder for an expired product, clinicians grew frustrated and questioned the care they could provide to the patient," she said.

### Communication gaps

Ms. Shradar said supply chain staff felt tremendous pressure to squeeze more dollars out of operating expenses amid declining reimbursements.

However, they lacked data on par levels, consumption and charge capture to effectively discuss inventory management and cost savings opportunities with the finance team or clinicians. Silos that existed between clinical departments, administrators and supply chain managers created gaps in communication and spurred finger pointing when it came to inventory management, according to Ms. Shradar.

"As a manager trying to hit key benchmarks, including patient outcomes and satisfaction, this was extremely frustrating," she said. "We knew we had to put a solution in place to better manage supplies and refocus our efforts on quality patient care."

### **The benefits of automation**

After Bellevue Medical Center implemented the Cardinal Health radio-frequency identification technology inventory management solution, hospital leaders gained access to actionable supply chain data, which led the hospital to achieve immediate operational, financial and quality improvements, according to Ms. Shradar.

RFID technology can track specific product information at each

level, allowing staff members to automatically identify and track items in real time as they move through the hospital. Bellevue Medical Center has already achieved the following five improvements from using the technology.

#### 1. **Greater visibility**

RFID gives clinicians instant visibility down to individual unit level for what's on the shelf, down to the specific item's lot, serial and expiration data, according to Mr. Spencer.

"We went from zero visibility to having visibility across multiple departments," said Ms. Shradar. Bellevue Medical Center's clinicians and supply chain staff can now see how much product they have, what's about to expire and where misplaced items might be at any given time, which leads to more efficient ordering and greater cost savings opportunities.

#### 2. **Streamlined workflow**

With the new RFID technology, clinicians simply grab a product off the shelf, wave it over a RFID kiosk and the charge is instantly captured, according to Ms. Shradar. Automation eliminates staff members' need for manual counting and expiration labeling, and also ensures the right products are tagged for a patient to prevent any uncaptured charges, she said.

#### 3. **Data and insights at staff members' fingertips**

Bellevue Medical Center's supply chain staff and clinicians can access a plethora of data – on par levels, product expirations, charge capture and more – at any time through a dashboard on Cardinal Health's cloud-based solution.

Access to this data not only informs ordering practices and cost savings opportunities, but also increases staff satisfaction and facilitates the change management process for supply chain improvements, said Ms. Shradar.

"Clinicians love data," she said. "Giving them more ownership over this information really helps with buy in and gives them a new sense of autonomy over their own product usage habits."

#### 4. **Stronger interdepartmental communication**

The technology also bridged the communication gap between clinicians, supply chain staff and the finance team by better informing stakeholders about the hospital's entire inventory management process, according to Ms. Shradar

"My operations and finance teams are confident we're optimizing our supply management in every possible way," she said. "It's not just me understanding how our product is managed – it's the whole staff. The end goal can only be reached if people are willing to step up and understand the workflows of both departments."

#### 5. **Better patient care**

A heightened level of product visibility and data allows staff to proactively track expired products and remove them from the shelves before they can ever reach a patient. The simplified workflow also frees up clinicians to spend more time on patient care, rather than manual inventory tasks, according to Mr. Spencer.

"Better supply chain doesn't mean just reduced costs," he said. "It also means happier clinicians and healthier patients."