

# President's Update – Getting Closer to "Normal"

Spring has sprung, and things are loosening up for some gatherings. As a matter of fact, the KAHRMM Board will be meeting in person Friday, May 14, in McPherson, for the first time since January 2020. We are going to start planning some educational events and get-togethers, trying to get back to "normal" soon.

Thank you Tammy and Lisa for putting the virtual *Lunch and Learn*. I hope you were able to join. I don't have much new information to share, so I will keep it short this month. I hope to have some new and great things to report after the planning session at the KAHRMM Board Meeting. Everyone stay safe and stay tuned for future events.

Thank you for all you do! --*Mike Morgan, KAHRMM President* 

#### **Doing Business Differently**

How We Built a Clinical Supply Optimization Program at The University of Kansas Health System Written by Janie Ott, MBA, system vice president, Supply Chain Originally published in the Journal of Healthcare Contracting April 2021

At The University of Kansas Health System, "proud but never satisfied" is an ongoing, powerful statement we receive from Bob Page, president and CEO, and Tammy Peterman, executive vice president, COO, CNO and president of Kansas City operations. This statement is also the title for their newly released book of the same name. As vice president of supply chain, I am consistently working through ways in which we can perform at the highest level. I am very proud of the work we have accomplished; however, we always have areas in which we can grow, improve, be more efficient, etc.



The recent COVID-19 pandemic presented us with an opportunity to really dig deep into value analysis and strategic sourcing based on the immediate need to do business differently to provide crucial supplies for our healthcare system. As we explored our vision, we evolved our program. This is how the Clinical Supply Optimization (CSO) program was born.

My experience of having worked more than 20 years in the cardiac cath lab and an additional 20 years in the healthcare supply chain has taught me that clinician engagement with the supply chain is critical. Accomplishing this goal requires a strong team armed with financial data, clinical outcomes and

operational data. Once our teams were in place, we implemented an Enterprise Resource Planning (ERP) program system-wide and engaged with a clinical evidence engine that doubles as our project

management tool. Our program is a heavily data-driven process that is essential when making supply decisions. It is important to mention that part of our program encompasses a succession plan. We want to leave a legacy, and we want most of all to have programs in place to ensure the safety of our patients and staff.

# The Need for CSO

We had a traditional Value Analysis (VA) program that identified ways in which new products would come into the health system. The focus was to purchase products at the right price, although we felt we could do more. As such, we added value streams and implemented a Utilization Management (UM) program that would review purchasing the right products at the right price and at the right time. Once we knew the significant impacts of having both VA and UM programs, we



needed a name that was reflective of the total program and its ability to effectively and consistently engage our health system's clinicians, incorporating clinical evidence into our workflows, and acquiring key financial and operational data to drive decisions. CSO was born out of this work. With this foundation, our CSO team can provide the necessary knowledge to our end-users to make the best decisions on the supplies and medical devices we use to care for our patients today and into the future – all while sustaining healthy business practices to keep our organization in a viable place.

#### Up and Running

Getting the program up and running involved several components:

**People.** We took time to get the right people in the right role to execute this work. We moved existing people into open positions. We then created a few new positions and hired for those specifically. Under the direction of Mark Walterbach, system senior director of Supply Chain Management and Administration, these are the members who make up our CSO Team:

- Angie Bruns, system director, Clinical Supply Optimization (CSO)
- Chad Derdich, system manager, Value Analysis
- Shannon Maize, system analyst, Value Analysis
- Kim Dyer, system analyst, Value Analysis
- Marissa Muchow, system analyst, Value Analysis
- Lisa Love, system analyst, Value Analysis
- Chris Heath, system manager, Utilization Management
- Jennifer Pellatz, system analyst, Utilization Management
- Erika Mohler, system analyst, Utilization Management

**Processes.** We created new policies and procedures to support the advanced program strategy. We then illustrated how each of these processes interweaves within every segment of the supply chain.

**Systems.** The University of Kansas Health System spreads beyond just the Kansas City division. In keeping with the health system's "One Team" concept, we needed to implement these programs within the greater Kansas facilities. We implemented Workday for our ERP, ECRI for evidence-based medicine, value analysis and utilization management. We are also using Vizient procedural analytics and clinical database tools.

Utilization	Disease Bundle	Patient Satisfaction	<b>Clinical Pathways</b>	Product Life-Cycle Costs
Procedure & Episode Initiatives	Standardization	Physician Satisfaction	Education	Identifying Preventable Harm
Waste Management	Supply Formulary	Care Pathways	Cost Avoidance	Price Leveling
Employee Health	Infection Prevention	Safety	Length of Stay	
Environmental Sustainability	Antibiotic Stewardship	Readmissions	SKU reduction	

# Added value streams through the UM program:

#### **Communication Is Paramount**

Communication is paramount for any program. Launching the CSO program mandated a complete cultural shift. The key was in fostering a strong, trusting relationship with our clinical leadership. This involved countless meetings with our leadership teams system-wide. We created committees to address solutions for their specific areas. We reached out to multiple venues with multiple people, multiple times to really drive home the need for the program and its advantages. The support we received across the health system was astounding.

Clinical Supply Optimization (CSO) is an ongoing, interdisciplinary strategy that informs decision making to optimize utilization of products or services while eliminating harm, improving outcomes and lowering costs. Throughout the COVID-19 pandemic, we were forced with having to be creative and innovative as we faced challenges with supply shortages and needed to source PPE outside of our traditional supply allocations. This meant we would be bringing in PPE that we hadn't used previously, and we needed a way to engage our clinicians in finding a suitable solution while maintaining our standards of care.



One of the developments from the CSO program was to create a product formulary of PPE for future PPE shortages. We formed a PPE test group with leaders from inpatient units, ED, transport, pharmacy, EVS, RT/PT/OT and procedural areas system-wide. This group takes samples of non-formulary products such as ear-loop masks, gowns and gloves to frontline staff to try and provide feedback. Products receiving positive reviews were then sent to the Strategic Sourcing team who determines the ability to source these products in bulk, as well as review any contracting and financial obligations before moving forward.

#### Goals and Hopes for the Program

We want to be a true clinically integrated supply chain, evolving beyond a transactional supply chain. We want physicians at the table making supply chain decisions, and we want to have a culture that is mindful of all costs within the organization. "The best part of building the CSO Program has been the transformation from a small group that had to focus on daily operations, to our current group that is approaching value from all angles while moving towards full clinical integration. The team has taken a blank slate and started to develop a strategy that is truly unique for our Health System. "

- Mark Walterbach, RN, system senior director, Supply Chain Management and Administration

"Emphasizing a collaborative approach between Supply Chain and physician representation allows for the ability to be innovative as an academic institution as well as financially responsible." – Sean C. Kumer, PhD, MD

"Our Clinical Supply Optimization (CSO) program has spent its first two quarters aligning the right people, the right processes and the right systems to achieve our goals. This will require a cultural shift for our organization that we will continue to measure and continuously improve over time." – Angie Bruns, MHS, system director, CSO

#### AHRMM Update

The AHRMM staff is busy preparing for the AHRMM21 Conference ... AHRMM21 Health Care Supply Chain Innovate. Engage. Connect. The conference will be Aug. 9-11, 2021, in Boston, MA. More information is available on <u>AHRMM's website</u>.

A virtual conference also will be offered Sept. 14-16, 2021, as a hybrid. Additional information is available on <u>AHRMM's website</u> for this event as well. Scroll down the page to view the details.

#### Join Us in Urging Kansans to 'Catch Up On Care'

Join Us in Urging Kansans to 'Catch Up On Care' Written by Chad Austin, president and CEO, KHA Originally published in the April 25 issue of KHA's Current Report weekly newsletter.

It is likely not a surprise that the COVID-19 pandemic caused fewer Kansans to seek necessary health care services in 2020 than in 2019 – even after hospitals safely reopened in the second half of the year. Upon direction from the Kansas Hospital Association Board of Directors, we looked at statewide inpatient and emergency department data for Kansas hospitals and saw a decline in patient volume in 2020. The data revealed reductions in several areas, including annual wellness exams and regular health screenings, specialized surgery, cardiac care, behavioral health and more.

To reverse the trend and minimize its negative effects on individual and population health in Kansas, KHA is launching a new, statewide <u>Catch Up On Care</u> campaign. The public awareness campaign is complete with ads for consumers and tools for our members to promote the message in their own local communities.

KHA will launch this statewide public awareness campaign on April 26. The objective is to share <u>information on the care missed in 2020</u> and encourage Kansans to revisit their health care needs and reclaim their health, as there was a noticeable drop in some preventative care in 2020. For example, statewide data showed that nearly 25,000 Kansans delayed cancer screenings last year.

As part of this public awareness campaign, KHA has created a <u>member toolkit</u> with customizable resources for you to use in your community. It includes the following resources for your use:

- One-pager highlighting Kansas data on missed care
- <u>Template media release and newsletter article for hospitals</u>
- <u>30 second PSA video, radio and announcer-read script</u>
- Social media messages and images for Facebook and Twitter
- <u>Digital assets in various sizes</u>

KHA will be sharing these messages statewide through May and we encourage your hospital to join this campaign to educate your community on the care they missed and to encourage them to Catch Up on Care.

We appreciate your involvement with this initiative. If there are any other resources you need for this public relations campaign, please let us know. Thanks! --Chad Austin

#### KAHRMM Newsletter May 2021

May 14, 2021 KAHRMM Board Meeting McPherson KAHRMM Lunch & Learn Virtual Learning

KAHRMM Calendar of Events Aug. 9-11, 2021 AHRMM21 Conference & Exhibition Boston, MA

Sept. 9-10, 2021 KHA Annual Convention & Trade Show Overland Park

Sept. 14-16, 2021 AHRMM21 Virtual Conference

Oct. 3-9, 2021 National Health Care Supply Chain Week

The KAHRMM Bulletin Board KAHRMM Board Meeting, McPherson – May 14, 2021

AHRMM Conference 2021: <u>Click here</u> for updates for the AHRMM21 Conference & Exhibition.

**AHRMM:** <u>AHRMM20+ Conference & Exhibition</u> is now available on-demand. For additional information, please visit <u>AHRMM's website</u>.

**KAHRMM Membership:** The KAHRMM Board has elected to extend your membership into 2021 if you paid your 2020 membership before the end of 2020. **The new amount for dues is \$50 and \$75 after Sept. 30.** Please see the <u>2021 KAHRMM Membership Form</u> on <u>KAHRMM's website</u>.

**AHRMM MEMBERSHIP:** Consider becoming an <u>AHRMM member</u> for access to abundant information and resources. Explore <u>AHRMM's website</u>.

If you have updates from your Supply Chain you would like to share with your KAHRMM peers, please send them to <u>Cindy Howard Reeves</u>.

### PLEASE VISIT the <u>KAHRMM WEBSITE</u>.

#### **KAHRMM Board of Directors**

Mike Morgan, CMRP, President, McPherson, (620) 241-2251 Lori Knoeber, CMRP, President-Elect, Salina, (785) 452-7497 Craig Rohleder, Immediate Past President, Hays, (785) 623-5838 Teresa McHenry, Secretary, NW Representative, Ellsworth, (785) 472-3111 Chrissy Fink, RN, CMRP, Treasure, SC Representative, Salina, (785) 452-7949 Lisa Feil-Neavitt, NE Representative, Atchison, (913) 360-5555 Tammy Jackson-Noland, NC Representative, Parsons, (620) 820-5362 Mick Pond, SE Representative, Neodesha, (620) 325-8367 Pat Tabor, FAHRMM, FACHE, SW Representative, Lawrence, (785) 505-6131 Larry Wenthe, Vendor Representative, Tescott, (785) 392-7644

#### Ambassador: Cindy Howard-Reeves, Ulysses

#### **Advisory Council**

- <u>Rebecca Flora</u>, Phillipsburg;
- <u>Randy Lott</u>, Salina;
- Dale Montgomery, FAHRMM, Hays;
- Corey Schmidt, CMRP, Shawnee; and
- Cindy Howard-Reeves, Ulysses

KHA Liaison: Bruce Frerking, Overland Park

#### Committees

- Central Plains Expo: Mike Morgan and Randy Lott
- Chapter Affiliation: <u>Cindy Howard-Reeves</u>
- Finance: Chrissy Fink and Mike Morgan
- Golf: <u>Randy Lott</u> and <u>Dale Montgomery</u>
- Marketing: Mick Pond
- Membership: Lori Knoeber
- Newsletter: <u>Cindy Howard-Reeves</u>
- Program and Continuing Education: Lisa Feil-Neavitt and Tammy Jackson-Noland
- Scholarship: Chrissy Fink, Mike Morgan and Lisa Feil-Neavitt
- \_Special Olympics: Dale Montgomery and Randy Lott

#### Decatur Brown Doniphan Cheyenne Rawlins Marshall Norton Republic Nemaha NW Phillips Smith Jewell Vashington Atchison Cloud NC Sherman Thomas Sheridan Graham Rooks Osbome Clay Leavenworth efferso Wyandotte Ottawa Lincoln Shawnee Gearv Wallace Logan Gove Douglas Johnson Treao Ellis Dickinson Wabaunsee Russell Saline Ellsworth Morris Osage Miami Greeley Wichita Ness Rush Franklin Lyon Scott Lane Barton McPherson Marion Rice Chase Linn Coffey Anderson Pawnee Finney Hodgeman Harvey Kearny Hamilton Reno Woodson Allen Bourbon Stafford Gray Edwards Greenwood Butler SE Stanton Grant Ford Kingman Pratt Sedawick Crawford Haskel Kinwa Wilson Neosho SI SC Elk Meade Clark Morton Montgomery Stevens Barber Sumner Cowley Seward Cherokee Comanche Harper Labette nautaudua

### KHA DISTRICT MAP

# **KAHRMM Mission**

The Mission of the Kansas Association for Healthcare and Resource Management is to advance the profession of health care purchasing and materials management by:

- Assisting members through training and mentoring opportunities which promote excellence
- Establishing proactive, collaborative partnerships through networking
- Promoting high ethical standards

#### **KAHRMM Code of Ethics**

- Consider first, the interests of our hospitals in all transactions and to carry out and believe in its established policies.
- Buy without prejudice, seeking to obtain the maximum ultimate value for each dollar of expenditure so the patient may receive the best care possible at as low a cost as possible.
- Be receptive to competent counsel from our colleagues and to be guided by such counsel without impairing the dignity and responsibility of that office.
- Respect our obligations and to require that obligations to us and to our hospitals be respected, consistent with good business practice.
- Subscribe to and work for honest truth in buying and selling, and to denounce all forms and manifestations of commercial bribery.
- Decline personal gifts or gratuities that might in any way influence the purchase of materials.
- Avoid sharp practice.
- Give a prompt and courteous reception, as conditions permit, to all who call on a legitimate business mission.





Allied with the Kansas Hospital Association

# 2021 Membership Form

Active, voting memberships are available to persons professionally engaged in health care purchasing, resource or materials management; group purchasing organizations; as well as medical manufacturers, vendors or distributors. Membership may also be obtained by those professionals in other healthcare related settings not mentioned.

I hereby apply for membership in KAHRMM and/or AHRMM and certify that I meet the membership require Name (please print):					
Employer Name:					
Address:					
City:	State:	Zip:	County:		
Phone: Work	Cell_		Home		
Email:					
Signature:	Date:				
Hospital Employee	Healthcare Supplier		AHRMM Member		
AHRMM Treasurer and your AHR KAHRMM \$50 Note: Due to the initial AHRMM me	RMM dues will After Sept	I be paid. 30th \$75 stionnaire, new A	M membership renewal notice / invoice to the New or Renewal Member (please circle) HRMM applicants are encouraged to join on-line a		
the AHRMM website (www.AHRMM option to renew your AHRMM memi		our first year of AF	HRMM membership is complete, use the One-cheo		
AHRMM Renewal Membership Ca	tegories (Sele	ct one category - see	AHRMM website for membership category descriptions)		
Supply Chain Provider \$165.00	0 Affiliate / Supplier \$240.00 Military \$165.00				
	ecutive \$220.00 Young Professional Associate \$135.00				
Full-time Student \$109.00	Retiree	\$109.00			
CMRP Year Earned		AH	RMM Fellow Year Earned		
KAHRMM §_		Maka	e check payable to KAHRMM and mail to:		
Renewal AHRMM    \$      Total Check Amount    \$		Chrissy Fink, RN, CMRP Materials Management Salina Regional Health Center 400 S Santa Fe Salina KS 67401			
Check # Date Received		To renew with	h credit card, please contact Chrissy at cfink@srhc.com.		