

Ahead of the pack

How Madison Outpatient Surgery Center optimizes its procedure pack program

New surgery center, new challenges

Optimizing the use of OR supplies is critical to improving efficiency and controlling costs. When Madison Outpatient Surgery Center opened three years ago, it replicated the pack program of its sister surgery center, making some modifications to more closely fit the difference in case mix. While this approach helped streamline the new surgery center's launch, over time the staff noticed the need to make improvements.

"We realized that there was a lot of waste in our pack program. We were wasting so much; we just didn't know how much," said Shannon Horton, Administrator.

The root cause of the waste was that the surgery center was performing different procedures than its sister facility, and some were more complex and required different pack contents. "In other words, the packs we were using were a good fit for our sister facility, but not necessarily for us," Horton said.

Plus, Madison Outpatient Surgery Center was further driving up per-case supply costs further by supplementing the packs with a significant number of off-the-shelf items. "At the time, we didn't realize the extra cost of not having these items already in packs," said Jessica Metz, RN and Purchasing Manager.

The value of a clinical assessment

Madison Outpatient Surgery Center decided to conduct a clinical assessment of the pack program to more closely align it with the current case mix. "To assist us with the initiative, we tapped into the surgery center expertise of Cardinal Health," Horton said. "Their clinical knowledge was key to helping us cut waste, be more efficient and save money."

During the assessment process, the surgery center discovered many ways to improve its packs. "We did little things that added up to make a big difference," Horton said. For example:

- Reducing the towel count from 12 to 4-6
- Switching to shorter, more cost-effective table covers
- Finding lower cost, Cardinal Health™ brand clinical equivalents to products currently used both inside and outside packs
- Adding off-the-shelf items to packs whenever possible



Building new savings into every pack

- **\$2,593 annual savings** optimizing pack contents
- **\$6,150 annual savings overall** converting to lower cost Cardinal Health™ brand products (both inside and outside packs)



The new way to cut hidden waste

Put it in the pack to help ensure you always:

- Pull the right products
- Have the right quantities
- Avoid pulling extra, off-the-shelf items in a hurry (when they may be accidentally dropped or mishandled and need to be discarded)

Improving efficiency

"Now, we put as many products as possible into our packs," Metz said. "It's faster, more efficient and saves money." Because clinicians spend less time gathering all the supplies needed for a case — from set up to clean up — they can turn over the OR faster and more efficiently.

That's especially important, because the busy surgery center handles about 300 cases a month. "After our caseload each day, we still have more work to do, preparing for the next day's procedures. Having everything we need all in one pack saves us a lot of time."

Greater efficiency improves physician and patient satisfaction, as well. "For physicians, it helps them handle more cases faster. For patients, it's about reducing wait times and hassle," Horton said.



"Our packs include about 98% of what the surgery center needs for a given procedure, which helps us save a lot of time and improve infection control!"

Shannon Horton

Administrator

Madison Outpatient Surgery Center
Madison, Mississippi

Best practice: How much does it cost?

"One of the challenges of saving money is to raise awareness among clinicians of what products actually cost. Waste can happen when you're not looking at the price tag. A simple item might cost \$4.52. But if you waste that same product over and over, the cost really adds up.

To help reduce waste, our clinicians complete a charge sheet for every procedure. We're not only educating our clinicians, we're also monitoring the supply costs of each procedure. We can refine our pack program even further, as needed.

Once you have the dual perspectives of inventory costs and clinical quality, you suddenly see new opportunities to improve."

Jessica Metz, RN

Purchasing Manager

Madison Outpatient Surgery Center

Madison, Mississippi



If your ASC is wasting the same product over and over, the cost really adds up.

Looking ahead

"Within a year, we'll do another pack assessment," Horton said. "That way, we can help make sure our packs remain aligned with our case mix as changes are made, procedures added and new physicians join us."

During the next clinical assessment, the surgery center will seek new opportunities to further refine OR supply utilization, reduce SKU count and standardize products. "Now, when we open something extra off-the-shelf, we ask ourselves if it should be included in the pack," Metz said.

What advice would Horton and Metz offer to other surgery centers seeking to improve their own OR supply utilization? "It takes a team to get the job done. Get your distributor into your facility and work together to find new opportunities to improve," Horton said.

"Our clinical assessment was an awesome way to improve our pack program," Metz added. "The key is to engage with every physician who uses packs and gain their support for making improvements. It's a work-in-progress, so be patient. The end result will benefit your patients, physicians and surgery center alike."

About Madison Outpatient Surgery Center

Located in Madison, Mississippi, Madison Outpatient Surgery Center is a multi-specialty outpatient surgery center developed by leading physicians in the Southeast to meet the growing ambulatory procedure needs of the region. The surgery center is Mississippi's only full-service provider of specialized orthopedic care and is the first and only orthopedic group in the state to perform outpatient replacements. Using cutting-edge orthopedic techniques, the surgery center specializes in services ranging from surgical intervention to treating injuries and diseases of the bones, joints, ligaments, tendons, muscles and nerves.

About Cardinal Health

Cardinal Health, Inc. (NYSE: CAH), is a global integrated healthcare services and products company, providing customized solutions for hospital systems, pharmacies, ambulatory surgery centers, clinical laboratories and physician offices worldwide. The company provides clinically-proven medical products and pharmaceuticals and cost-effective solutions that enhance supply chain efficiency. Cardinal Health connects patients, providers, payers, pharmacists and manufacturers for integrated care coordination and better patient management. Backed by nearly 100 years of experience, with more than 37,000 employees in nearly 60 countries, Cardinal Health ranks among the top 25 on the Fortune 500. For more information, visit cardinalhealth.com, follow @CardinalHealth on Twitter and connect on LinkedIn at linkedin.com/company/cardinal-health.



cardinalhealth.com/surgerycenters

Cardinal Health
7000 Cardinal Place
Dublin, Ohio 43017