

Guide to Establishing a Clinically-Integrated Supply Chain

AHRMM Learning Pavilion

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Objectives of a Clinically-Integrated Supply Chain

1. Optimize patient outcomes
2. Reduce supply costs
3. Minimize complexity
4. Reduce variation/strive for consistency
5. Reduce errors or negative outcomes
6. Achieve efficiency
7. Ensure consistent supply accessibility

Importance of a Clinically-Integrated Supply Chain

1. Discover new areas for value
2. Accelerate implementation of value strategies
3. Expand reach of Supply Chain expertise
4. Include Supply Chain considerations earlier in process (upstream intelligence)

Key Success Factors for a Clinically-Integrated Supply Chain

1. True partnership between Clinical and Supply Chain
2. Investment in people
 - a. Time to learn the practice
 - b. Relationship-building skills
3. Co-ownership of the objective with clinical stakeholders
4. Openness and honesty coupled with accuracy
5. Solutions that support the objective
6. Access to relevant, reproducible, accurate, reliable, and actionable data
7. Strong executive support
8. Strong supplier/manufacturer relationships

The Path to Clinical Integration

Step 1. Have a clear understanding of current practice and environment – critical

- Identify products currently in use
- Collect data to support outcomes
- Establish current cost and net financial impact
- Know clinical staff interest and position on the products
- Other general issues:
 - Evaluate supplier stability
 - Know impact on GPO/contracts
 - Understand institutional political environment
 - Consider Administration goals/focus

Step 2. Meet and share data and options with key players

- Have clear/accurate data supporting all options
- Know the financial impact of the variable options
- Consider risk factors and continuity of supply
- Have fallback plans in case of failure

Step 3. Clearly define all strategies from all perspectives

- Establish documented procedural protocols
- Create a plan to manage the transition from current practice to the new strategy
- Have a plan to manage compliance
- Define the process of using your MMIS system to monitor and manage the Supply Chain processes
- Set up a process for exceptions to the plan
- Establish acceptable performance metrics and minimize variation (score card)

Step 4. Manage the sourcing and procurement of products

- Leverage aggregation, standardization and longer-term commitment to gain best price
- Establish the logistics and support from your manufacturer and distributor
- Build necessary data and protocols in you EMR and MMIS systems

Step 5. Implement

- Get full support from your manufacturer
- Ensure access to the right products at the right place at the right time (never run out)
- Monitor exceptions or requests for variation and respond promptly, firmly and carefully to those requests
- Follow up on any failures immediately including: quality issues, supply shortages, sales rep issues, etc.

Step 6. Periodically measure success against the objectives

- Track quality outcomes
- Monitor financial impact
- Evaluate continuity/stability
- Conduct opinion surveys to establish support for the process