Clinically Integrated Supply Chain: Building a Winning Business Case

Dr. Alex D. Mitchell MD FRCSC CCPE
CPHIMS-CA
Vice President, Clinical
Nova Scotia Lands Inc., Healthcare Infrastructure

DISCLAIMER: The views and opinions expressed in this presentation are solely those of the author/presenter and do not necessarily represent any policy or position of HIMSS.
Meet Our Speakers

Dr. Alex D. Mitchell

Vice President, Clinical
NS Lands Healthcare Infrastructure

Clinically Integrated Supply Chain: Building a Winning Business Case

#HIMSS21
Conflict of Interest

Alex D Mitchell, MD FRCSC CCPE CPHIMS-CA

Has no real or apparent conflicts of interest to report.
Healthy Management of Supplies (HMS) Project

Summary video: https://vimeo.com/370080700/f285aa8985
Password: nshahms
<table>
<thead>
<tr>
<th>STAGE</th>
<th>Clinically Integrated Supply Outcomes Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>Clinically integrated supply chain achieved enabling precision and personalized healthcare, traceability of care processes, and products used in care linked to patient outcomes to identify the conditions by which best outcomes are achieved for unique population segments</td>
</tr>
<tr>
<td>6</td>
<td>Transparency across patient journey of care supports automated traceability of patient care processes and products used in care; provider teams all linked to individual patient outcomes</td>
</tr>
<tr>
<td>5</td>
<td>Supply chain processes are automated and integrated at the point of care to enable complete traceability of products, care processes, and automated tracking of adverse events and product recalls</td>
</tr>
<tr>
<td>4</td>
<td>Integration of supply chain processes into clinical programs support optimization of inventory management linked to patient care needs</td>
</tr>
<tr>
<td>3</td>
<td>Supply chain strategy creates visibility of inventory across the organization, automates financial processes, and informs product standardization</td>
</tr>
<tr>
<td>2</td>
<td>Inventory tracking and automation focus on optimization of supply costs and inventory management</td>
</tr>
<tr>
<td>1</td>
<td>Basic supply chain processes are established as a business function for the organization</td>
</tr>
<tr>
<td>0</td>
<td>Inventory and supply processes are manual; there is no supply chain strategy identified for the organization</td>
</tr>
</tbody>
</table>
HMS – High Level Requirements

1. General System Requirements
   - WMS (Warehouse Management System)
   - TMS (Transportation Management System)
   - Inventory / Point of Use System

2. Inventory Point of Use
   - Hospital Units, Services, Community Centres

3. Clinical System Integration
   - Clinical Information Systems (OPOR, HSM, Pyxis, etc.)

4. Financial System Integration
   - SAP
   - GHX Connect + (HealthPro + Industry Data)

5. Receiving & Returns
   - Vendors

6. Warehouse Management
   - Warehouse Staff
   - On-site Inventory
   - Shipment

7. Inventory Movement and Storage
   - Transportation

Procurement
- Purchase Requisitions

Accounts Payable
- GHX Connect + (HealthPro + Industry Data)
Components of a Successful Healthcare Business Case

| Clear Value Proposition (What is in it for me?) |
| Show me the money! Real ROI...not cost avoidance |
| Prove it can be done |
| Delivered by a Physician Champion |
| Authentic and compelling story |
| Burning Platforms essential! |
| Be sure you understand...cover all the bases. |
| Executive level support is a must |
| MUST be delivered to those that control the budget |
Change happens when...

1. We believe it has value for us (ME!)
2. We believe it can be done
Our journey in Nova Scotia
Case Costing = Dumpster Diving
There has to be a BETTER WAY!
Clinically Integrated Supply Chain: Building a Winning Business Case

ROI 8.1 $$$

#HIMSS21
• GAIN KNOWLEDGE
• VICARIOUS or REAL EXPERIENCE
• TELL A STORY
• AUTHENTIC
Call your friends…and go visit!

- UHN (Toronto, Ontario)
- Pierre Boucher (Laval, Quebec)
- HMMS (London, Ontario)
- HIMSS
- GS1 Canada
- GS1 Global
- Mercy Health
- Vendor Community
Physician Champions

• Passionate
• Respected
• **Immune to administrative hierarchy**
• Make it safe for the non-physicians
  • Physician becomes the “punching bag”
• Opinion Leaders
• Social Pressure
"BIG" MART story

The story is so important
Burning platforms

Need to convince there is a problem worth solving
Expired Goods Story

\[ \text{WASTE} = \text{EXPIRED} \]
THE BLACK SWAN

- In Nova Scotia we have 7+ Billion Dollars in Healthcare Infrastructure Project spending in the next 5-10 years!

$1000/sqft to build hospital spaces
THE BLACK SWAN

- Halifax Infirmary site…1.5 Million+ sqft of new hospital to be constructed.
- Supply Chain technology solutions and digitization reduces storage space needs by 35,000 sqft
- $35,000 x 1000$/sqft = a lot of money for other things!
Intangibles

- They buy YOU!
- TRUST is everything!
- RELATIONSHIPS

“People do not buy goods and services...They buy relations, stories and magic” - Seth Godin
Patient Safety Did Not Sell

BETTER IS THE ENEMY OF GOOD
Sell to the right people

“Who Controls the money controls the world” - Henry Kissinger
The winning recipe

- Business case with real ROI
- Strong burning platform
- Authentic Stories
- Delivered by a respected champion
- Supported by strong Executive Sponsor
Questions?

Dr. Alex D. Mitchell MD FRCSC CCPE CPHIMS-CA
Vice President, Clinical
Nova Scotia Lands Inc., Healthcare Infrastructure
Alexander.mitchell@novascotia.ca
Alex.mitchell@nshealth.ca