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“Better Together” is at the core of provincial contracting for healthcare

A focus on partnership and collaboration is what makes the shared service approach to provincial contracting unique.

Janine Skolney, the newest member of the 3sHealth provincial contracting team, says it’s been a new experience for her.

“Not only are we working with materials management experts all over the province, the level of engagement with clinical practitioners is new to me,” says Skolney.

Working closely with partners throughout the health system, 3sHealth takes a similar approach with virtually every contract – bringing together clinicians and subject matter experts from the health regions and cancer agency to form a working group or committee – to develop Requests for Proposals and review those proposals. Clinicians throughout the province are often asked to test products from vendors and evaluate them based on criteria the provincial committee has established.

Over the last five years, that collaborative approach to provincial purchasing for Saskatchewan’s health system partners has saved more than \$97 million. For Skolney, another unique approach is the use of technology not only to ensure all participants on a new contract have the best information but to reduce the costs of travel and accommodation which would be a result of in-person meetings.

“Instead of just talking to people on the phone about a spreadsheet that may or may not be the same version as yours, we are using WebEx on-line meetings so we can share documents in real time with people all over the province,” says Janine.

Improved patient care, quality, and safety are key focuses in the provincial contracting approach. Since April 2012, the health system has increased provincial purchasing to 60 per cent from a low of 20 per cent. That means that the health system is benefitting from lower rates for 60 per cent of the services, supplies and equipment it purchases. There is improved quality and consistency in products, equipment and services; transparency and consistency in the tendering process; efficiencies in preparing, researching, and tendering contracts; and increased opportunities to purchase the latest technology at affordable prices.

In a recent example, the health regions, cancer agency and 3sHealth negotiated a contract for millions in state-of-the-art SMART IV pumps at no upfront cost. Over the life of the 10-

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year contract, the health system will pay for the pumps by paying slightly more for the consumables used in those pumps. Even with that increased cost, the health system will save \$1 million annually.

The variety of products and services that can be purchased through the provincial contracting includes nutrition and food services; dietary and linen supplies; medical, surgical and laboratory supplies; pharmaceuticals and hearing aids; biomedical waste; and administrative services and supplies.

Often, it's clinicians who bring forward innovative approaches. When contracts for epidural anesthesia kits were being examined, anesthesiologists, nurses, and other clinicians identified the waste that was being caused by purchasing standard kits that contained items that were never used and discarded. The group was able to develop a vendor Request for Proposal for custom kits that contained only the items they routinely used. Non-sterile samples from several vendors were obtained and sterile samples were trialled in several health regions before deciding on a vendor that met their specifications. In the end, the clinical advisory group working with 3sHealth was able to eliminate significant waste at a reduced cost.

"The first thing we think about when we look at new contracts is how it will impact the patient," says Marj Currie, Clinical Advisor at 3sHealth. "Patient safety, ease of use and the 'human factor' are things we consider to be as important as the price. But because we are purchasing such large quantities, we are often able to leverage significant savings."

What happens when a product or service does not meet expectations?

Saskatchewan's healthcare system purchases and consumes millions of healthcare products each year. In most cases, the syringes, scalpels, latex gloves, and more complex items such as intravenous pumps and heart monitors all work according to expectation. But what happens when they don't? The failure of medical products to perform can pose a serious threat to patient safety and must be addressed quickly and effectively.

That is the question that a provincial cross-functional team came together to address in the summer and fall of 2015. The team was composed of supply chain, clinical, and provincial contracting staff from the health regions, Saskatchewan Cancer Agency and 3sHealth. Their goal was to develop and implement standard work for product issue identification, prioritization and planning, and communication as part of ongoing work to create a consistent provincial process for product issue resolutions.

Resources that have now been developed from this team include:

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- Provincial product issue log
- Backorder and product substitution log
- Work standards for using the product issue log
- Training protocol on the new logs, and the use of standard work for the provincial materials management committee and the provincial clinical advisory committee
- Risk-ranking matrices that automatically signal users of any recurring risks that will arise as information is reported on a provincial level
- Standard time periods for resolution by vendors and indicators for when an issue would need to be escalated

These resources demonstrate how health system partners can collaborate to create innovative solutions to complex problems and be *better together*.