

Banner Health

One of the nation's largest not-for-profit health systems — Banner Health, based in Phoenix, Arizona — operates 21 healthcare facilities in Alaska, Arizona, California, Colorado, Nebraska, Nevada and Wyoming. The Banner Health system currently has \$3.1 billion in assets and annual revenues of \$2.5 billion.

Five Arizona Hospitals achieve \$250,000 savings on GI/Endo supplies

The system's five medical centers in Arizona recently invited Premier's Supply Chain Performance Improvement (SCPI) consultants to conduct an assessment of their GI Lab and Endo programs. The purpose of the review was to identify opportunities to standardize and enhance GI Lab and Endo practice, with possible savings to be achieved.

The data collection and analysis activity has resulted in nearly \$250,000 in annual savings in GI Lab and Endo supplies for the five Banner Health medical centers, as well as enhanced standardization and utilization among the participating facilities.

Sue Hellriegel, RN, Clinical Supply Manager for Banner Health materials management, says, "Once the decision was taken to examine and standardize the hospitals' GI Lab/Endo supplies and practices, excellent cooperation and support by the clinical teams made the review and adoption process relatively painless.

"The consultants shared information on examples of best practices from hospitals across the country that are also focusing on cost-containment efforts. So many of the recommended changes were easy fixes and quickly accomplished.



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“Our clinicians appreciated the review’s common-sense approach that meant they could focus on maximizing cost savings within the context of quality patient care. Some may have initially thought that significant savings could only be achieved by working on ‘big-ticket’ medical devices and supply items, but they realized when the small changes are added together, they are substantial. And it’s an ongoing process that will continue to yield additional savings over time.”

GI Lab and Endoscopy Assessment Process

Once the parameters of the initial assessment were established with Banner Health, the endoscopy directors were sent an electronic survey designed to provide the consultants with specific information on each laboratory. The completed forms were returned to SCPI consultants at Premier who analyzed the data and prepared individual assessment reports for each GI manager. The report included savings opportunities and practice recommendations for GI Lab and Endo programs. Procedure volume created opportunities for savings — the five Banner facilities in Arizona performed more than 36,600 GI and Endo cases in the last year. One-third were inpatient and the remaining two-thirds were outpatient cases.

The report examined every aspect of the GI and Endo procedures and explored every supply utilized. No detail was too small — \$3,000 was saved by limiting post-procedure beverage selection; nearly \$10,000 was saved by eliminating paper slippers for patients; \$18,000 was saved by standardizing blanket usage to one per patient per procedure; and more than \$30,000 in savings resulted from going to a less expensive printer paper.

Eager to achieve savings while maintaining their high standards of quality care, the Banner facilities acted quickly on many of the recommendations made by SCPI consultants in preliminary reporting sessions. By the time the assessment’s final report was delivered to the facilities in early 2005, a total of \$178,000 in savings had already been implemented. The final savings target of nearly \$250,000 has since been achieved. And Banner is satisfied that the SCPI assessment recommendations for product and process standardization have led to improved patient care quality as well.

For more information

This project was facilitated by the expert consultants of Premier’s Supply Chain Performance Improvement division. For more information on Premier’s performance-enhancing and cost-saving techniques for GI Lab and Endo programs, please call Kim Nilsson, Premier Supply Chain Performance Improvement clinical associate, at 704 733 5071, or e-mail her: kim_nilsson@premierinc.com.