

Understanding IDN's

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Introduction

Scottsdale Lincoln Health Network

- **Founded in 1962**
- **Regional health care system serving Scottsdale / Phoenix in the NE Valley**
 - **Five medical centers - 1300+ beds**
 - **Variety of outpatient services including surgery centers**
 - **Home health services**
 - **Research institute**
 - **Community outreach and health education services**
 - **Level One Trauma Center**
 - **Centers of excellence for Orthopedics, Oncology, Cardiology, Women's and Children's Health, Stroke Care.**
- **Among country's first to achieve system wide *Magnet* nursing status, one of only 25 national "system" *Magnet* designations**

Recognition

**SHC recognized as a Top
11 Supply Chain
Performer by
Healthcare Purchasing
News in 2012**

**SHC recognized as a “Top 5”
supply chain performer by
GHX in 2012**

**SHC earned the Healthcare
Purchasing News 2011 Sure
Award for Excellence in
Supply Chain Leadership**

**SHC Supply Chain
awarded the Arizona
Quality Association
Showcase Award in
2013**

Mission, Vision, Values

- ▶ **Vision**

- ▶ *Leading personalized healthcare and shaping healthier communities*

- ▶ **Values**

- ▶ **Integrity** – Unswerving devotion to what is right, honest and just.
- ▶ **Caring** – Genuine concern for those who place their trust in us.
- ▶ **Accountability** – Accepting ultimate responsibility for our actions.
- ▶ **Respect** – Recognition of the inherent value and worth of each person by treating them with dignity and courtesy.
- ▶ **Excellence** – Unrelenting and vigorous insistence on the highest standards of performance.

- ▶ **Mission** – *why we're here*

- ▶ The mission of Scottsdale Healthcare is to identify and meet the healthcare needs of all people who live and work in the greater Scottsdale area through creative and effective collaboration with healthcare professionals and organizations.

- ▶ **Critical Goals**

- ▶ **Patient Safety**– Keep all patients safe and prevent harm by eliminating preventable deaths, errors, and injuries.
- ▶ **Service**– Deliver the best personalized healthcare experience
- ▶ **Talent/Partnerships**–Become the Region's best healthcare work environment for all healthcare professionals and staff.
- ▶ **Quality**– Obtain optimal outcomes through evidence–based practice, collaboration, and personalized medicine.
- ▶ **Financial Health**– Improve financial standing annually to sustain system strength.

System Make-up

- ▶ 5 Hospitals
- ▶ 325 Million Dollar Supply Spend
- ▶ 175 Million Dollar Purchased Services Spend

Integration Timeframe

- ▶ Scottsdale Lincoln Health Network formed in October 2013
- ▶ 22 Integration teams formed to develop implementation plan by April 2014
- ▶ Procurement team assembled to develop strategic plan and deliverables
- ▶ Standardize to one GPO
- ▶ Select one ERP system
- ▶ Form a centralized, fully integrated supply chain program
- ▶ Implement a new supply chain organizational structure
- ▶ Establish a 3-year supply cost savings target of 75 million dollars

Supply Chain Strategy for:

Contracting

- ▶ Centralized
- ▶ GPO Compliant
- ▶ Common ERP and Item Master
- ▶ Emphasis on EDI

Regional Aggregation

- Support GPO regional programs

Distribution

- ▶ Standardize to one distributor
- ▶ Evaluate self distribution model
- ▶ Evaluate LUM and OR inventory management

Self Contracting

- Supplement GPO contracts
- Improve PPI pricing through local contracting and market share commitment

Supplier/Provider Collaborative Opportunities

- ▶ Have honest, transparent discussions
 - ▶ Look for win-win situations
 - ▶ Share goals, targets, benchmarks
 - ▶ Evaluate risk sharing options
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