

In Conversation with **Betty Jo Rocchio**

MS, CRNA, BSN, RN
Vice President
Perioperative Performance
Acceleration
Mercy



About Mercy

Mercy, named one of the top five large U.S. health systems in 2016 by Truven, an IBM company, serves millions annually. Mercy includes 45 acute care and specialty (heart, children's, orthopedic and rehab) hospitals, more than 700 physician practices and outpatient facilities, 40,000 co-workers and more than 2,000 Mercy Clinic physicians in Arkansas, Kansas, Missouri and Oklahoma. Mercy also has outreach ministries in Louisiana, Mississippi and Texas.

Editor: Mercy has been described as the ideal supply chain model for health systems, it is ranked by Gartner as one of the top healthcare supply chains in the country, what got you here and how did TECSYS help in this journey?

Betty Jo Rocchio: ROi (Resource Optimization & Innovation), the supply chain division for Mercy, was developed from the ground up. So, it was really built around innovation. We had some great forward-thinking leaders and because of that we collaborate with supply chain on the healthcare side better than anybody else in the nation. We have proven that concept.

While innovation is great, you also need some building blocks to be able to run a complete warehouse and distribution model for your supply chain. We were great partners with TECSYS since the beginning.

Editor: How does the TECSYS platform help?

Betty Jo Rocchio: Simply, supply chain has to be able to keep track of everything in a very systematic model. But the thing about healthcare is that we deploy a lot of different products into a lot of different areas, and what TECSYS brings to the table is very important flexibility with its platform. It allows us to manage and deliver the supplies to our different departments in the way they need them. So delivering supplies and doing par-values for a nursing unit is not the same as the perioperative area, it's not the same as a Cath lab area. You have to have a platform that provides global visibility and understands the unique characteristics of each department to be able to receive and consume supplies appropriately.

Editor: How important is total visibility and connectivity across your supply chain system?

Betty Jo Rocchio: Mercy, named one of the top five large U.S. health systems in 2016 by Truven, an IBM company, serves millions annually. Mercy includes 45 acute care and specialty (heart, children's, orthopedic and rehab) hospitals, more than 700 physician practices and outpatient facilities, 40,000 co-workers and more than 2,000 Mercy Clinic physicians in Arkansas, Kansas, Missouri and Oklahoma. Mercy also has outreach ministries in Louisiana, Mississippi and Texas.

Because of Mercy's size, it is very important for us to have a platform that not only looks across the ministry but looks by department also. We have a number of nursing and procedural areas in each of the 45 hospitals, so visibility becomes very important to the leaders in those areas from the supply chain side and from the healthcare side.

Editor: Traditionally, a lot of technology companies in today's world still go in a lab and build a product with little or no market input, and then try to sell it. The approach we took with the perioperative solution was totally different, right?

Betty Jo Rocchio: Yes, completely different. There were other solutions out there for supply chain in the Operating Room (OR) space, but they were totally logistics-led. We watched clinicians using them and they were working around them in order to get the supply chain right. That did not suit us at all! Frankly, when I saw nurses taking care of patients in the OR doing supply chain activities, I knew that was not where Mercy wanted to be. TECSYS is a supply chain company and Mercy is in the business of needing supplies to take care of our patients and meet perioperative demands. Our past experience with TECSYS led us to ask them to work with us to design a perioperative platform that would meet our needs. The TECSYS executives were committed to adapt the platform to make sure that it met the clinical need. TECSYS had the backbone of a great supply chain network and together we wanted to address the clinical workflows and have that drive the way it looks, behaves and feels. Here's the great thing about this product. It's a clinical solution for clinicians and it's a supply chain solution for supply chain. The collaboration and partnership that this tool drives between those two departments is amazing to make sure that each patient has the right supplies, the right amounts, at the right time. The solution is clinically led and operationally driven which creates a synergy that supports the perioperative areas! It's a win-win for sure!

Editor: So how is this OR initiative going to improve clinicians' work and patient life?

Betty Jo Rocchio: This solution streamlines the products (supplies) that arrive to the OR. They arrive on the case cart in the exact amount needed. Through point-of-use scanning, the nurse is able to accurately record supplies consumed in the case, and then the TECSYS product sends the appropriate information to our electronic health record and to our ERP (financial) system. The TECSYS system consumes that information and gets the electronic health record correct on implants, it gets the cost and pricing correct, and it gets the billing information to our financial team. All this information flows from just one scan. The clinician now has more time to spend with the patient. This also allows supply chain to appropriately plan, deliver, and place items back into inventory that we didn't consume. This data can be captured to help us optimize our preference cards and be accurate on items needed on all subsequent cases.

Editor: So how many problems is it solving?

Betty Jo Rocchio: It integrates a number of different functions that can frustrate us in the perioperative area. Like all health systems in the U.S., we work with many different systems during the course of our day in the OR. The TECSYS system is truly a complete solution as it will assist us with inventory management, tissue tracking, product recalls, expired products, implant tray lot and serial capture. Many of these systems, if they exist in our ORs today, are stand-alone systems that do not integrate very well for the front line users. The TECSYS solution has quality, regulator, financial, and medical legal advantages built into this system to help us meet all of our needs in the perioperative area. This is uncharted territory today!

Editor: From dollars and cents what does this mean to Mercy?

Betty Jo Rocchio: Let's talk about this from the Triple AIM perspective. The triple AIM focuses on quality, service, and cost. Quality is centered on accurate documentation, accurate billing and pricing for the patient, standardization of products in the OR to deliver quality outcomes, and reducing implantation of expired or recalled products. On the service side, it allows us to schedule and allocate resources more efficiently at the case level for our patients. We have exactly what we need and have full visibility to the location of the products.

Editor: So if you did not have this solution what would be your situation?

Betty Jo Rocchio: Well what nurses and/or supply chain people have to do is run around a few days before surgery and try to make sure they have what they need. With the TECSYS system it allocates the resource and holds that resource for us so we know we have it, so we are ready for patients much earlier and it will reduce the number of patient delays or patient cancellations. It helps keep the clinicians doing clinical work, not worrying or searching for supplies or doing administrative work in different systems. The rooms stay on time; patients have their surgeries completed on time and move in and out of the perioperative area in a predictable, controlled manner.

Editor: So what has been your experience with this solution so far?

Betty Jo Rocchio: I just had a call this morning with our frontline co-workers from Mercy Washington and Mercy Springfield regarding the TECSYS solution. They could not have been more complimentary of how it streamlines their work and improves quality of life for them in the perioperative areas. In fact, the rest of the hospitals at Mercy are waiting for us to roll it out in their hospital.

Editor: So this system is destined to streamline your cost significantly?

Betty Jo Rocchio: Absolutely! The third part of the Triple AIM is cost. The biggest spend in a perioperative area is supplies. Having a well-designed solution that manages inventory is a must! The solution gives me visibility and optimization of my preference card. This is so vital to understanding and reducing variation in supplies across my 45 hospitals!

At the end of the day, we anticipate anywhere between 8 million and 13 million dollars in savings by implementing this solution across Mercy. The visibility, standardization and data we can get out of the TECSYS system is going to help us move from a manual system to a perpetual system which has significant value.

Editor: So what's your end goal?

Betty Jo Rocchio: My end point: if I was talking to Vice Presidents of Perioperative around the country, what I would say to them is our business is changing, the margins in surgery are starting to be reduced due to our reimbursement structure. We must somehow find a way to increase our quality, produce better service and reduce cost. Our largest costs are around supplies. We have to have a system that manages this and allows our clinicians to deliver high quality, excellent service, while reducing our costs. The TECSYS solution is designed to deliver this!

There are a number of hospitals coming to visit us to see the product live. We have four site visits soon in Mercy and clearly people are starting to recognize the impact of this solution. Clinically Led and Operationally Driven...this will be the hallmark of this well-designed, integrated solution.

We're on board with the TECSYS Perioperative solution. We're very excited about it moving forward.

