

Healthcare Transportation: A Missed Opportunity for Financial Gain

Presented by

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Healthcare Reform

Find value/reduce costs
Without sacrificing care delivery

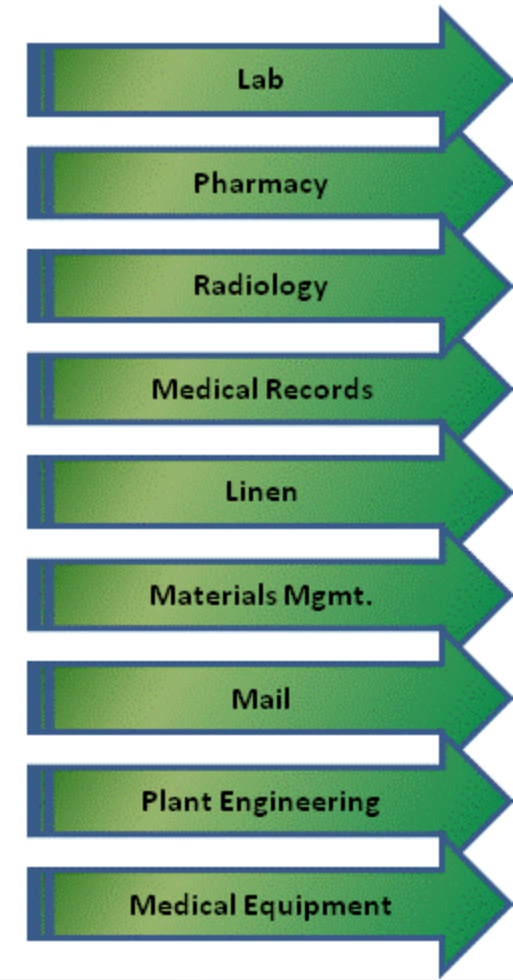


Clinical Cuts Exhausted



Once clinical savings are exhausted, where do you turn for the next efficiency?

What is Healthcare Transportation?



Research Goals



Goal 1

Uncover Healthcare Supply Chain Executives' View of Transportation

Goal 2

Develop Methodology for turning Healthcare Transportation into a high-functioning strategic asset

Finding 1

Healthcare Transportation is
Important yet **Ignored**

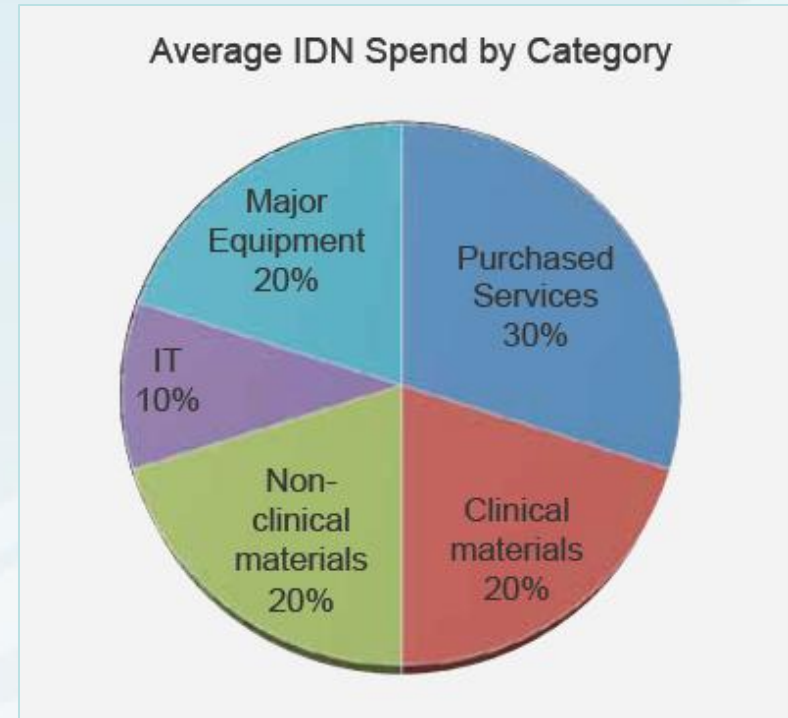
83% say it's critical

85% say it's fragmented

87% have never analyzed

Finding 2

Healthcare
Transportation
is perceived to be
lower value
than it actually is



Finding 3



Healthcare
Transportation is
wrongly thought of
as **low risk**

Finding 4

Healthcare Transportation is
incorrectly considered Static

Clinical Requirement
Changes

Network
Redesign

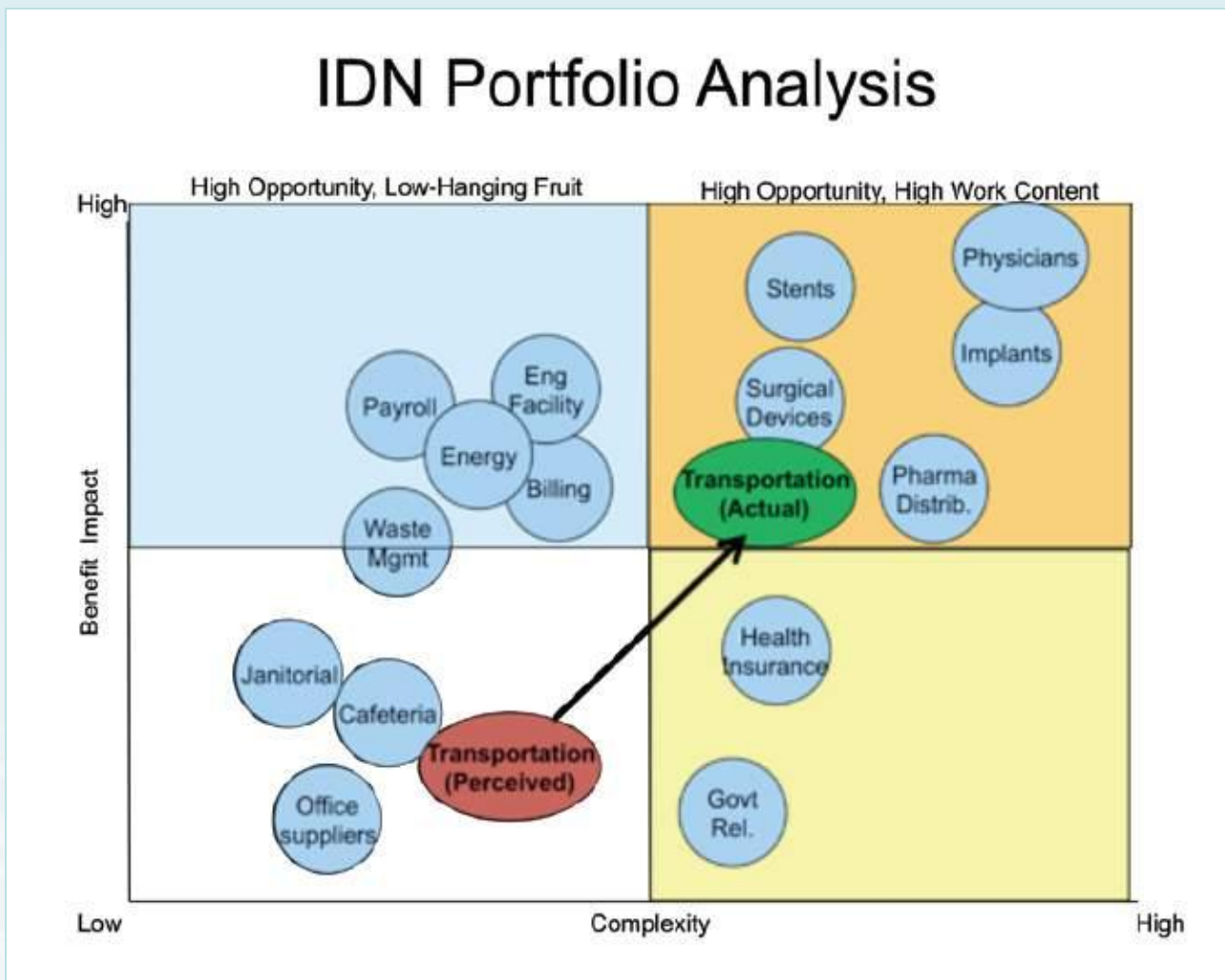
Expanded
Points of Care

Route
Optimization

New Service
Offerings

Variance

IDN Portfolio Analysis



Bottom Line

Healthcare transportation can either hurt or add value to an IDN

Area to remove waste

Connection to other expenditures across the organization

Can negatively impact patient experience

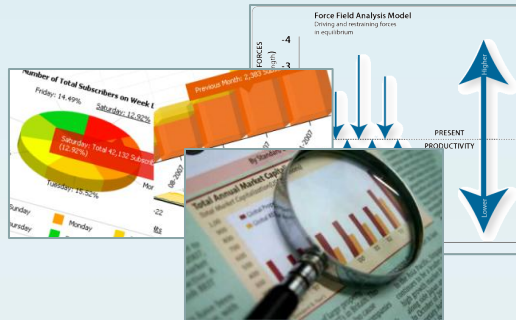
Significant as IDNs expand beyond the four hospital walls

Strategic Transportation Process

1. Analyze current state
2. Develop optimal solution:
centralize and streamline
3. Create ongoing
relationship management

Analyze Current State

Spend Analysis



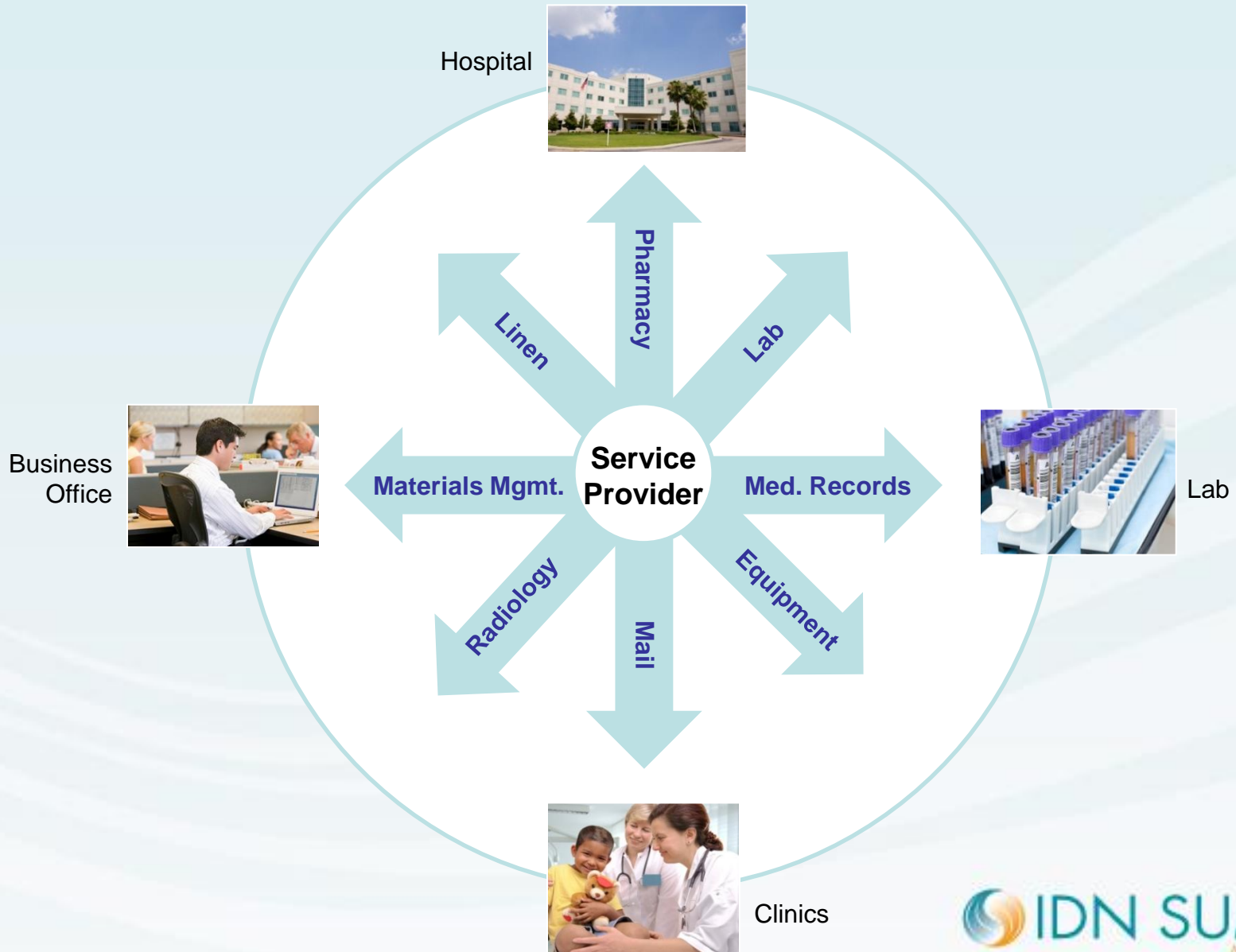
Current Activities



Stakeholder Needs Scorecard

Category	Criteria	Weight	Stakeholder	Explanation
Economic Value	Hard cost savings	15%	CFO, COO	Initial hard cost savings drive margin growth
	Soft cost savings	5%	Physicians, Nurses	Increased loyalty to IDN
	Cost avoidance	5%	SC Managers	More resources to direct towards achieving incentives
	Future savings	10%	Board of Directors	Metrics, governance, budgeting
Sub-Total		35%		
Operational Effectiveness	Quality Management	15%	Nurses	Process thoroughness, low error rate
	Reliable Performance	10%	Office workers, Nurses	Timeliness and consistency of service
	Tracking and Risk Reduction	10%	Clinicians and Office Workers	Item and data security, inquiry responsiveness
Sub-Total		35%		
Strategic Impact	Ability to drive change	10%	Supply Chain Managers	Working as a team to drive recognition of SCM initiatives
	Consulting/Analyst Support	5%	Facilities, logistics	Ability to optimize routes and performance
	Strategic Focus	5%	Supply Chain Managers	Ability to focus on core competencies / patient care
	Scalability	10%	Supply Chain Managers	Ability to focus efforts on other cost savings initiatives
Sub-Total		30%		
Scorecard Total		100%		

Develop Optimal Transportation



Ongoing Relationship Management

- Develop criteria
- Evaluate around scorecard to quantify performance
- Measure success



Healthcare transportation is a missed
opportunity for financial gain

Thank you!

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