

What's New at SMI?

December 2011



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In response to your input at the fall Forum (the SMI Newsletter Survey), this will be a more abbreviated newsletter featuring only those sections that you indicated were most valuable to you.

FORUM FOCUS

Save the dates for the 2012 and 2013 SMI Forums:

May 15-17, 2012 Dallas
November 6-8, 2012 Phoenix

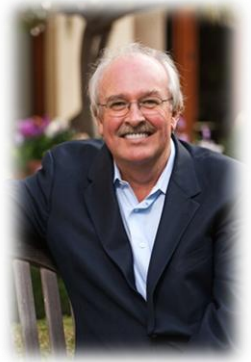
May 14-16, 2013 Dallas
November 5-7, 2013 Orlando

The 2011 fall Forum was a terrific success (rated 4.8 of 5). Presentations are posted on our website in the member only section under YOUR SMI, Forums, [Fall 2011 Forum](#). Comments included:

■“Best SMI event I’ve ever attended”, ■“The event was first class!”, “Staff continues to impress”, ■“Seems we are coming together – true collaborative / cooperative shared vision”, ■“Market pressures and uncertainties are challenging true partnerships ... making SMI more valuable!”, ■“This group provides an invaluable opportunity to learn & network with thought leaders in the industry”, ■“SMI is a committed and dynamic group – the participation level & interaction was superb”



The **2012 spring Forum** is already taking shape. The Forum will focus on Collaboration. Our keynote is Ian Morrison, author and futurist. Ian is an internationally known author, consultant, and futurist specializing in long-term forecasting and planning with particular emphasis on health care and the changing business environment. He combines research and consulting skills with an incisive Scottish wit to help public and private organizations plan their longer-term future.



Ian has written, lectured, and consulted on a wide variety of forecasting, strategy, and health care topics for government, industry, and a variety of nonprofit organizations in North America, Europe, and Asia. He has spoken to a range of audiences from Fortune 100 and has worked with more than 100 *Fortune 500* companies in health care, manufacturing, information technology, and financial services. He is a frequent commentator on the future for television, radio, and the print media. Ian is the author of *Leading Change in Health Care: Building a Viable System for Today and Tomorrow* (AHA Press/Health Forum, 2011). Read his latest editorials from *Hospitals and Health Networks* and other publications at (<http://ianmorrison.com/editorials/>).

BOARD BRIEFS



Carl Manley, Sentara Healthcare



James Francis, Mayo Clinic



Armin Cline, Covidien

We extend a **very special thanks** to outgoing SMI Board members Carl Manley, Jim Francis, and Armin Cline. Carl was one of the founders of SMI and has been on the Board of Directors from the beginning, serving as Chairman of the Board from 2005 – 2010. Jim has been on the Board since 2005, has served on the Executive Committee for several years, and was the Board Secretary. Armin was nominated onto the Board in 2007, and was the chairperson for the Membership Committee. They are each appreciated for their dedication, commitment, and service. All were honored and thanked at the SMI 2011 fall Forum.



With the onset of the new year we welcome to the Board of Directors three new members: Brent Johnson of Intermountain Healthcare, Steve Huckabaa of Kettering Health Network, and Keith Johnson of Coloplast.

INITIATIVES IN ACTION

Industry Uniqueness/Differences Initiative Delivers Webinar

On December 14, the Industry Uniqueness/Differences Initiative, led by Rosalind Parkinson of Ohio State University Medical Center and Keith Johnson of Coloplast, presents the work of their team via webinar to a large group of SMI members and their colleagues. The Team's work consists of observations and findings extracted from over a dozen interviews covering similarities and differences with the supply chain practices of other industries including a world-wide soft-drink industry leader, a men's fashion designer / manufacturer, automotive industry suppliers, household goods companies, and equipment manufacturers. Similarities and differences with the supply chain practices of other industries were examined.

At the fall 2011 SMI Forum, the Team Leaders also assisted in the creation of a new SMI Initiative – Technology Opportunities – that will focus specifically on technology use in other industries. The slides from the webinar presentation are available for download at the SMI web site under ABOUT SMI, Initiatives, Supply Chain Uniqueness and Differences (Webinar Presentation: [What is So Unique About the Healthcare Supply Chain?](#)).

Data Standards Value Model Work Is Complete, Webinar Planned

SMI members successfully completed their work on the Data Standards Value Model Initiative at the fall 2011 SMI Forum. Four SMI Provider Members had been actively participating in this Initiative:

- Beth Israel Deaconess Medical Center
- Denver Health and Hospitals
- FMOL Health System, and
- USC Health Sciences

This initiative, part of SMI's collaboration with the Center for Innovation in Healthcare Logistics (CIHL) at the University of Arkansas, involved the field testing of a decision support software tool designed as a user-friendly (Excel-based) spreadsheet tool to help providers meet their need to quantify the investments and benefits they can expect from GS1 adoption choices. This Microsoft Excel[®]-based tool is titled *LRIM – Levels, Readiness, and Impacts Model*. LRIM does not attempt to estimate dollar costs and benefits. Instead, the model aims to provide quantitative foundations on which those economic assessments can be constructed for particular provider settings.

At the Forum breakout session, leaders from CIHL demonstrated the new and improved LRIM Tool v5.0, displaying the variety of changes made as a result of the SMI members' feedback. The final LRIM Tool is available as a free download from the CIHL website <http://cihl.uark.edu/5174.php>. CIHL will demonstrate the LRIM V5.0 in a webinar scheduled for January 10 at 2:00pm EST. Look for the webinar invitation and share it with your IT and standards implementation staff.

Integrated Care Models/ACO Initiative Says “Be Prepared”

The Integrated Care Model/ACO Initiative Team continued their effort to bring clarity to the supply chain impacts of the ever changing care model space. Led by Team Leaders Deb Templeton of Geisinger Health and Dr. Robert Haralson, Medical Director of DeRoyal Industries, the Team spent Forum breakout session time to work on their SMI Executive Briefing, designed to help industry executives prepare for the new era of healthcare. While uncertainty continues about how ACOs and other care models will actually work, the SMI Team determined that supply chain professionals should be proactive and begin preparations now. The Team will be completing the SMI Executive Briefing in December and will be sending the draft to all members for review and comments before publication. The Initiative Team also actively participated in a visioning exercise that focused on actions that both providers and suppliers can take to help the new care models become successful. The Team's focus is now shifting to tool creation, possibly some sort of assessment tool that can be used to assist professionals in identifying gaps in their programs and resources. A list of various ACO informational resources has been posted on the SMI web site, so that all SMI members can easily access the information, under HEALTHCARE REFORM, [Accountable Care Organizations](#).

Comparative Effectiveness Research Initiative Finalizes Output

The Comparative Effectiveness Research Initiative Team is currently placing the finishing touches on their SMI Executive Briefing to help industry professionals understand the potential impacts of CER on our industry. Team Leaders Ted Donnelly of Universal Health Services and Dennis Black of BD facilitated a lively Forum breakout session where Team members discussed and debated the specifics of various sections of the briefing, including:

- Increasing the need for new and enhanced staff skills in order to maximize CER value
- Altering the processes, systems, and participants that use CER data to make product decisions
- Changes to a supplier's sales focus related to the care outcomes achieved by products.
- Impact of CER on innovation & priorities for manufacturer clinical studies and R&D

The Team will be completing the SMI Executive Briefing before the holiday and will be sending the draft to all members for review and comments before publication. Industry experts Natalia Wilson, MD, Co-Director of the Health Sector Supply Chain Research Consortium at Arizona State University; and Tom Skorup, Vice President of Applied Sciences for the ECRI Institute, have supported the team's work to learn about CER and to create the briefing. As the activities associated with CER become more commonplace, this SMI Team may be re-assembled in the future. Meanwhile, a list of various CER resources has been posted on the SMI web site, so that all SMI members can easily access the information, under HEALTHCARE REFORM, [Comparative Effectiveness Research](#).

Servicing the Alternate Care Market

SMI Member Tom Egan of Medline Industries led a lively Forum breakout session to help launch this new SMI initiative. A diverse Initiative Team of SMI members discussed the alternate care market, its characteristics, challenges, and the opportunities it represents. Like most SMI Initiatives, the team began their work by developing a draft mission statement:

To identify and enable effective supply chain practices to the alternate care market.

The team also created a list of potential outputs that they can envision as they move forward, including a listing of best practices, identification of various alternate care models that exist (owned, ACO, affiliates, partnerships, etc.), and a publication on the strategic importance of servicing this market. The Team has scheduled regular conference calls for the 3rd Fridays of each month. Any members interested in joining this initiative should contact Dennis Orthman at dorthman@smisupplychain.com

Technology Opportunities Initiative

This new Initiative was launched at the fall 2011 SMI Forum as a "spin-off" of the Uniqueness Initiative. Now, under the leadership of Keith Lohkamp of Lawson Software and Rosaline Parson of Orlando Health, this newly formed team is focused on understanding the best use of technology in healthcare supply chain and how that technology best practice in healthcare compares with other industries. The Team effectively used their Forum breakout session to "build a bridge" from the previous initiative by drafting a mission statement:

To develop an understanding of the best in class end state for technology applications and uses in healthcare supply chain.

Much of the breakout session discussion centered on how technology to manage the supply chain in healthcare is different in each "link" of the supply chain. Seeking to identify the exact problem they seek to address, the team determined that the industry lacks a consistent and clear understanding of:

- What a "best in class" end-state technology model for healthcare supply chain looks like.
- How a "best in class" model can impact an organization's ability to maximize patient care effectiveness and efficiency.

The Team has scheduled regular conference calls for the 2nd Thursday of each month. Any members interested in joining this initiative should contact Dennis Orthman at dorthman@smisupplychain.com

DRIVING DATA STANDARDS

GLN Implementation Workshops – Collaboration Making a Difference

SMI, AHRMM, and GS1 Healthcare US are the founding sponsors of the GLN Implementation Workshops, a series of hands-on sessions designed specifically for data managers, electronic data interchange (EDI) professionals, and other healthcare supply chain professionals with front-line responsibility for implementing the GLN in their organizations. The most recent Workshop was conducted in Lansing Michigan in early December, with over 45 registrants from 25 separate organizations. In 2011, four workshops were conducted, each featuring instruction from both provider and supplier-based faculty who have implemented the GLN, along with a live tutorial from GS1 Healthcare US experts on the GLN Registry for Healthcare[®]. Many SMI Members have provided faculty, including Ohio State University Medical Center, ROi, Denver Health, Cardinal Health, GHX, and USC Health Sciences.

The industry's need for GLN Implementation Workshops emerged from previous SMI efforts, when members cited the desire for greater hands-on instruction to implement GLN as part of the supply chain program. Working as a team, the co-sponsoring organizations conducted four GLN Implementation Workshops in 2011, educating over 170 industry professionals from over 115 provider and supplier organizations on how to implement and use a Global Location Number. In 2012, GS1 Healthcare US will lead the efforts to continue the workshops, with six workshops currently planned at strategic locations across the country. Any SMI member interested in getting involved should contact SMI staff.

The 2012 GS1 Healthcare US Leadership Team

In December, GS1 Healthcare US announced the results of their annual election for the national leadership team. Through their service on the Leadership team, many SMI members continue to display their commitment to the industry's data standards adoption effort. For more information about any GS1 Healthcare US activities, contact Dennis Orthman at dorthman@smisupplychain.com.

Healthcare Category	Term ends 12/31/12	Term ends 12/31/13
Acute Care Provider	Jean Sargent USC Health Sciences	Cynthia Shumway Intermountain Healthcare
Alternate Site Provider	Michael Innes Kaiser Permanente	Craig Short Good Shepherd Rehabilitation Network
Distributor	Jan Dwyer Cardinal Health	Ron Bone McKesson Corporation
Group Purchasing Organization	Pat Klancer Amerinet	Dennis Byer Novation, LLC
Healthcare Associations, Education, Government	Dennis Orthman SMI	Deb Sprindzunas AHRMM
Medical Device Manufacturer	Corwin Hee Covidien	Dennis Black BD
Pharmaceutical Manufacturer	Peggy Staver Pfizer, Inc.	John Terwilliger Abbott Laboratories.
Retail Pharmacy	Vacant	Vacant
Solution Provider ¹	Vacant	Keith Lohkamp Lawson Software

For further information on data standards visit the [SMI website](#) and click on [DATA STANDARDS](#).



WEBINAR SERIES

The December 14 SMI2U webinar is the first of a series of SMI member-only webinars designed to bring the best presentations, cutting edge information, and executive news to our members. Be on the lookout for more information via email, as additional sessions are being planned, including:

January 10, 2012 – **The LRIM Decision Support Tool** This webinar will feature a live demonstration of the LRIM Tool developed by the Center for Innovation in Healthcare Logistics (CIHL) with support from SMI and its members. The LRIM decision support software tool is designed as a user-friendly (Excel-based) spreadsheet tool to help providers meet their need to quantify the investments and benefits they can expect from GS1 adoption choices.

March 2012 – **The Perfect Department Index (PDI)**, a repeat of the highly rated SMI2U breakout session delivered at the 2011 fall Forum by Phil Pettigrew and Stewart Layhe of Denver Health. Learn how the leaders at Denver Health have expanded upon SMI's Perfect Order to create an internal metric of efficiency.

GARTNER 2011 HEALTHCARE SUPPLY CHAIN TOP 25

Congratulations to the following SMI members named in [Gartner's Top 25 in Healthcare](#). The fact that 18 of the top 25 are SMI members speaks volumes to the caliber of organizations within SMI.

#1 Cardinal Health	#7 Intermountain Healthcare	#14 McKesson
#2 Mercy	#8 Abbott	#16 BJC HealthCare
#3 BD	#10 Geisinger	#18 Baxter
#4 Mayo Clinic	#11 Cleveland Clinic	#19 Pfizer
#5 Owens & Minor	#12 Amerisource Bergen	#21 UPMC
#6 Johnson & Johnson	#13 Boston Scientific	#25 Kaiser Permanente

WELCOME NEW SMI STAFFER



Christine Dean has joined SMI as Communications Coordinator, responsible for assisting the Senior Director with the coordination of SMI member-led initiatives. Her role includes project planning, research, database management, reporting, and website projects. She brings over 20 years of marketing communications experience most notably in the technology and healthcare fields.

Prior to joining SMI, Christine was Direct Marketing Manager at Infinium where she coordinated a variety of direct marketing programs in the manufacturing / supply chain marketplace. As a marketing consultant, she worked with various technology companies providing project management for both virtual and on-site events including client conferences and sales meetings. Christine has created numerous websites for large, small, profit and non-profit organizations. She most recently served as an independent healthcare consultant, providing PR and marketing services to healthcare organizations, creating databases, conducting patient surveys, designing websites, executing community and educational events and establishing clinical partnerships.

Christine volunteers her time with local organizations and is also a member of the American Health Information Management Association (AHIMA).

HAPPY HOLIDAYS

From all of us to you and yours, we wish you joyous holidays and a happy and healthy new year!