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 FEATURED

'MitigAID-ing' the impact of supply disruptions

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‘MitigAID-ing’ the impact of supply disruptions

Mohawk Medbuy’s industry-leading solution reduces risk and supports better patient care

When someone requires treatment at a hospital, they naturally have questions and worries. Will I be okay? Will I receive good care? How long will I be in hospital? Prior to 2020, one question that was unlikely to even cross a patient’s mind is: Will the hospital have the medical supplies and drugs it needs to treat me?

That all changed following the emergence of COVID-19. Global shortages of everything from computer chips to appliances to automobiles increased the general public’s awareness of how supply chain disruptions that impact their daily lives also affect health care. That reality was underscored by the scarcity of personal protective equipment (PPE).

While the pandemic may have thrust supply disruptions into the spotlight, they’re nothing new to the health care sector. With increasing frequency, supply constraints are adding stress to a system that’s already straining to recover from the backlog created by the pandemic.

“Manufacturer supply disruptions of essential medical products and drugs are an unfortunate daily reality in every hospital. Clinical staff are spending more and more time maneuvering around shortages – which puts further workload on our teams and affects the delivery of patient care. MitigAID has helped tremendously on both fronts – lightening our load and helping us mitigate the risk to patients that shortages can cause.”

– Dr. David McNeil, President & CEO, Brant Community Healthcare System

SHORTAGES AFFECT PATIENT CARE

Manufacturer supply disruptions profoundly impact the delivery of patient care. Product shortages, recalls

or discontinuations may necessitate changes to established clinical protocols – resulting in less-than-optimal workarounds. They can also delay surgical procedures or prevent patients from beginning therapy on a preferred drug if it’s in short supply. Beyond that, manufacturer supply disruptions further burden hospital staff with additional work – exacerbating staff shortages and reducing time available for frontline patient care.

As a national, not-for-profit, shared services organization (SSO) for the health care sector, Mohawk Medbuy (MMC) sees firsthand the challenges created by manufacturer supply disruptions for the hundreds of hospitals and health care providers it supports. MMC consolidates the collective needs of those Member hospitals for medical supplies, pharmaceuticals, services, and capital equipment and conducts large-scale procurements on their behalf – rather than each facility going to market independently. In 2022, hospitals utilized MMC contracts for more than \$1.6 billion of their purchases. By leveraging hospitals’ collective spend, MMC generates millions in much-needed savings each year that hospitals can reallocate to frontline care.

Fiscal challenges are certainly an ongoing issue for hospitals, but supply disruptions are just as critical according to Marc Lemaire, Mohawk Medbuy’s Senior Vice President, Sourcing. “Hospital staff were using their scarce time seeking out supplies, determining replacements and figuring out how to make do with the items on hand,” said Lemaire. “It’s a top pain point for hospitals, and they were asking for our support.”

A key inflection point came in 2017 when Hurricane Maria caused extensive damage to a vital production facility in Puerto Rico, prompting a large-

scale supply disruption of IV mini-bags. For supply chain professionals, it was a perfect storm. Mini bags are ubiquitous throughout hospitals but, despite having a DIN (drug identification number), which is the domain of Pharmacy, they’re often ordered by Materials Management departments. That overlap in responsibility exacerbated the challenges of managing on-site inventories and implementing conservation strategies.

“There was so much parallel wheel-spinning,” said Ally Dhalla, Mohawk Medbuy’s Senior Vice President, Pharmacy & Clinical Services and Innovation. “Hospitals scrambled to find their own substitutes individually; distributors and manufacturers were overwhelmed with inquiries.” Mohawk Medbuy implemented an existing program developed to help hospital pharmacies navigate backorders – but the unique dynamics of the mini-bag crisis demonstrated more was needed. “We had the foundation for a comprehensive program and focused on how to make it work for the medical/surgical side as well,” said Dhalla.

The shared services organization consulted extensively with Member hospitals and vendors in shaping a program that would be embraced across the supply chain. The result was MitigAID™, which launched in 2019. The comprehensive supply disruption management program was developed with a singular objective – helping hospitals minimize the risk to patients in the event of a product backorder, discontinuation, or recall.

DATA AND INFORMATION ARE GAME CHANGERS

MMC’s MitigAID team has instant access to comprehensive data necessary to quickly assess the scale and scope of a disruption. An analyst reviews MMC’s extensive database of

hospital spend information to determine which facilities are impacted and their individual and collective purchase volumes. Real-time updates are provided over the course of the disruption from the contracted suppliers.

Having a single source of truth has been a game changer, according to Jessy Samuel, Director of IPAC, Pharmacy, Laboratory & Diagnostic Imaging at Joseph Brant Hospital in Burlington, ON. “The entire MitigAID team has been there to really help us understand not just how we’re resolving today’s shortages, but what Members can anticipate going forward. Having this valuable information has allowed us to stabilize and recover in so many ways.”

“A cornerstone of the program are clear accountabilities for all parties – for us, for hospitals and for suppliers,” said Lemaire. Contracted vendors have password-protected access to Mohawk Medbuy’s online Portal. In the event of an actual or pending product supply disruption, they’re required to log in to the Portal and submit a notification indicating what products are impacted, the start date of the disruption, estimated end date, suggested substitute products and other relevant information.

TRACKING DOWN SUBSTITUTE ITEMS

Addressing the immediate needs of hospitals for an alternate item is a top priority of MitigAID, according to Sheri McLeod, Director of Sourcing Operations at Mohawk Medbuy. “Our database includes years of RFP and other information, which feeds a vast Like Product Repository. It identifies products submitted in previous bids that may be equivalent to the out-of-stock item. From there, our clinical team of registered nurses and pharmacists assess those potential substitutes

for suitability, which reduces the workload of hospital clinicians.”

“MMC’s introduction of MitigAID has allowed us to manage supply shortages much more effectively,” said Dean Martin, Unity Health Toronto’s Executive VP of Corporate Services and Chief Financial Officer. “The MitigAID online portal gives us instant visibility on the status of active disruptions – all in one place. The program also addresses a more fundamental challenge – sourcing alternate products that are clinically suitable and available.”

Before advising Member hospitals of a potential substitute item to help them through the disruption, that vendor is contacted to confirm they have the required supply and to pre-negotiate pricing. “This step is key to ensuring a smooth transition,” said MMC’s Lemaire. “It’s no good to direct hospitals to a supplier that doesn’t have the inventory or capacity to meet a sudden

demand.” Throughout the process, Mohawk Medbuy never recommends a particular substitute item over others or selects substitutes for Member facilities – each hospital always determines what will work best for them and their patients’ needs. MMC recently created SubHub – a robust repository of potential choices.

PROVIDING VALUE ACROSS THE SUPPLY CHAIN

The MitigAID program offers incredible value for hospitals navigating the daily challenge of supply disruptions. “MitigAID provides tremendous insight into what’s happening across the supply chain to help us manage our response,” said John Aldis, Senior Vice President, Finance and Corporate Services at St. Joseph’s Healthcare Hamilton. “It’s a collaborative, streamlined process from start to finish and incorporates MMC’s top-notch clinical sup-

MitigAID by the Numbers: 2022/23

Items in MMCs Product Master Database:	579,000
Medical/Surgical	
Manufacturer Supply Disruptions:	1,650
Disruptions in Which Substitute Item(s) Were Identified:	71%
Pharmacy	
Manufacturer Supply Disruptions:	1,056
Disruptions in Which Substitute Item(s) Were Identified:	80%
Reimbursements Remitted Automatically to Members:	\$750,000+

port. MitigAID has been a very helpful resource for us – we use it every day.”

Supply disruptions are challenging for everyone in the supply chain, and manufacturers and suppliers are equally quick to acknowledge the merits of the MMC program. “What we value about MitigAID is it greatly improves the efficiency and consistency of communication in times of supply disruption,” said James Teaff, President and General Manager of Baxter Canada, a medical equipment manufacturing

company. “We can ensure we broadly communicate the facts in a timely manner, and Mohawk Medbuy’s culture of collaboration helps us mitigate the impact on affected hospitals.”

Manufacturer supply disruptions continue to be a reality in health care. Through its collaborative approach to addressing the challenges they create for hospitals and suppliers, MMC’s MitigAID program is mitigating risk to patients and reducing workload at hospitals and across the supply chain. **■**

The consequences of supply disruptions

Given the sheer number of backorders, recalls and discontinuations of medical/surgical products and pharmaceutical drugs that take place every year, it’s inevitable that patients will be affected. In 2022, hospitals were hit with 471 “actual shortages.” In many instances, there are therapeutic equivalents (generics) or alternate therapies available – but that still requires multiple steps. Hospital pharmacists need to determine what substitute drug is appropriate and educate prescribers and those who administer the drugs about the change. Procurement staff must confirm supply is available from the alternate supplier, coordinate the purchase and delivery to their facility, and have the new product information entered into the hospital computer system. Those are the behind-the-scenes realities of just one supply disruption. When you multiply that by an average of ten shortage per week, the workload can be staggering.

With the advent of very specialized, high-cost drugs, such as biologics, there may be no equivalent available. In such cases, conservation strategies for the backordered drug are implemented at the hospital. But “conservation” can equate to a moral dilemma for doctors – putting them in the very

difficult position of choosing which patients get the optimal drug for their therapy and which don’t. In other cases, medications in short supply are rationed to people undergoing treatment at less than the therapeutic dose. While equitable, it’s far from ideal.

SURGERIES CANCELLED

Operating Rooms (OR) are precious resources at a hospital – and for patients, surgery can be a life-changing event that has been months or years in the making. When there’s a cancellation, it’s significant for all concerned. That was the case when a critical instrument used for an elective surgical procedure at a Canadian hospital went on backorder without notice.

In this instance, the instrument – an energy tissue sealing device – is essential for bariatric surgery. Also known as gastric bypass surgery, it’s a major procedure that involves making changes to the digestive system to help people lose weight when diet and exercise have not been sufficient. In many cases, the patients are also contending with other serious health issues due to their weight.

Every Monday and Wednesday, bariatric surgeries are performed at this regional facility. The patients, some

of whom travel significant distances for the procedure, are also required to complete two weeks of unpleasant prep leading up to their surgical date. One Monday, as the OR was being set up for the first of three bariatric surgeries that day, it was discovered that there were no energy tissue sealing devices. Due to a supply disruption, the hospital’s inventory of the instrument hadn’t been replenished, as was the normal routine.

Being a regional centre, there were no nearby hospitals that could share the specific instruments. Compounding the issue, surgeons who perform bariatric surgery are skilled and experienced with a specific version of the instrument, which they use to seal blood vessels. Despite the availability of previous generation laparoscopic instruments, the surgeons cancelled the procedures in the best interest of their patients. The alternative was to use a lesser instrument with which they had limited experience, and which had greater occurrence of post-surgical pain and complications.

On that Monday and Wednesday – and for several weeks afterwards until supply of the instrument resumed, it was a crushing disappointment for patients. It meant rescheduling surgery that they’d been counting on; praying

for to give them a new lease on life. It also meant going through the ordeal of the challenging pre-surgical prep all over again.

The supply disruption had implications for the hospital, as well. An in-demand Operating Room sat vacant on that first Monday. Surgeons and anesthesiologists scheduled to do the procedures were idle while the backlog of bariatric patients grew. From a financial perspective, the hospital receives a portion of its funding based on performing a pre-defined number of bariatric surgeries each year. In the absence of a single instrument, that revenue was now at risk – and making up for the lost days in the OR would require overtime and extra resources. It was a no-win situation for all concerned.

The pandemic highlighted supply chain challenges – particularly for personal protective equipment (PPE) and therapeutic drugs, such as propofol, which is used in Intensive Care Units (ICUs) for very ill COVID patients on respirators. But for hospitals, shortages are a daily reality with no end in sight. Processes and programs that mitigate their impact on patient care and on staff resources and time are essential to keeping our health care system running. **■**