Partnering for Healthcare Excellence – a Supply Chain Perspective

The Supplier's Story

Wednesday, July 23rd, 2013

Singapore Healthcare Management 2013

Belimed Infection Control

Three long term futures

WE "BEND THE CURVE"

Reimbursement reform works

OR

OUT-OF-POCKET COSTS INCREASE DRAMATICALLY

Muscle & bone (not just skin) in the game

OR

BRUTAL PRICE CONTROLS

"Medicaid prices for all"

Best bet… a combination of all 3

Clear Trends

1. Intense reimbursement pressure
2. Massive provider consolidation
3. Chronic disease the primary patient demand
4. Pay for Performance

Massive consolidation underway

By 2020, provider market will be dominated by ~100 super-regional “mega-systems”

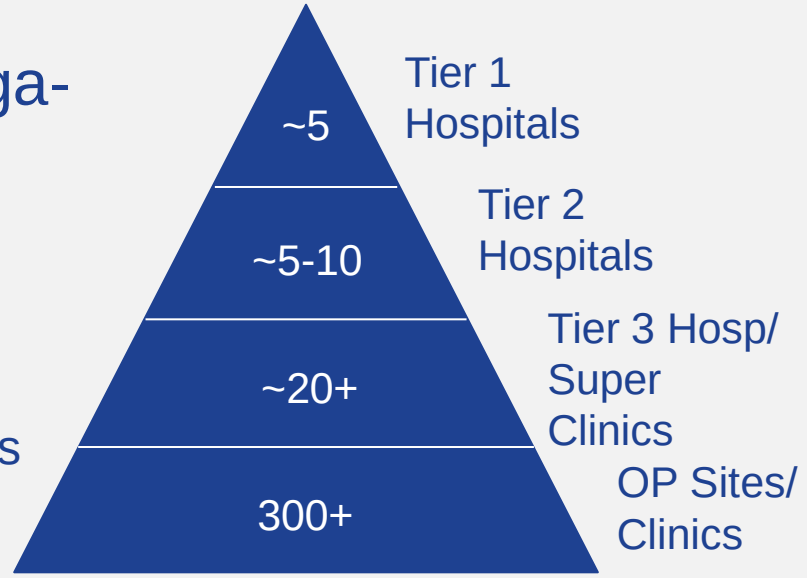
Future mega-systems

Example:

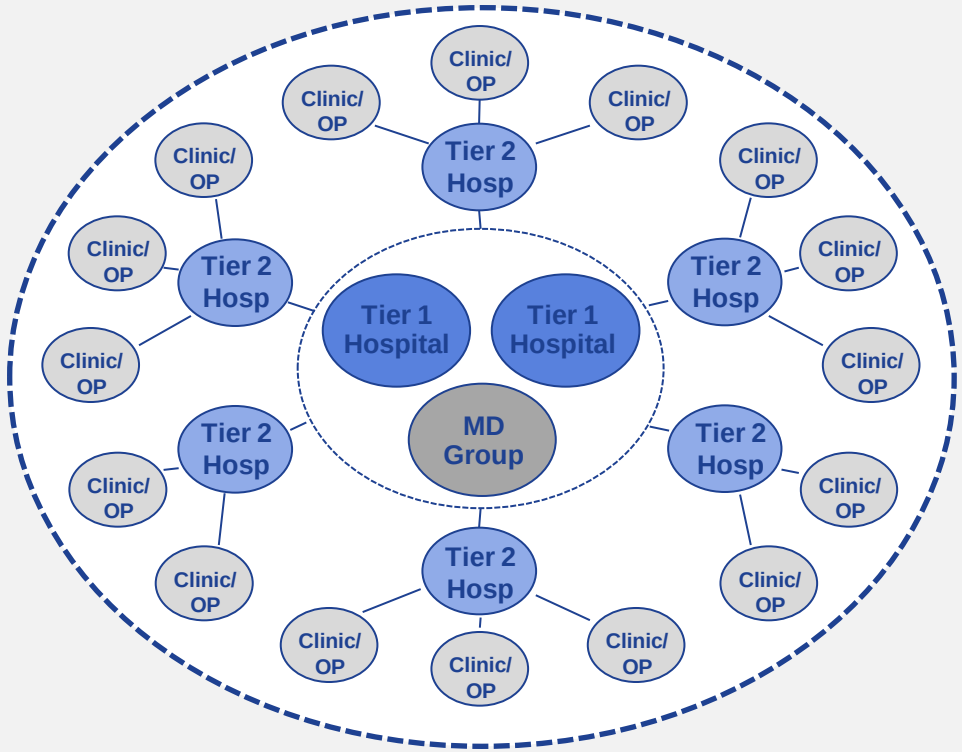
$10B+ Rev

30+ hospitals

300+ OP/clinics



Future health systems | Winning mega-systems acquiring & deploying hub-and-spoke model



New market landscape emerging

What Life Might Look Like

In 2015:

Providers driving 20%+ cost-out to address reimbursement pressures

Care area and disease focus… horizontal connections across "system of care"

Rapid IT adoption and analytical tools

Significant BD activity with health systems buying hospitals & MD groups

New industry entrants- retail models, payor-providers

In 2020:

~100 super-regional health systems dominate the industry

"Value-based care" becoming the primary payment vehicle… risk-based payments and capitation

Profit centers (Surgery, Radiology) become cost centers

Focus on "emptying" the hospital and rationalizing capacity

Analytics/population health focus

A Better Way of Thinking | We Appreciate your Challenges

- Patient Safety & Quality
- Healthcare Reform
- Optimizing Technology Purchases
- Driving Consensus among Clinical Lobbyists
- Care for Uninsured
- FTE Challenges
- Infection Control
- Physician Relations
- Patient Satisfaction

Contribute to Organizational Success
Develop Growth Strategy
Uncover Needs & Develop Business Case
Look for Solutions
Offer Good Service and Support
Evaluate Vendors
Vendor Selection/Installation
Contribute to Organizational Success
Optimize Implementation
Measure & Benchmark Results
Disseminate Winning Strategies

A Better Way of Thinking | Trusted Partner

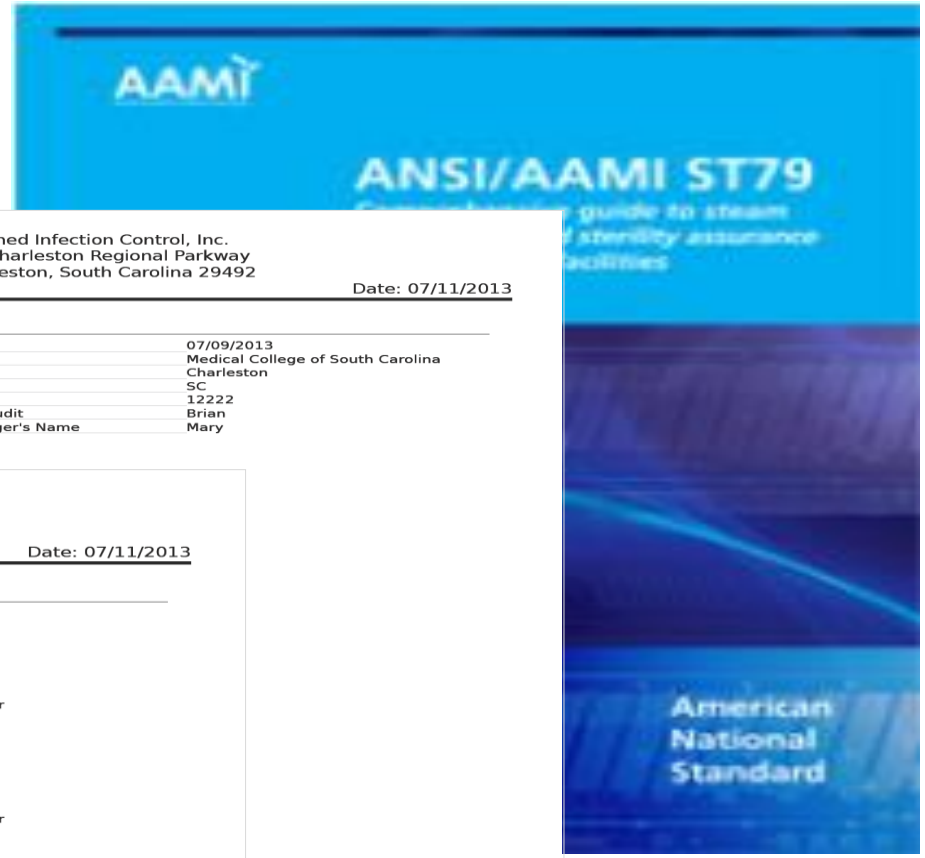
Belimed
Infection Control

Data Driven Decisions | Belimed SPD Tool Box

Process Audit

Service Audit

Equipment Audit



Belimed Infection Control, Inc.
2325 Charleston Regional Parkway
Charleston, South Carolina 29492

CSSD Equipment Inventory — Date: 07/11/2013

HOSPITAL INFORMATION

Today's Date	07/09/2013
Hospital Name	Medical College of South Carolina
City	Charleston
State	SC
Belimed Customer Number	12222
Belimed Employee Conducting the Audit	Brian
Sterile Processing Department Manager's Name	Mary

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STERILE PROCESSING EQUIPMENT INVENTORY

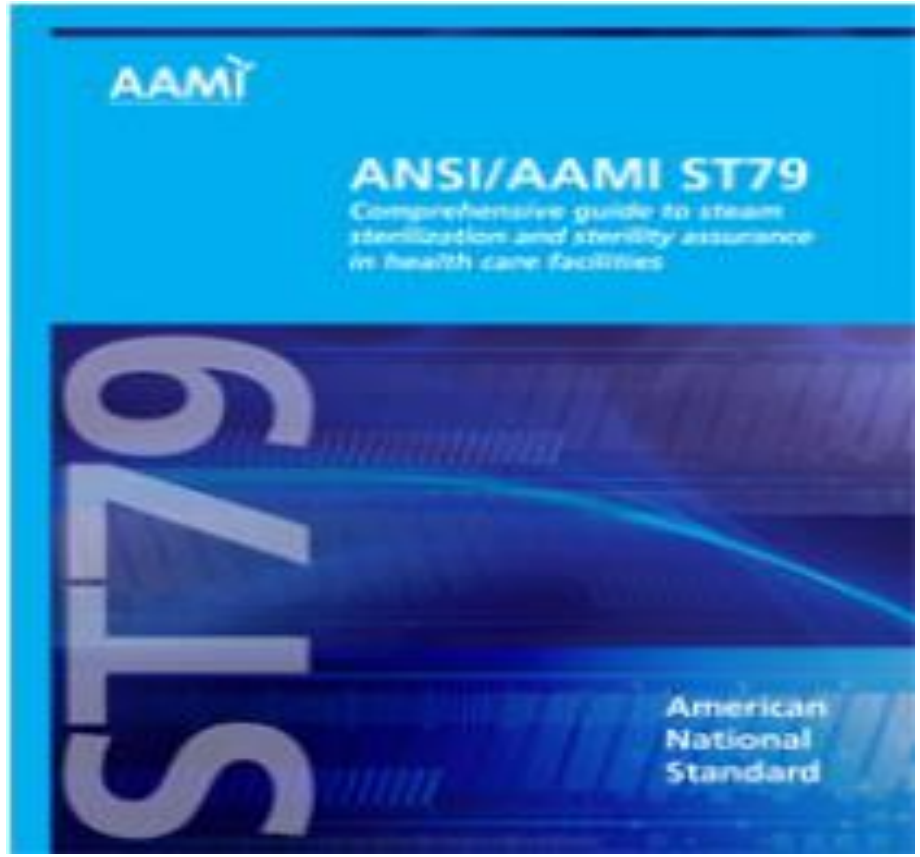
Instrument Tracking Software	
Does the hospital have instrument tracking software ?	Yes
Name of Software	Belimed ICS
Year of Installation	2009
Software Version	version 3
Case Cart Processing	
How does the hospital wash case carts?	Automated washer
If automated, What is the Case Cart Washer Model?	Belimed CS 750
Serial Number	367777263
Year of Installation	
Carts/Cycle	1
Cycle length	8 min
If case carts are washed by hand, how many carts per hour are washed?	10
How does the hospital wash containers?	Automated washer
If automated, how many containers/rack are washed per cycle?	15
How many racks/cycle are processed?	2
What is the cycle time in minutes?	9

WASHER INVENTORY

What is the total quantity of washer disinfectors in the department?	3
How many of the washers are ultrasonic cleaners?	1
How many of the washers are for endoscopes?	0
Washer unit 1 model	Belimed WD 290
Washer Unit 1 serial Number	2322111
Installation year	2009
Trays/cycle	8
Cycle Time (min)	6
Automation?	
Washer unit 2 model	
Washer unit 2 serial number	
Installation year	
Trays/cycle	
Cycle time (min)	
Automation?	

Belimed Infection Control

Process Audit



Quantitative

- JCHO Readiness
- Inventory Turn Time
- OR On-Time Starts
- Capacity vs. Throughput Requirements

Qualitative

- Staff/Surgeon Satisfaction

Data Driven Decisions | Belimed SPD Tool Box

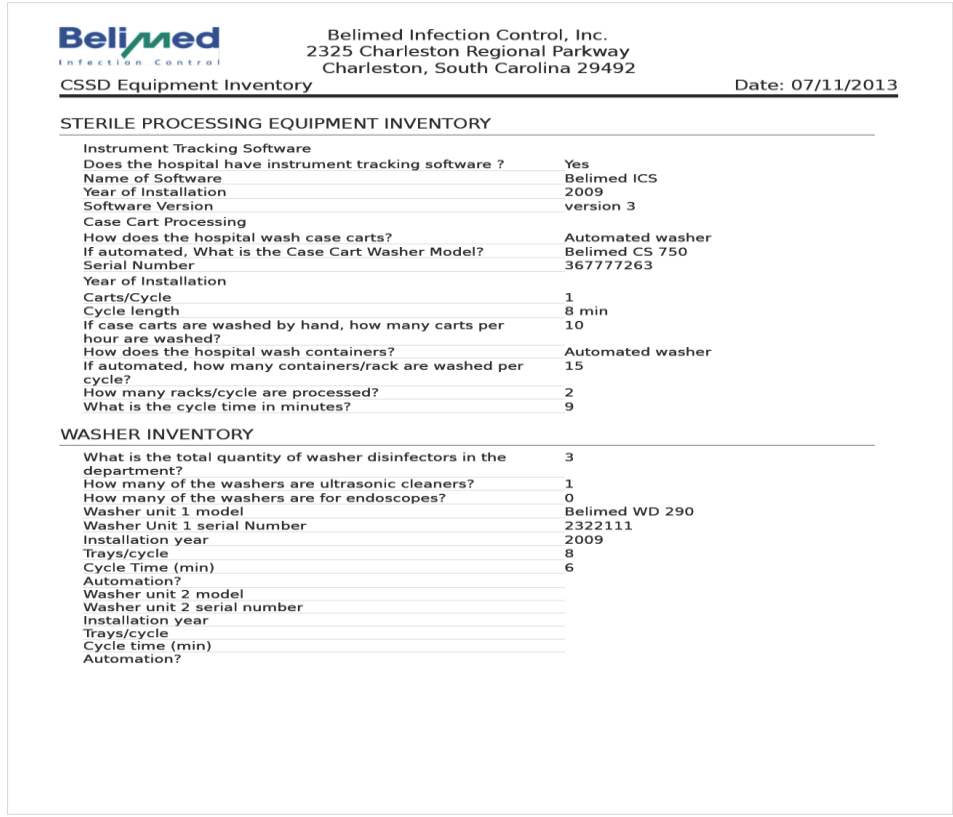
Service Audit

Quantitative

- % Uptime
- Annual Service Costs

Qualitative

- Staff Satisfaction
- Equipment Performance



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Cycle time (min)	
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Data Driven Decisions | Belimed SPD Tool Box

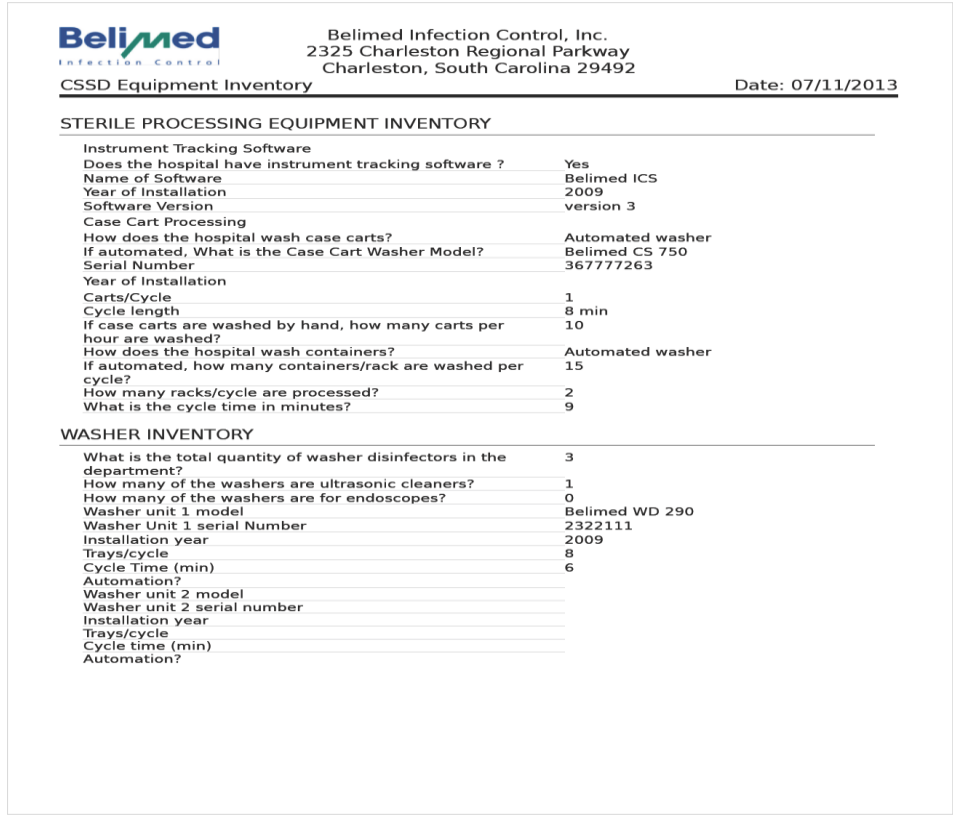
Equipment Audit

Quantitative

- Equipment Inventory
- Equipment Age
- Utility Consumption

Qualitative

- Equipment Appearance



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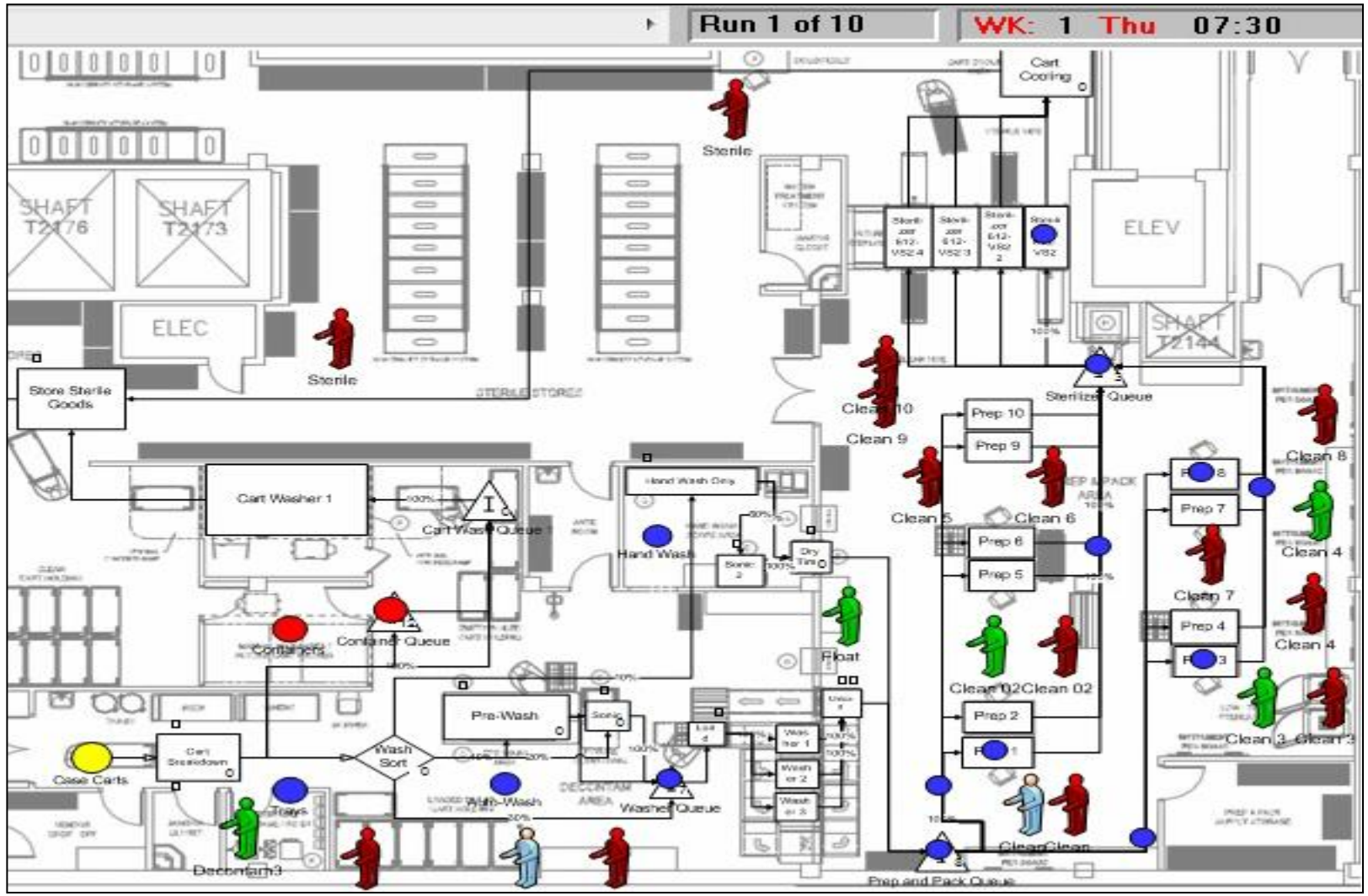
Automation?	

A Better Way of Thinking | Data Driven Decision Making

The Future of Partnering with Belimed

- CSSD dashboards
- Organized reviews
- Transparency of performance
- Performance based incentives
- Data based decisions
- Benchmark standardization
- Prioritized Budget Allocation

A Better Way of Thinking | Business Analytics through Simulation



Belimed Infection Control

A Better Way of Thinking | Data Driven Decisions

System Operational Cost Analysis

System Name: IDN

Planning Information

Number of Operating Rooms	2400
Average no. cases per OR per day	4.0
Average number of trays per case	5.0
Average Hospital Gross Margin (Becker's)	13%

Calculated Parameters

Trays per day washing need	48,000
Trays per day sterilizing need	48,000
Current Avg Washer Cycles/Day	8,000
Sterilizer Cycles/Day	4,800
Belimed WD290 Avg Washer Cycles/Day	5,333

Financial Impact

Current Average Washer Cost/Day	$23,920.00
Current Average Sterilizer Cost/Day	$16,704.00
Average Washer Utility Cost/Year	$5,980,000.00
Average Sterilizer Utility Cost/Year	$4,176,000.00
Belimed WD290 Average Washer Cost/Day	$11,093.33
Belimed 6012 Average Washer Cost/Day	$5,376.00
Belimed WD290 Average Washer Cost/Year	$2,773,333.33
Belimed 6012 Average Washer Cost/Year	$1,344,000.00

Estimated Total Systemwide Savings w/Belimed Conversion $6,038,666.67

Required Annual Revenue Offset

Revenue Generation to offset $1 in avoided cost	$7.69
Revenue Equivalent of Proposed Savings	$46,451,282.05

Assumptions

Current Washer Cost/Cycle is AVG of nonvented 444 and Synergy loaded w/6 Trays/cycle
Current Sterilizer Cost/Day reflects Steris Century 60" loaded w/10 trays/cycle
Belimed WD290 reflects 9 trays/cycle
Belimed 6012 reflects 10 trays/cycle

IDN EQUIPMENT DASHBOARD

Belimed Infection Control

Remove Filters | High Service Machines | Sort by Equipment Age | Contracts Near Expiration | Equipment Not Under Contract

Customer Name	City	ST	Zip	Description	Item	Serial Number	Equipment Age	Belimed Service Coverage	Service History
Capitol Hill Medical Facility	Washington	DC	20002	Sterilizer, Vertical	606VS1	11472		Contract	
Capitol Hill Medical Facility	Washington	DC	20002	Sterilizer, Vertical	606VS1	11473		Contract	
Capitol Hill Medical Facility	Washington	DC	20002	Kit, Washer WD250 Elect 2Dr WD250 Electric Tar	620250E	998261002002		Contract	
Capitol Hill Medical Facility	Washington	DC	20002	Electric Steam Boiler 45kW SS 60 kg/hr 212F/100	ESV45	12381		Contract	
Capitol Hill Medical Facility	Washington	DC	20002	Electric Steam Boiler 45kW SS 60 kg/hr 212F/100	ESV45	22222		Contract	
Capitol Hill Medical Facility	Washington	DC	20002	ROS Reverse Osmosis System with Deionizer	HC-2045	RO1		Contract	
Daly City Medical Office	Daly City	CA	94015	Washer WD250 Electric Tank Heating	620250E	998260085056		No Coverage	
Kaiser Riverside	Riverside	CA	92505	Cartwasher, Automatic Door CS-720 270/200	612720	A040594E		Contract	
Kaiser Riverside	Riverside	CA	92505	WD240	620240	998810019026		Contract	
Kaiser Riverside	Riverside	CA	92505	Washer WD240	620240	998810111033		Contract	
Kaiser Riverside	Riverside	CA	92505	WD240	620240	99981.8L.021		Contract	
			92505	Conveyor System, Roller Complete	SM3000	R02998133311		Contract	
			92806	Sterilizer, Vertical,2 Door	509VS2	13125		WARRANTY	
			92806	Sterilizer, Vertical 1 door/ running rails	606VS1	12659		WARRANTY	
			92806	Sterilizer, Vertical 2-Door incl running rails	606VS2	12967		WARRANTY	
			92806	Sterilizer, Vertical 2-Door incl running rails	606VS2	12968		WARRANTY	
			92806	Cartwasher, Automatic Door CS-721 270/200 Hig	612720H	16651		WARRANTY	
			92806	Sterilizer, Horizontal	9615HS1	13182		WARRANTY	
			92806	Sterilizer, Horizontal	9615HS1	13183		WARRANTY	

Report 1305 Legend			
Equipment Age	0-5 Years	5-10 Years	10+ Years
Service History	0-1 Calls	2-3 Calls	3+ Calls
Service History - Work Orders within lost 90 days			
Belimed Service Coverage			
WARRANTY = Equipment under Warranty			
CONTRACT = Equipment under Service Contract			
No Coverage = Warranty andn/or Contract has expired			
Not Installed = Equipment not installed			
If text is ORANGE, WARRANTY or CONTRACT will be expiring in the coming 90 days			

A Better Way of Thinking | Optimizing the Value Chain

A Better Way of Thinking | Optimizing the Value Chain

Sales Consultant | Project Engineer | Project Manager | Service Engineer | Clinical Consultant

Belimed Infection Control