



# Northwest Supply Chain

LOCATED AT: THUNDER BAY REGIONAL  
HEALTH SCIENCE CENTER,  
980 OLIVER ROAD,  
THUNDER BAY, ON P7B 6V4  
www.tbrhsc.net

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## DID YOU KNOW?

- All 13 Regional Hospitals within the NSC responded to our satisfaction survey.
- We formed as a collaborative one year ago.
- Remember to make use of the handbook and templates that were sent out for you to utilize as you require.

## INSIDE THIS ISSUE:

Anniversary	1
Satisfaction Survey	1
WEB Presence	1
Transition Manager Message	2
Accomplishments	2
Future Initiatives	2
Annual Spend	2
The Team	2

## First Year Anniversary

In our first year, the Northwest Supply Chain (NSC) has signed off on 16 contracts that combined have an annual value of \$22.5M and over \$76M of total contract duration value.

The projected savings of these contracts is \$1.7M per year or greater than \$5.9M for the term of the contracts.

The savings works out to 7.9%, which exceeds our anticipated numbers built into our Business plan.

We are also pleased to announce that the NSC has submitted the phase 3 reporting of the project. The project has 12 phases (phases 0 to 11) and we have completed the first 4.

## Ongoing Communications

In addition to the many email communications that are sent out for specific items, this newsletter will provide an overview of the project's successes and where we are currently. The NSC web page will be a reference point for material and items of interest such as policies and procedures, templates, contacts, awards and background information. Phase 4 will continue to build on our successes and maintain key deliverables in our mandate; which includes the awarding and initial implementation of our Data Management Solution, the continuation of consolidating spend in the region and driving savings without impacting clinical services within member facilities.

## Satisfaction Survey

With the first anniversary upon us, we have surveyed the 13 hospitals to gauge both the accomplishments of the program to date and to look for feedback in the areas where we might improve in our deliverables and with assisting the members. We are pleased to announce the average score of 3.23 out of 4 which is a very respectable 80.75% satisfaction rate. We are currently reviewing the comments submitted to see how we might align some of the suggestions into our 2nd year of operations. The cycle of receiving feedback, reviewing that feedback, modifying our processes, and asking for more feedback is the Continuous Improvement process that we are following throughout this project.

## WEB presence

To find the Northwest Supply Chain web page, browse to the TBRHSC web site ([www.tbrhsc.net](http://www.tbrhsc.net)). Select "About TBRHSC" from the top menu bar, then select Northwest Supply Chain from the left hand list. This will open a list of NSC links that you can select from, and as we develop more documents, we will be posting them on the webpage.

\*\*If you have any suggestions to make this webpage more usable and informative, please let Emil or Natalie know\*\*



## Transition Managers Message

Since the last newsletter one of our Contract Procurement Specialists has elected to return to her previous job. The additional workload has significantly impacted Cindy and the NSC team, who have done a great job of keeping on top of everything. A new Contract Procurement Specialist has been hired and will join our team November 1st, 2012. They will have the twin challenge of learning the NSC processes, in addition to having a full work load compliment. We are confident that the new Procurement Specialist will add significantly to the services we already provide.

A Clinical Contract Specialist will also be hired in late November. They will be an excellent resource to Hospitals, Vendors and our GPO as we begin the endeavor of merging the more clinically sensitive contracts.

## Accomplishments

- Phase 3 reporting has been submitted to the Ministry of Finance
- Regional Contract Registry has been consolidated.
- All 13 hospitals have completed and returned the Satisfaction Survey
- All metrics have now been populated .
- **Tenders awarded for phase 3** include:
  1. Primary Distribution Agreement—Medical Mart
  2. Primary Group Purchasing Organization—Medbuy
  3. Window Cleaning—Bresara
  4. Storage Area Network—Compugen
  5. Electronic Library Subscription—Ebsco

## Future Initiatives

### Projects include:

- Implementation of our Primary GPO
- Implementation of Primary Distribution Agreement.
- Insurance Services
- Legal Services
- Diesel Generator Servicing
- Information Technology Data Management System
- Populating of the inventory item master files at each site with key data around contract information to allow for 3rd party data management solution.
- Green Energy Act Compliance
- Radiology Service Agreements

## Annual Spend

Q. Why does the NSC require so much spend data from the regional hospitals?

A. The spend information from each hospital is required for many reasons. It establishes baseline information for tracking savings, it verifies that hospitals are in fact paying contract pricing and the data is used for creating scope of work on Tenders. In addition, one of the measurements of the project's success, is increasing the amount of spend under contract. When we are buying more goods and services under contract, we should be getting better pricing, less "spend leakage" and therefore more savings. The base point is the 2011/12 annual buy (excluding pharmacy) of \$114M and \$131M when capital purchases under contract are included. We are presently at 66% of spend under contract and growing.

## Northwest Supply Chain Team

Derek Gascoigne	General Manager	(807) 684-6500	gascoigd@tbh.net
Natalie Roberts	Secretary	(807) 684-6500	robertsn@tbh.net
Allan Hensel	Regional Manager, Strategic Sourcing	(807) 684-6972	hensela@tbh.net
Emil Engler	Transitional Manager	(807) 684-6503	englere@tbh.net
Cindy Langen	Contract Procurement Specialist	(807) 684-6971	langenc@tbh.net
To be Filled - November	Contract Procurement Specialist	(807) 684-6970	
Dave Krasnichuk	Contract Procurement Specialist	(807) 684-6506	krasnicd@tbh.net
Brian Cassidy	Contract Procurement Specialist	(807) 346-2343	cassidbr@tbh.net
Michael Giardetti	Business Analyst	(807) 684-6968	giardetm@tbh.net
Phil Thompson	Joint Manager, Materials Distribution	(807) 684-6202	thompsph@tbh.net
To be filled– November	Clinical Contract Specialist	(807) 684-6969	

\*\* For other procurement assistance, see our web page for an expanded staff member list at [www.tbrhsc.net](http://www.tbrhsc.net)\*\*

### Interesting Regional

#### Facts:

*Regional operating spend on procurement, expressed as a percent of spend (in scope buy) is 2.05%*

*The region combined, does over 200,000 P.O. line items per year.*

*NSC members spend over \$8.5 million per year on service contracts.*

*The NSC has approximately 800 Contracts.*