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What Makes a Successful Conversion: An IDN Endomechanical Case Study

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Disclosures

- Nick Corrigan is an employee of Ethicon US, LLC.
- Christina Mentor is an employee of Ethicon US, LLC.
- Chip McIntosh and Jeffrey Keane have nothing to disclose

Note: This program may contain the mention of suppliers, brands, products, services or drugs presented in a case study or comparative format using evidence-based research. Such examples are intended for educational and informational purposes and should not be perceived as an endorsement of any particular supplier, brand, product, service or drug.

Learning Objectives

At the end of this session, participants should be able to:

1. Recall steps to execute a large-scale medical device conversion within a hospital or IDN
2. Describe the available tools and resources to leverage from a vendor partner to execute on all levels of the product conversion
3. Identify the impact of a major conversion to the clinical staff and the importance of having superusers

Meet the Panelists



Dominic "Nick" Corrigan

Regional Manager

Ethicon



Jeffrey Keane, Jr.

Unit Based Educator

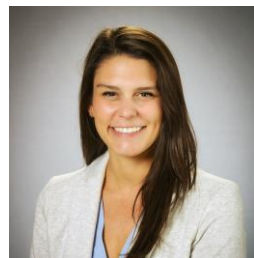
Beth Israel Deaconess Medical Center



Chip McIntosh, NP, Ph.D.

AVP, Supply Chain Purchasing & Sourcing

Beth Israel Lahey Health



Christina Mentor

Strategic System Lead

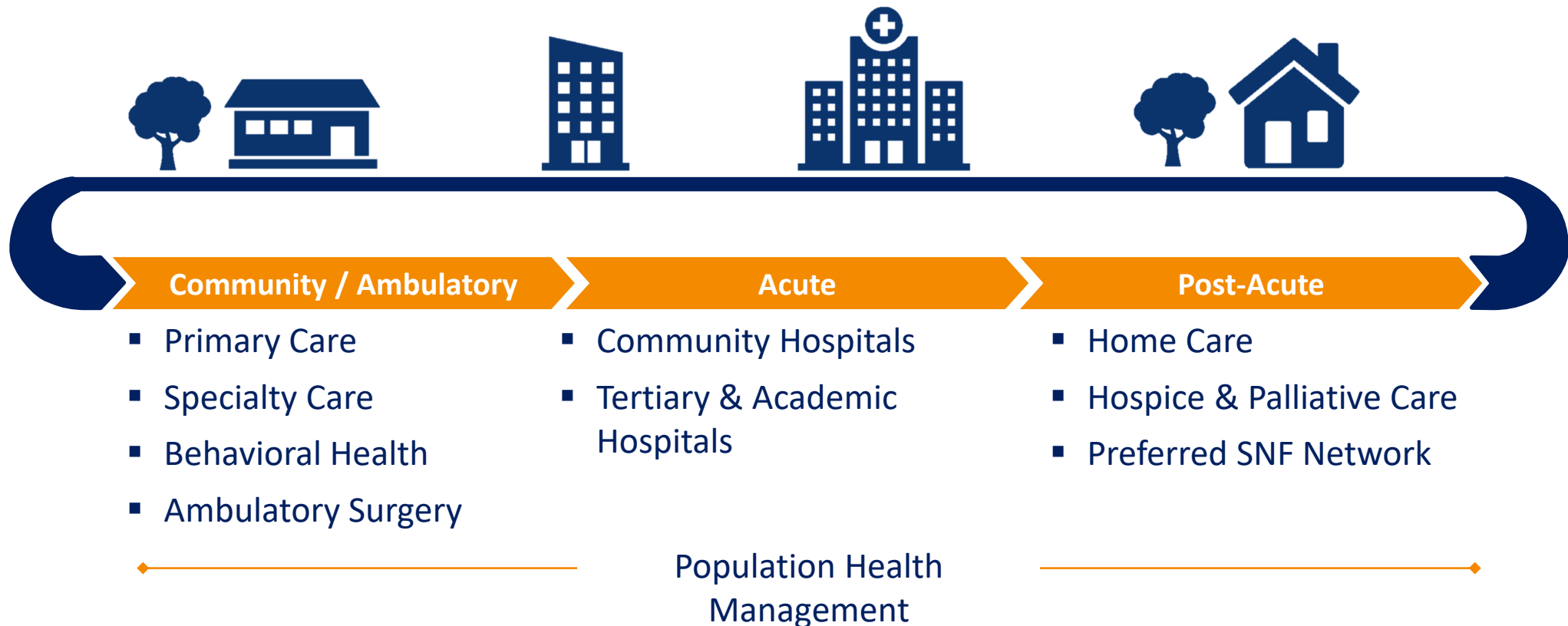
Ethicon



Who is Beth Israel Lahey Health?

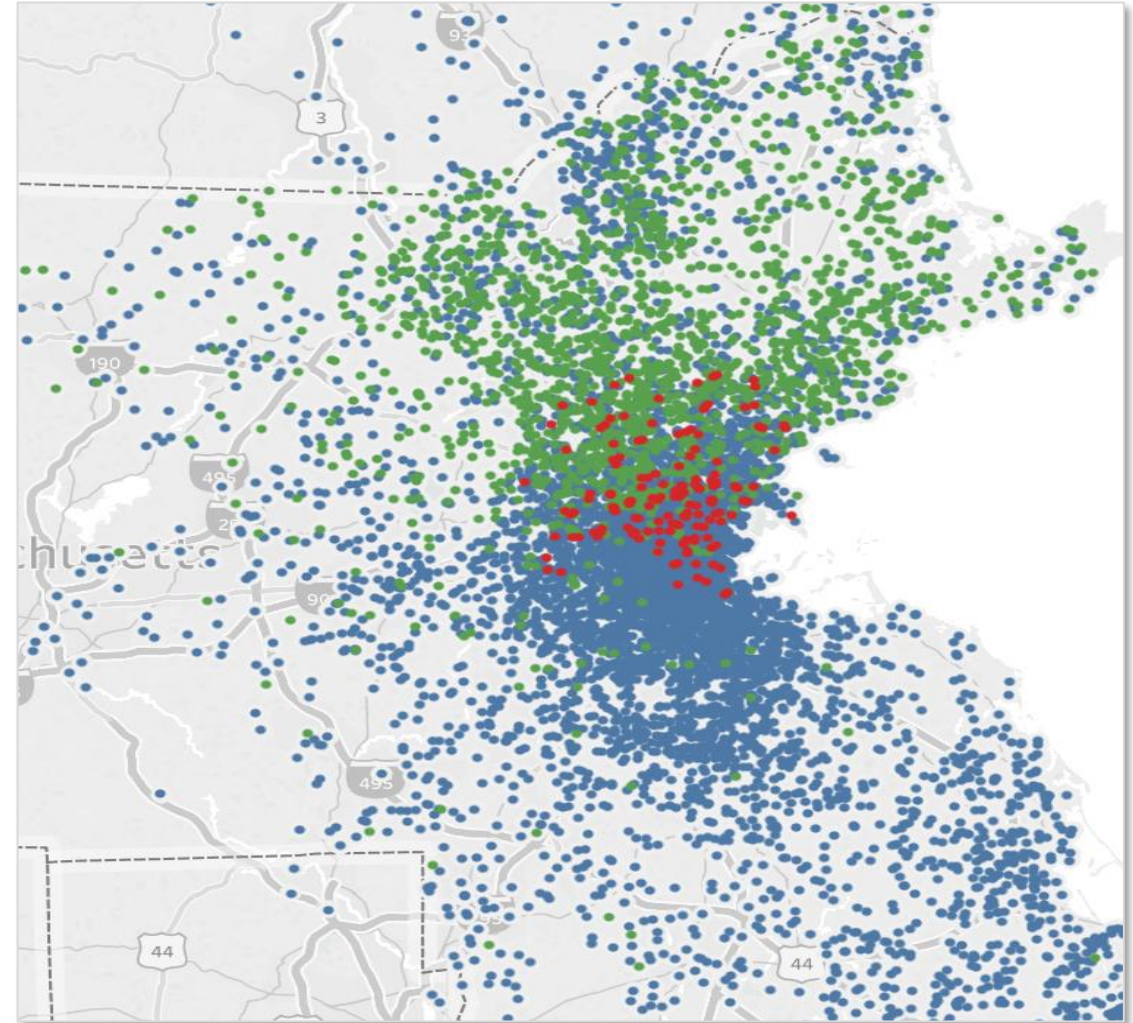
Beth Israel Lahey Health: A Comprehensive System of Care

A comprehensive, high-value system of care across Eastern Massachusetts & Southern New Hampshire



Beth Israel Lahey Health: Key Facts

Facilities	Hospitals	13
	Major Ambulatory Facilities	25
Clinicians	BILHPN PCPs	850
	Total BILHPN Physicians	4,300
	Nurses	9,000
	Estimated Paneled Lives	1.3 million
Clinical Operations	Operating Revenue	\$6 billion
	Employees	35,000
	Discharges	152,000
	ED Visits	380,000
	Outpatient Encounters	4.8 million



Source: BILH internal data. Each dot corresponds to 10 inpatients in each zip code.

Beth Israel Lahey Health System

Our Journey to become a system & “systematized”

Health System Merger Completed in March of 2019

- 4 hospitals from former Beth Israel Deaconess system
- 5 hospitals from former Lahey Health system
- 1 independent premier orthopedic hospital
- 2 additional community hospitals

Supply Chain

- In January 2018, representatives from each system/hospital began meeting biweekly
- RFP for the GPO was one of our major tasks
- HealthTrust chosen in May 2019 and implemented October 1, 2019

Endomechanical Products

- One of the few vendors we were completely standardized pre-merger was non-contracted vendor for Endomechanicals



Audience Poll Question: #1 of 3

What is your IDNs' market share with the contracted vendor for endomechanicals?

- a. Less than 50%
- b. 50% to 80%
- c. Greater than 80%

The Decision to Move Forward

Opportunity to Change

Initial Discussions Internally

- Is HealthTrust going to make us do this?
- The contracted vendor strategic account representative “Our relationship is going to be different once you move to HealthTrust”
- Is the contracted vendor really going to raise our suture pricing?
- What will the non-contracted vendor do to our pricing if we cannot convert everything?
- What will our bariatric surgeons do?
- Opportunity to “go big” and hopefully be successful
- Our success with this conversion can be a template to future conversions
- Discussed with senior BILH leadership

Initial Discussions With Contracted Vendor

- Gained understanding of their market share within:
 - Boston area
 - U.S.
 - HealthTrust
- Built confidence in succeeding
- Discussed basic outline of overall partnership
- Reviewed expectations & recommendations for BILH
- Negotiated some immediate pricing requests

What does the data tell us?

Considerations of status quo:

- Pricing:
 - Non-contracted vendor had no further ability to lower prices, according to them
 - Contracted vendor will raise suture pricing by \$1.2M
- Loss on savings

Considerations of converting:

- System wide impact:
 - Suture: avoid increase, gain better pricing
 - Line item endomechanical pricing improves
 - Benefit from admin fees & rebates
 - Compliance with large sole-source contract
 - Risk price increase on the remainder of non-contracted products
 - Total savings opportunity \$2.5M

Achieving Internal Consensus & Approval

BILH EXECUTIVE LEADERSHIP

- In conjunction with our system CFO, we presented our idea at a hospital presidents' meeting
- Presidents offered to speak with chiefs of surgery & other key personnel

CHIEFS OF SURGERY

- BILH Supply Chain provided a formatted letter to customize announcement of conversion with surgeons
- Helped identify champions, where needed

PHYSICIAN CHAMPIONS

- Identified former non-contracted vendor users
- Worked with quality chairs
- Provided support for section chiefs
- Anticipated reactions of bariatric surgeons
 - The “system” is making us do it

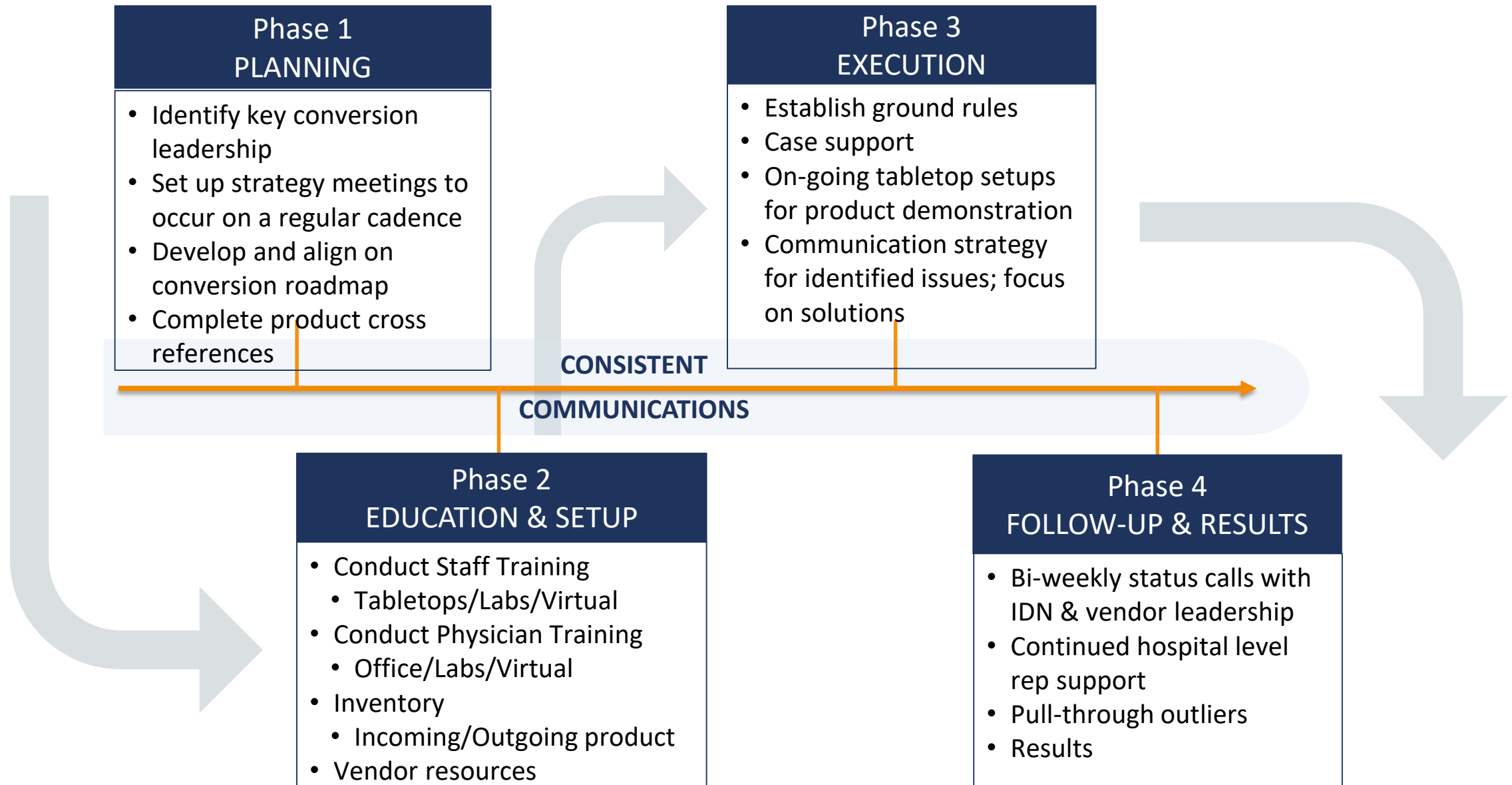
NATIONAL REFERENCES

- Requested references from recent like-size IDNs who had converted to understand their experience
- Discussed with competitive local IDNs

Collaborative Process

Delayed 4 months by COVID-19

Conversion Roadmap



Putting a Plan Into Place

4 Phased Approach

Planning

Education & Set Up

Execution

Follow Up

Phase 1: Planning



Collaborative Strategy – Detailed Conversion Plan

- Development of clear communication plan
 - Identify key conversion personnel – clinical, surgeons & supply chain
 - Meet weekly with IDN & vendor leadership
 - Articulated reasons to make this change
- Establish relationships within the OR
 - Historically competitive environment
 - Thoughtful selection of product rollout
 1. Sealants
 2. Trocars
 3. Endomechanicals
 - Pre-endomechanical conversion case support can enhance understanding of surgeon techniques & help build better rapport
- Unique challenges of COVID-19 on conversion
 - Personnel & PPE limitations
 - Partner with infection control to create a safe environment



Collaborative Strategy – Detailed Conversion Plan, continued

- Develop product cross reference
 - This is the roadmap to success, exercise high attention to detail
- Build surgeon matrix
 - Gain thorough understanding of surgeons' preferences
 - Construct transition plan
- Establish initial stocking order
 - Seek alignment from hospital-level supply chain counterparts
 - Integrate vendor supply chain team for oversight
 - Place initial stocking order direct via new contracted vendor to ensure full visibility of order processing and shipment
- Formulate go-live plan
 - Create phased approach for IDN and specialty rollout
 - Start conversion with large academic medical centers
 - Isolate challenging, vocal, competitive specialties to phase 2
 - Once all phase 1 surgeons are live & initial pain points are worked through, begin phase 2 conversion



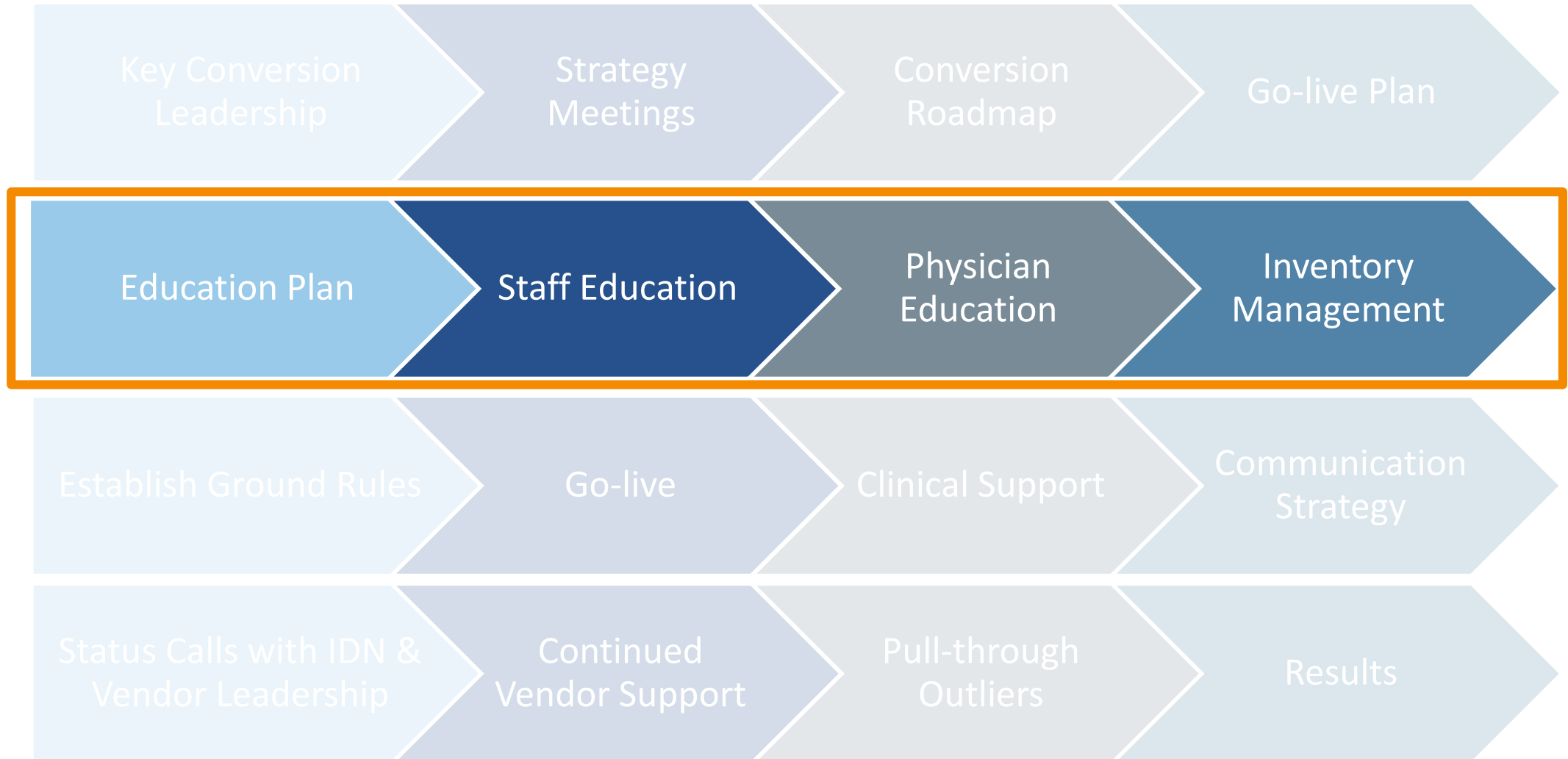
Collaborative Strategy – Detailed Conversion Plan, continued

CHALLENGES

- Stakeholders NOT aligned:
 - Reassure stakeholders of leadership’s commitment to conversion success
 - Communicate the benefits & expectations to succeed
 - Involve Section Chiefs & Department Chairs early & often
 - Provide national perspective to show validity & compliance
- Products that do not have 1:1 match
 - Identify alternative product & focus on “clinical equivalency”
 - Do the new products have the same outcomes or better?
 - Use evidence
- Existing Inventory
 - Inventory surplus (i.e., account has product on hand to maintain several months of usage)
 - Understand vendor “Exchange/Return” policy – align on plan upfront



Phase 2: Education & Setup



Audience Poll Question: #2 of 3

What percentage of your staff education has been transitioned to online learning?

- a. Less than 50%
- b. 50% to 80%
- c. Greater than 80%

LEADERSHIP ALIGNMENT

CLINICAL NURSING

- Alignment & consensus is critical based on influence
- Maintain clear channel of communication
 - Share results of immediate & direct success
 - Recognize progress toward goals
- Provide alternative educational options, where applicable

PHYSICIAN

- Section Chiefs & Department Chairs are the most critical physician influencers
- Empower to manage difficult or hard-to-convert peers
- Provide an avenue for complaints & share outcomes

HOSPITAL-LEVEL SUPPLY CHAIN

- Front-line influencer
- Ensure understanding of overall IDN goals & anticipated results
- Develop hospital-level multidisciplinary stakeholder team to support conversion
- If resistant to conversion or comfortable with status quo:
 - PROVE it will be better
 - Articulate benefits of converting
 - Help identify how to rally supporters

Education & Setup

- Staff Education: Nursing & Surgical Technologists
 - Provide education on the safe & efficacious use of contracted vendor products
 - Stepwise training approach:
 - *Didactic*: training by clinical representatives during formal in-service setting
 - *Hands-on*: demonstrations/certifications at OR tabletops
 - Resources:
 - Demo product & supplies
 - Conversion charts to illustrate new vs. old products
 - Online training tutorials provided by vendor
- Physician Education: Attendings, Fellows & Residents
 - Meet with physicians in office, OR & lab settings to provide hands-on product demo
 - **CHALLENGE**: Physician resistance to change and willingness to meet with vendor representatives
 - Utilize established communication strategy with conversion leadership
 - Provide alternative vendor resources to include Subject Matter Experts (SMEs), Research and Design (R&D) & Key Opinion Leaders (KOLs)



Phase 3: Execution



Execution, continued

GO-LIVE

Carve outs

- Firm rule for all surgeons at every location
- Only items that contracted vendor agreed did not have a comparable product were allowed

Get the logistics right

- Products need to be available, no backorders
- Integrate vendor supply chain team

Be available to react immediately

- Supply chain, contracted vendor, clinical leads & surgeon leads were available to connect at all hours
- Quickly enabled the ability to diffuse situations & educate appropriately

Continuous education & support

- Multifaceted education & the offer of contracted vendor representative coverage at every case for months



Discussion:

Winning Over Your Bariatric Surgeons

Communication | Commitment | Understanding

What should be aligned upon before go-live?

- a. “Carve Out” Strategy
- b. Communication Strategy
- c. Logistics Strategy
- d. All of the above

Phase 4: Follow Up & Results

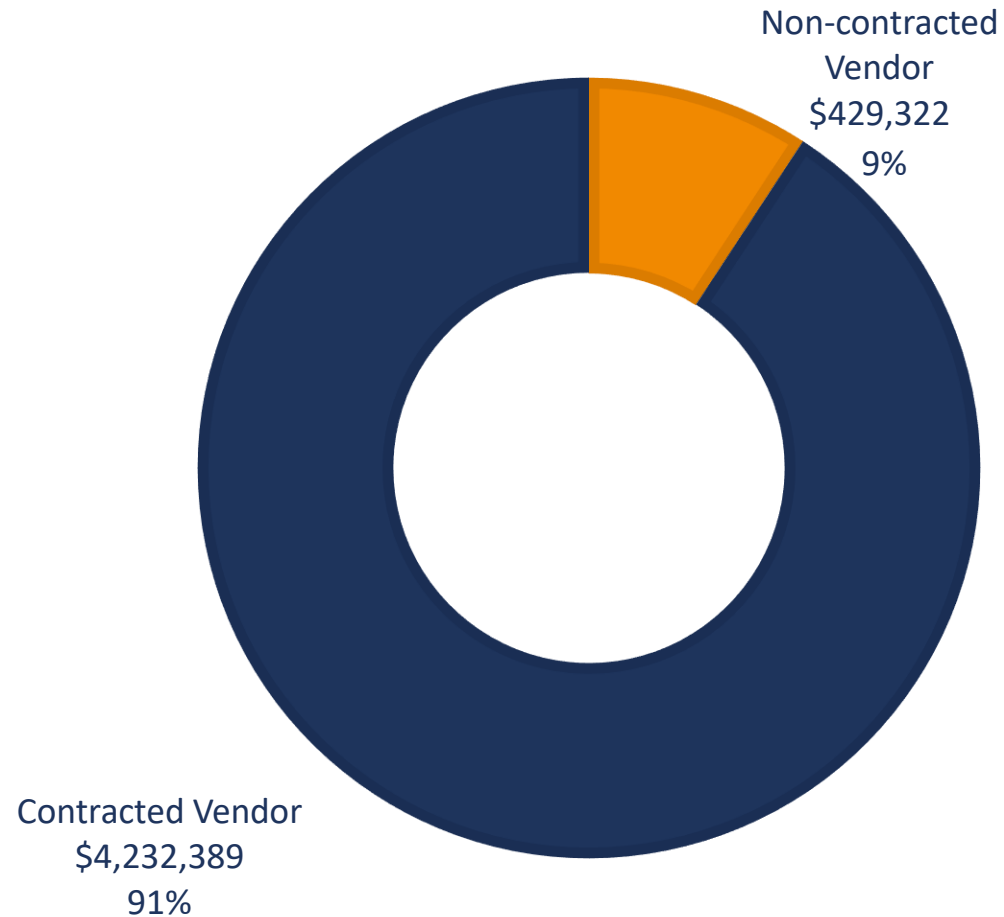


Results

Results 1.5 years post-conversion:

- **System is 91% standardized to Contracted Vendor**
- 6 months post-conversion system was approximately 80% converted
- Final hold outs were bariatric surgeons & they have been successfully converted

TOTAL SPEND MARKET SHARE



Source: BILH Supply Chain Data

OVER COMMUNICATE

- Provide as much information to as many people as possible; be specific
- Be consistent with your messaging
- Listen, acknowledge & validate, but remain firm
- Frequent check-ins with the conversion team & leaders

A GREAT PLAN CAN BE FLEXIBLE

- Things happen that you do not expect
- Lessons are learned; allow yourself to pivot along the way

EXPECT THE UNEXPECTED

- Smaller issues can cause problems you did not expect
 - i.e., who knew people cared so much about skin staplers?
- A conversion is not a time for a back order

MAINTAIN VENDOR PRESENCE

- Contracted vendor post-conversion support
 - Continual presence to ensure clinical & product needs are met
 - Troubleshoot issues in real-time
 - Identify solutions quickly

Resources



Ethicon Conversion Toolkit

J&J Institute



Your Road to a Successful Conversion

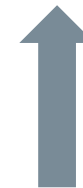
This roadmap is your launching point for a successful account conversion!

- Phase 1 - Planning**
 1. Vendor Kick-Off Presentation/Meeting
 2. Identify Key Conversion Leadership Champions (internal and external)
 3. Strategy Meeting (transition multiple accounts, goals, priorities, value etc.)
 - Develop Detailed Conversion Plan
 - Identify "Go-Live" Date with Vendor in order to backwards plan
 - Develop Clear Ongoing Communication Plan to include follow-up calls, timelines, etc.
 - Build a Surgeon Mapping / Transition plan - "what success looks like" and how to address challenges
 - Develop Education Plan
 4. Work with the Vendor to Understand Product Cross References and/or discrepancies
 5. Understand your Vendor Support needs and Conversion Logistics (# of reps, etc.)
 6. Work with Vendor on how to place initial product stocking order and confirm product availability
- Phase 2 - Education & Setup**
 1. Conduct Staff Education - table tops / labs / etc.
 2. Conduct Surgeon Education - office calls / table tops / labs / etc.
 3. Develop logistics plan for Incoming / Outgoing product (CSC, Inventory levels, etc.)
- Phase 3 - Execution**
 1. Understand Vendor Support Plan / Coverage how to contact them
 2. Leverage Vendor Conversion Operating Role brochures, demos)
 3. Utilize Evaluation Forms / Plan
 4. Continuing Education / Follow-Up
 5. Weekly Communication
- Phase 4 - Follow-up**
 1. Continuing Education
 2. Identify and Implement Standardizations
 3. Complete logistics plan for Incoming / Outgoing product (CSC, Inventory levels, etc.)

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April 25, 2022

Conversion Support - Trocars



HealthTrust Conversion & Standardization Guide

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THANK YOU

ANY QUESTIONS?

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