



SISTERS OF MERCY HEALTH SYSTEM

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Mercy Saves Lives and \$109 Million with Innovative Technology

By reducing redundancy and switching gears, the Sisters of Mercy Health System – a group of 26 hospitals in four states in middle America – has challenged traditional thinking and found innovative ways to save \$109 million in healthcare costs and avoid more than 150,000 potential medication errors that could have harmed patients.

While Mercy was recently named the top healthcare supply chain operation in the world, just second overall to global giant Johnson & Johnson, it is the desire to improve patient care and safety that is driving Mercy's efforts.

Katy Alspaugh, an Intensive Care Unit (ICU) nurse at Mercy Health Center in Oklahoma City, knows firsthand what it's like to be one of the "have-nots" in a world where technology is increasingly becoming a medical worker's BFF, best friend forever.

"In 2005, I began working as an ICU nurse in Lubbock, Texas, at a hospital twice the size of Mercy. The only backup I had to make sure I was giving the right meds to my patients was clicking through a checklist in my head. That was it," said 28-year-old Alspaugh. "I came to Mercy a little over a year ago, and now I can't imagine caring for patients without having this technology to track medications."

Mercy invested \$35 million in 2003 in bar-code technology — just one element of a massive overhaul in how Mercy provides healthcare — to reduce potential medication errors. Only a quarter of hospitals in the nation use this technology, and it's paying off big time for Mercy in improved patient safety.

"I remember one day when I was getting ready to give one of my patients an antibiotic from their medication drawer and when I scanned the med in, the bar-code technology alerted me that it wasn't my patient's med," Alspaugh recalled. "In the transition from pharmacy to our ICU, it ended up in the wrong place."

In a long and complicated journey, medications make their way from supplier to patient, passing through a multitude of hands and steps. By putting technology to work, along with

checkpoints at every turn, today on average every medication destined for a Mercy patient is tracked 10 to 20 separate times before it's used.

"All medications continue to be electronically tracked throughout a patient's stay at nearly every Mercy facility," said Vance Moore, president of Resource Optimization & Innovation (ROi), Mercy's supply chain division. "There's a rigorous safety process in place before a medication ever reaches a patient. We want to do everything we can to reduce medication errors but not delay delivery to the patient."

What everyone in healthcare already knows, but no one readily wants to admit, is that healthcare is different from any other industry because at the end of the day, it's your life, your loved one's life or your friend's life at stake. And that's where the cost of errors remains high.

"We wish as nurses and medical professionals we were perfect, but we're human and it's a sobering truth we live with every day," Alspaugh said. "So when there's technology available that ensures my patients get the right meds and the right dose at the right time, I'm going to choose the hospital that helps me care best for my patient."

With Mercy encountering more than 2.7 million patients in the past year, eliminating redundancy in processes and systems has also meant nurses, pharmacists and other medical workers have fewer distractions, allowing them to do what they do best – care for patients.

At the center of how Mercy has been able to overhaul the way patients experience healthcare has been Mercy's supply chain. Supported by ROi, Mercy has developed a national reputation for keeping ahead of the curve in patient safety and healthcare cost savings.

"We've been able to link innovation with good medicine by connecting our supply chain to clinical practices," said Lynn Britton, president and CEO of the Sisters of Mercy Health System. "As healthcare supply costs continue to rise, ROi allows Mercy to successfully reduce costs, streamline processes and improve patient care."

The Sisters of Mercy Health System – the eighth largest Catholic healthcare system in the U.S. – includes 26 hospitals and more than 1,300 physician practices in Arkansas, Kansas, Missouri and Oklahoma.

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Additional Materials:

- Narrative featuring two Northwest Arkansas nurses discussing Mercy Meds
- Available upon request: B-roll of the medication administration process, illustrating the journey of a drug from its delivery from the manufacturer at Mercy's consolidated warehouse to its administration at the patient bedside.
- Fact sheet on ROi, Mercy's supply chain division.
- Photo of Mercy nurse Katy Alspaugh using the Mercy Meds system.

[Cut line: Mercy nurse Katy Alspaugh uses a handheld scanner similar to those used in supermarkets to make sure an IV medication bar code matches a patient's wristband and medical chart. The \$35 million technology also warns if the patient or medication has any food or drug interactions, as well as averts possible errors caused by look-alike or sound-alike medications.]



Mercy Nurses in Northwest Arkansas Discuss Mercy Meds

For Mercy Medical Center float nurse Candace Dunaway, CMSRN, the hospital's bar-coded medication disbursement technology – Mercy Meds – used in conjunction with Mercy's fully integrated electronic health record information system plays a vital role in her ability to safely care for her patients.

"When I started, we were using paper, and it is honestly night and day," Dunaway said. "You don't have as many safety checks involved in the paper system. We are fallible. We are human. There is a level of confidence the patients have when they see their name pop up on the screen. They feel like they are getting the right medicine."

Susan Price, RN, has noticed that the patients in the Mercy Medical Center ICU where she works appreciate the extra level of safety Mercy Meds provides.

"A lot of them know to hold their hand up so we can scan their wrist band," Price said. "I've received nothing but positive feedback from patients."

Both Dunaway and Price are quick to mention that Mercy Meds combined with the electronic medical record system provides a level of safety beyond matching the right patient to the right medication.

"We have alerts for any medication interaction," said Dunaway. "We also have alerts for dosages – if it is a partial dose it comes up as a partial dose."

Price recalled one time the dosage alert was instrumental when she was giving a steroid.

"A typical dose would be 150 milligrams and what was ordered was 75 milligrams," Price said. "I realized once I scanned the steroid that what was ordered was less than the typical dose."

Having access to this bedside technology also has Dunaway and Price agreeing on something else: They couldn't dream of working as a nurse at a place that didn't have tools like Mercy Meds and a fully integrated electronic health record information system.

"I can't imagine going to some place with paper charting," Price said. "You realize how unsafe it is. You don't have those checks and balances that you have with the electronic (record)."

FACT SHEET

BACKGROUND

- Established in 2002 as the supply chain division for the Sisters of Mercy Health System.
- Manages more than 400 contracts; \$670 million in annual contracted purchasing volume.
- Headquartered in St. Louis; distribution center in Springfield, Mo.

NOTABLE INITIATIVES

- **Mercy Meds** – Warehouse-to-bedside medication administration process.
 - Results: More than 154,000 medication errors prevented; monthly cost savings of \$300,000.
- **Smart Pumps** – Alerts clinicians of IV errors, issues.
 - Results: Medication errors reduced.
- **Mercy Drug Formulary** – Standardized drug formulary and drug library.
 - Results: \$4 million in cost savings during first two years.
- **Single Use Device Reprocessing** – Renewal of medical devices.
 - Results: Medical waste reduced by one ton monthly; annual cost savings of \$1 to 2 million.
- **Rapid MRSA Screening Tool** – Quick detection of staph infection.
 - Results: Time spent by patients in isolation reduced from 72 hours to a few; spread of infection reduced; annual cost savings of \$70,000.

RECOGNITIONS

- **2009:** AMR Research Global Healthcare Supply Chain Top 25
 - Top ranking healthcare provider and second overall only to global leader Johnson & Johnson.
- **2008:** GHX Most Innovative Provider Award
 - Creative use of electronic commerce technology to improve supply chain processes.
- **2007:** Fierce Healthcare Innovator of the Year
 - Creative use of supply chain to improve patient care and reduce costs
- **2007:** GHXcellence Award
 - Leader among 6,000 healthcare providers in improving supply chain performance through e-commerce.
- **2006:** CSCMP Supply Chain Innovator of the Year
 - Creation of new supply chain model and redesign of medication administration process.