

## CareAdvantage from the Johnson & Johnson Medical Devices Companies (JJMDC) drives clinical standardization and improves supply chain efficiency in a New England health system

In many health systems, supply chain and clinical teams often find themselves at odds over the best approach for reducing spending without impacting patient outcomes. If these teams don't share a common vision for success, even the most well-intentioned initiative can fail. That was the situation a New England health system faced as it tried to optimize its suture usage across its 33 operating rooms.

The health system utilized the strong clinical relationships of the JJMDC team and the collaborative CareAdvantage approach to build clinicians' support of the initiative. Ultimately, with the support of surgeons, the health system removed significant waste in its supply chain, including the elimination of 258 suture stock keeping units (SKUs), the reduction of six weeks of inventory, and the removal of 24% of suture stocking locations.

### Needs Identification

In the health system's ambulatory surgery center (ASC) and main facility, the Ethicon suture inventory was growing in complexity and volume. With 574 SKUs in stock, suture inventory tied up over \$500,000 in working capital - funds that could be used to finance operational expenses or strategic investments. The inventory also claimed valuable shelf space and complicated the staff's ability to locate needed supplies.

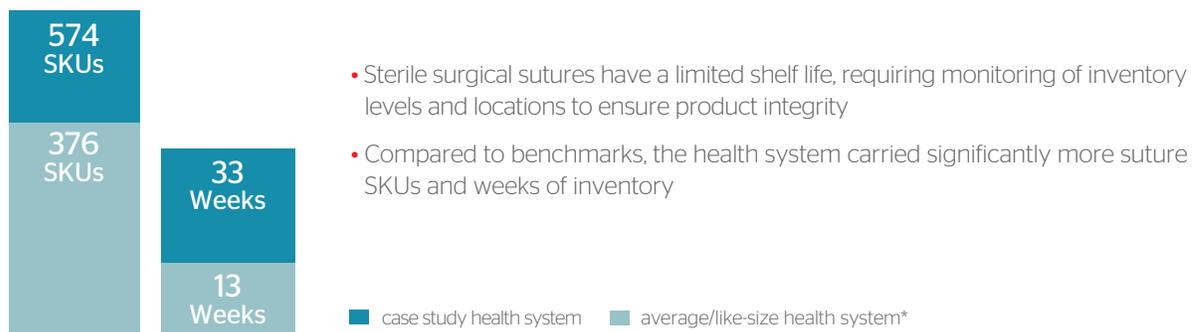
Utilizing the CareAdvantage approach, the JJMDC team brought together the supply chain and clinical teams to discuss the health system's objectives related to optimizing its suture inventory. The team aligned on these critical goals:

- Preserve clinical results
- Improve efficiency and reduce cost of suture inventory
- Build clinicians' trust to enable optimization of additional product categories

The JJMDC team conducted a physical assessment of the thousands of boxes of Ethicon sutures in the health system's surgical services department, creating a comprehensive report that analyzed the system's ordering history, usage, inventory locations, and potential opportunities for portfolio consolidation.

#### Some key findings included:

- Multiple products with clinically similar uses
- Large number of slow-moving codes in inventory
- Duplicate inventory locations



**To reduce the cost and complexity of managing its suture inventory, the health system's supply chain team wanted to standardize the products available in the operating room**

## Capabilities

JJMDC clinical insight and systematic approach allowed the health system to achieve its suture optimization goals

### 1. Bridge the Gap

Throughout the initiative, the project team fostered communication between the supply chain and perioperative leadership. In addition to project meetings, the Director of Perioperative Services included chain experts in his weekly meetings with the OR team. These collaborations led to a better understanding of the health system's overall needs and joint decisions that addressed both the clinical needs of the OR and the operational needs of supply chain.

### 2. Empower Clinical Staff

The JJMDC team leveraged their clinical expertise to engage surgeons and their teams in the process to determine which sutures would be standardized. JJMDC reviewed the specific sutures targeted for consolidation with the clinicians and listened to their recommendations for the products that were needed to maintain quality and efficiency in the OR. By involving clinicians in the decisions, the surgical teams developed confidence that they would have the products required to continue delivering excellent care.

### 3. A Phased Approach

The suture consolidation was implemented in the health system in several stages. At each stage, the team balanced driving efficiencies with maintaining patient outcomes.

Leveraging a proven implementation process, the teams began by removing unused and low-volume suture codes in the health system's ASC. Once the consolidation was complete in the ASC, the team consolidated the low-volume codes in the main OR facility. The team repeated this process of first implementing in the ASC and then implementing in the main OR facility as they standardized sutures with similar attributes and features.

Proceeding in a systematic method enabled this health system to document successes along the way, building engagement, credibility, and trust.

## Delivering Results

Over the eight-month process, the health system realized more than \$81,000 in savings from reducing on-hand inventory and minimizing expired product. The system also improved the utilization of physical shelf space and created a more efficient method for managing their suture inventory.

### Improving key supply chain metrics

	Before	After	Reduction
# of SKUs	574	316	45%
Weeks of inventory	33	27	15%
Stocking locations	63	48	24%
# of SKUs representing bottom 15% of annual volume	435	233	46%

By building a partnership between supply chain, clinical staff, and JJMDC, the New England health system established a trusted team that can tackle system-wide supply chain optimization initiatives that extend beyond just the suture portion of the JJMDC portfolio.

### Key Success Factors

1. Align on a vision for the future state
2. Articulate the benefit of change
3. Engage leaders to set expectations
4. Communicate frequently with everyone who handles the product
5. Start small and make changes slowly
6. Ensure clinical teams have what they need, when they need it
7. Be patient and persistent

***“When you have trust and collaboration, functions that are historically at odds can really work together. And by having the supplier involved so closely, it’s amazing what you can achieve, even in the complexity of the OR.”***

- Director of Supply Chain Operations

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email [CareAdvantageJJMDC@its.jnj.com](mailto:CareAdvantageJJMDC@its.jnj.com).