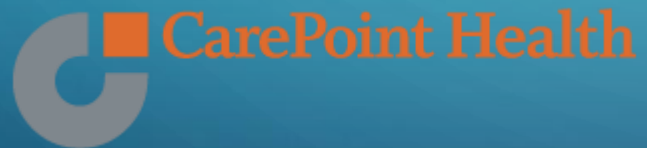


REFINING LINEN MANAGEMENT

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CORPORATE DIRECTOR OF MATERIALS MANAGEMENT



REFINING LINEN AGENDA

- **KEY SUMMARY THOUGHTS**
- **LINEN**
- **SCRUBS AND UNIFORMS**
- **PATIENT CURTAINS AND MATS**
- **LINEN COMMITTEES**
- **Your current CONTRACT**

OUR GOAL

COST

Substantial Savings!!!!

QUALITY

To provide higher standards of care for our patients, while providing higher graded linen, and satisfying our employees needs as wearers.

OUTCOME

To improve your scores and the patient experience throughout your Health Care System, by managing linen operations.

DO YOU KNOW

- **More than Half of the participating institutions, 56%, send linens off-site for laundering**
- **More than Half of the participating institutions, 82%, spend more than \$1.5 million for a 350+ bed medical acute care facility**
- **More than Half of the participating institutions, 58%, spend more than 700% unnecessarily on their uniform, lab coats, patient curtains, scrub budget by renting versus COG**
- **More than half of the participating institutions, 64% do not have a Linen Manager managing your linen**

SHOULD YOU DECIDE TO TAKE ACTION:

- **Would you observed your payments over an adjusted patient day for Acute Care only, as a justification**
- **Compared the national benchmark and best practice targets, against your current business practices**
- **RENTAL/LEASE Items vs. Cost of Goods**
- **Listen to Feedback – Patients, Clinical, Professional, and staff**
- **Willing to redesign labor to manage all related linen operations**
- **Renegotiate your current contract and pressure your current vendor, as to why they have not given you these opportunities to easily save**

NATIONAL BENCHMARKS

- LINEN – 15 LBS PER PATIENT DAY
- SCRUB USE COMPLIANCE – 2.7 per employee week

WASTE IDENTIFIERS

- **Your Soiled Linen factor**
 - **Does the soil linen factor fit your current business flow. When was the last time or how many times has your linen par levels been adjusted, since the beginning of your contract?**
- **Scrub and Uniform Rental – UNDER WASH**
 - **Do you have someone managing employee discharges and updating your system daily**
- **Patient Curtain charges**
 - **Are you paying for a service, and per wash**

WOULD YOU RATHER PAY .45/LBS OR .55/LBS

- **WHY?**
- **Does it make sense to pay more, why and how come?**

How can I negotiate a contract to maximize my per pound cost, improve overall service deficiencies, AND SAVE!!.



Unmanaged Scenario:

2 million lbs. of unmanaged linen can cost you up to \$1.3 + million dollars, in Bulk rentals

- **These cost include loses, Soiled inflated factor charges, misuse of linen, Par levels not changed or monitored**
If your APD for linen is at 25lbs per patient day. Do you really use 25lbs per patient day? What is that?
National Benchmark at 12 – 15, by reducing 10lbs, savings will show
@ \$4.50/lbs per patient day @ 80,000 days = \$360,000 possible savings

MANAGED and FIX SCENARIO:

- **Ask for an all inclusive contract which includes:**
 - **Upgrade your linen quality from a T120/130 to (T180 or T220)**
 - **A set per pound price for all linen**
 - **linen factor losses @ 0%.**
 - **On site linen manager**
 - **Scrub machines for all your Surgical sites**
 - **Exchange carts system with new (Branded cart covers) versus bulk delivery –**
Helps utilize labor or reposition staff opportunities
 - **New scrub improvement opportunities**
 - **Linen committee**

The Cost of Renting Uniforms and Scrubs can cost you not to:

- **Redesign or Open opportunities to manage your linen operation**
 - **Hold on much needed Capital Expenditures**
- **Purchase Automatic Technology to help capture cost in your operating surgical areas**
 - **Improve Distribution flows**
 - **IMPROVE THE PATIENT EXPERIENCE**

• Unmanaged SCRUB and UNIFORM Scenario:

DO YOU KNOW 5000 sets of Unmanaged scrubs rented – Can cost you \$225,000+, which includes loses and only 10% of your scrubs washed

- In this case does X Hospital have 750 employees working in your surgical areas. Common sense will tell you, NO. Do you really have that many employees?

How does this happen?

- Dr. X is a new physician and has been given 5 to 7 sets of scrubs @.27/day for the duration of your contract. Dr. X leaves, but no one tells Y company Dr. X left. YOU CONTINUE TO PAY FOR DR. X for years without any notification.

This process has been an ongoing issue where the number of set continue to rise, leaving us to pay unnecessary added cost.

IN ADDITION

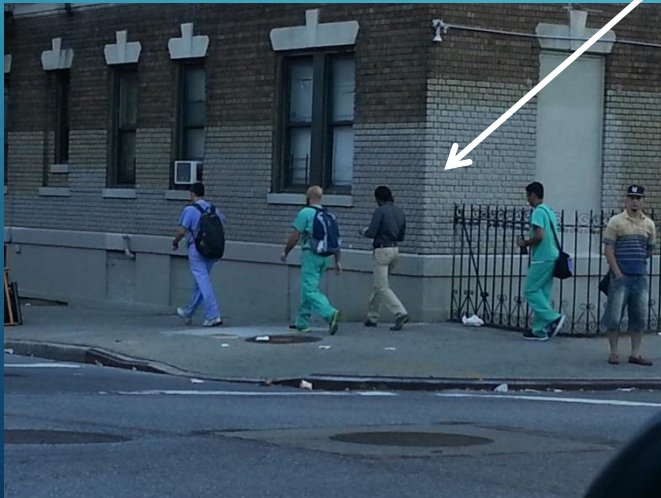


NON SCRUB COMPLIANCE CAN RESULT IN

- **INFECTIONS FROM OUTSIDE CONTAMINATION**
- **SCRUBS UNIFORMS NOT ABLE TO BE CLEANED PROPERLY**



BUGGGS!!!



SCRUBS AND UNIFORMS

IMPROVING EMPLOYEE SATISFACTION AND UNIFORM EXPENSE WASTE

Improvements and Savings – Base on 200 employees – Scrub wearers

- **Antimicrobial and Fluid resistant – Improve staff compliance and stains and waste**
- **Current cost to rent \$225,000 – unmanaged for 5000 sets**
 - **Cost to Own approximate \$26,000 +/- ? – You can negotiate the scrubs or uniforms already in circulation by amortizing the current scrubs in circulation by negotiating a buying price or purchase all new.**
 - **Cost to Clean approximately \$30,000 at 85,000 washes.**

Your total savings for the next year can be an approximate \$119,000, by just owning, managing, and paying for washes only

PATIENT CURTAINS OPPORTUNITIES

Curtain Contracts can consist of

- Service Maintenance
- Curtains cleaning cost
- Spares to Rent
- Purchasing New

You should look into:

- **Capping the cost by negotiating a flat monthly fee that includes all of the above, and improves your hospital outlook and patient experience to standardize all curtains**

This should include: Unlimited washings with a rent to own amortized schedule attached for (3 to 5yrs), which would standardization all your patient rooms, and any other patient service areas.

LINEN COMMITTEE

Must have a systems Linen Committee, meeting at least quarterly

Linen Committee

- **Committee should include:**
 - **Infectious Control**
 - **Risk Management**
 - **Nursing VP, AVP, and Managers**
 - **O/R, O/B, Cath Lab and offsites**
 - **EVS**
 - **Supply Chain**
 - **Linen Company –Linen Manager and Operations Manager**

Agendas must include: Linen Utilization

- **Breakout of per patient day usage**
- **Policy and Procedures**
- **Discuss Adjusted Patient Days for Acute and Non Acute Areas**
- **Cost per patient**
- **Improvement opportunities to reduce waste**
- **Linen Quality**
- **Scrub Compliance**
- **Curtain Changes**
- **Linen Awareness Days**

The background is a dark blue gradient. In the corners, there are white line-art graphics resembling circuit boards or neural networks, with lines connecting to small circles.

QUESTIONS ??????

References

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