THE MAYO CLINIC Supply Standardization in Procedure Rooms

STUDENT TEAM:

Daniel Huang – EGL (BSE & MSE Industrial and Operations Engineering) Sho Kawabe – Master of Business Administration Giuliana Sanchez – Master of Business Administration

PROJECT SPONSORS:

Susan Eastman – Rochester Operations Manager, Interventional Division Susan Graff – Rochester Operations Manager, Heart Rhythm Division Russell Rein – Enterprise Administrator, Department of Cardiovascular Medicine

FACULTY ADVISORS:

Amy Cohn – College of Engineering Jim Price – Ross School of Business

Mayo Clinic is a physician-led nonprofit health care system in the United States and is currently ranked as the best hospital in the nation. Due to rising demand from population growth, external pressure from government and insurance companies, and the rising cost of healthcare from new technology, Mayo Clinic is constantly seeking new ways to reduce cost in order to meet the needs of its patients. A lack of standardization for certain supplies within the Cardiac Catheterization Laboratory (Cath Lab) and Heart Rhythm Services (HRS) divisions resulted in high supply cost variation among physicians. Consequently, additional variability and complexity for supply-related activities such as procedure preparation and inventory management led to increased costs. The University of Michigan's Tauber project team was charged with identifying opportunities to standardize the supplies used for procedures in Cath Lab and HRS to minimize variability while maintaining quality and physician satisfaction.

Using data analysis of the cases performed in 2017, the team identified key items for each procedure according to their frequency of use and average usage. Along with assistance from Mayo Clinic staff members, the team generated 30 standardized picklists that can be used to cover 91% of the cases performed by Mayo Clinic annually. The picklists contain all items that have a near 100% probability of being used for each procedure and will be used as a guide for preparation regardless of the physician.

The picklists will reduce variability within supply usage, decrease procedure preparation and training times, and increase physician awareness of supply costs. Additionally, the project sets the foundations for an optimized model of inventory management and knowledge transfer among locations. Also, the team conducted a detailed analysis on high-expense items to equip Mayo Clinic with the knowledge for further standardization and cost reduction. Lastly, the team created tools and documentation that will allow Mayo Clinic to maximize these benefits by further expanding supply standardization to other locations and departments.

Due to the importance of patient safety, each picklist requires a consensus from all physicians prior to implementation. The team sparked numerous dialogues among physicians on standardization, and physicians are in the midst of discussions to eliminate variability on select items. Additionally, the team provided Mayo Clinic with a robust communication and training strategy. This, along with the analysis, tools. and documentation the team created, will allow for a smooth and sustainable transition after the team leaves, which will result in a successful and seamless enterprise-wide implementation.