



The quarterly publication of HIBCC AU Incorporated
www.hibcc-au.com.au enquiries@hibcc-au.com.au 02 9797 0883

HIBCC AU 2005 Annual Conference – The best ever!

Around 70 guests attended the 2005 Annual conference, which was held on the 8th September 2005, at the Australian Technology Park in Sydney. Guests were treated to an outstanding programme including quality presentations from highly regarded individuals.



The keynote address was delivered by Mr Denis Hogg, CEO of the Epworth. Denis articulated his vision for IT at the Epworth, the complexities involved in health IT, and the need for innovative approaches for the procurement and acquisition of IT within healthcare.

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Peter Walsh, President of Lean Enterprise Australia presented the afternoon session keynote speech on Lean Thinking. Peter presented a case study of Flinders Medical Centre (FMC), and how Lean has assisted them to positively transform the way they do business.

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Mems-ID: New RFID Solution for Medical Device Tracking

Background

The tracking of medical devices has developed over the years from the use of simple tracking cards and barcodes to the more recent use of radio frequency identification (RFID). RFID technology is now being seriously considered for this task as it has the potential to provide the significant benefits of improved patient safety and increased healthcare facility supply chain efficiency. The adoption of RFID technology by the health care industry has been slow to date because of its high cost and its technical limitations. However the effect of more stringent regulatory requirements and the falling cost of RFID tags are likely to lead to their more

extensive use for improving operational efficiency and enhancing hospital and clinic inventory control.

mems-ID technology

Mems-ID Pty Ltd, based in Scoresby, Victoria, is developing a new RFID technology which promises enhanced technical capabilities together with lower cost tags. Their approach is based upon the use of MEMS (Micro Electro Mechanical Systems) technology rather than the use of conventional CMOS (Complementary Metal Oxide Semiconductor) based microelectronics.

The mems-ID technology has a number of unique attributes that will give it a significant competitive advantage over existing bar code and RFID technologies, including:

- Integration of identification, memory, sensor and security functions on a single chip
- Ability to withstand autoclave temperatures and irradiation

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HIBCC AU 2005 Annual Conference – The Best Ever!

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Lean Thinking originated from concepts developed at Toyota, where the fundamental insight is to:

- Focus on each product and its value stream rather than organizations, assets, technologies and career paths.
- Ask which activities are waste, and which truly create value.
- Enhance the value and eliminate the waste to optimize the whole!

Prior to embarking on Lean Thinking, the management at FMC requested that the whole Toyota experience and how they do things be explained. They were consequently amazed at the similarities between manufacturing and the processes that exist in a hospital. FMC commenced a Lean Thinking programme, which they named “Redesigning Care”. The Redesigning Care project is an attempt by FMC to use Lean Thinking to add value to their care processes by improving flow and reducing waste.

One of the key features of the conference was the supply chain game called the “Beer Game”. This was facilitated by Dr Gal Raz of the Australian Graduate School of Management (AGSM). Our guests were placed into teams that consisted of supply chain functions including Retailer, Wholesaler, Distributor and Factory. The aim of the game was to demonstrate the “Bull Whip” effect, which is what happens when there is a lack of information on demand up the supply chain. The further up the supply chain you go, the greater the “bull whip” effect. The game was a lot of fun, and was enthusiastically played by our guests.



Case studies from ACT Health, The Epworth, Sisters of Charity and Holy Spirit Health Service and Royal North Shore Hospital rounded off a very worthwhile the day.

The 2005 conference also featured an exhibition of hardware and software from Unique Micro Design, Intermec Technologies, B Braun and McKesson, which attracted keen interest from our guests.



Judging by the comments received, the conference was a complete success:

“Great day, very worthwhile – Thanks!”

“The presentation of practical examples of supply chain and clinical IT solutions makes this an extremely useful and valuable experience – looking forward to next year’s event”

“A very worthwhile conference – great content and quality”

We are now looking forward to planning the 2006 conference, which we hope to make even bigger and better.

If you are interested in obtaining the speaker presentations, these are now available on the HIBCC AU website at

<http://www.hibcc-au.com.au/conference2005.htm>.

For further information about this story, please contact Kirk Kikirekov on:

Tel: (02) 9797 0883

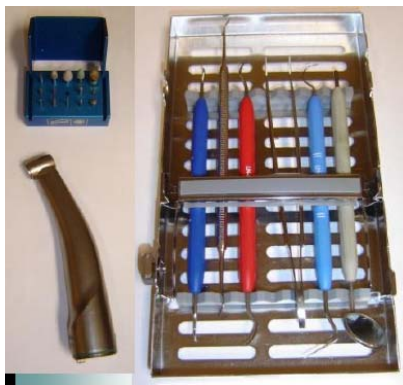
Mob: 0417 238 430

Email: kirk.kikirekov@hibcc-au.com.au

Mems-ID: New RFID Solution for Medical Device Tracking

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- Ability to operate at low temperatures
- Small physical size
- More favourable read-range to tag size tradeoff
- Ability to operate in close proximity to metals and liquids
- Writable but non-erasable memory (WORM)
- Comparative low cost tags



- **Tagging of biological specimens** for low temperature storage.
- **Tracking and tracing of test tubes** using “smart” test tube racks where automated management of the test tubes will become possible.
- **Attachment to medical and dental instruments.** Integration into re-usable medical and dental instruments for tracking purposes and infection control.
- **Tagging and monitoring of temperature sensitive products** such as pharmaceuticals, blood products and vaccines.
- **Compliance with regulatory requirements.** The mems-ID tag will allow automated tracking, tracing and recording of medical and dental instrument use; a problem which is posing great difficulties for hospitals, laboratories and surgeries where manual tracking and tracing is still in use. The automation of these procedures will reduce the current labour intensiveness of this work while enabling hospitals to meet compliance requirements.

Healthcare applications

The mems-ID technology is being specifically developed for the following healthcare applications:

- **Autoclaving cycle counting.** The tag will have a built-in counter for counting the number of autoclave cycles the tag has undergone above a defined temperature threshold, overcoming the problems of the labour-intensive and error-prone manual tracking systems currently being used.



Tracking Card

Package Labeling



Development timetable

The mems-ID technology will be continue to be developed over the coming year and is planned to be commercially available in 2007.

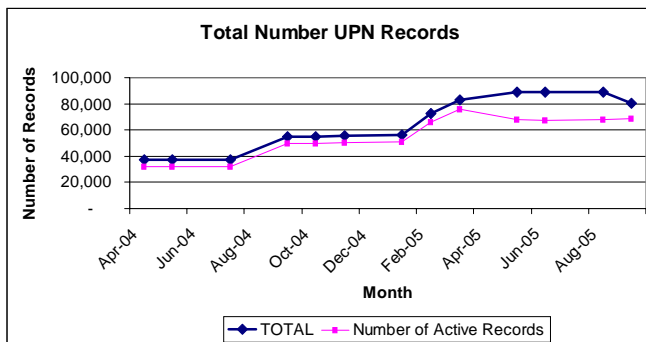
If you would like to be kept informed as to the progress of the mems-ID technology development, please send an e-mail to info@mems-id.com with your name, position and email address.

For further information about this story please contact Brett Schwarz, Chief Operating Officer, Mems-ID Pty Ltd brett.schwarz@mems-id.com or phone (03) 9763 9763

Update on UPN Repository

The UPN Repository continues to grow, and our hospital members are increasingly relying on it for their point of use data capture applications.

There are currently some 83,000 products on the UPN Repository, and this has been growing steadily.



Recently, HIBCC AU analysed the Commonwealth Schedule 5 for prostheses against items covered on the UPN Repository. As expected, a large number of items on the schedule are included in the UPN Repository, as shown by the adjacent table.

HIN System Pilot Commences

HIBCC AU has commenced a pilot of the HIN System. As reported in the previous edition of Device Tracker, the participants in the pilot will exchange supply chain transaction documents that incorporate the HIN to identify:

1. The Ship-To and Bill-To locations for purchase order transactions.
2. The HIN for the supplier party to the transactions.
3. The HIN for the location that “consumes” or uses a medical device, in point of use data capture applications, and usage/replenishment documents subsequently submitted to suppliers.

In so doing, the pilot will estimate the benefits of the HIN System. The expected benefits are:

- **Consistency** – Use the same number when referring to the same entity or organization
- **Accuracy** – reduce costly shipping errors on orders, and avoid product being delivered to the wrong place. Improve reporting and sales analysis by the

Product Category	Total on Schedule	Total Coverage on UPN Repository	Coverage as % of total
Cardio-thoracic	362	138	38%
Ear, Nose & Throat	259	6	2%
Endoscopic Products	44	13	30%
General Miscellaneous	597	114	19%
Mechanical Internal Wound Closure Products	83	38	46%
Neurosurgical	367	108	29%
Ophthalmic	165	22	13%
Orthopaedic	5562	2844	51%
Plastic & Reconstructive	1184	505	43%
Urogenital	165	49	30%
Vascular	491	133	27%
TOTAL	9279	3970	43%

For some categories, such as orthopaedics, the volume by sales in Australia for items included in the UPN Repository is estimated to be higher than 90%, since the large orthopaedic companies are all subscribing to the UPN Repository.

If you would like further information about this story and the UPN Repository, please contact Kirk Kikirekov:

Tel: (02) 9797 0883

Mob: 0417 238 430

Email: kirk.kikirekov@hibcc-au.com.au

use of a consistent number and by the elimination of cross reference files

- **Efficiency** – Reduce the amount of clerical effort needed to research and maintain cross-reference files
- **Timeliness** – The importance of maintaining and issuing updates periodically to subscribing manufacturers, distributors and providers so that they can maintain their files on a timely basis. Reduce the look-up effort and reduce the lag time in rebate payments

A key feature of the pilot will be the reporting of products used by each of the hospitals (private and public) served by the ACT Health warehouse in Mitchell. This will be achieved by aggregating the requisitions to location specific HIN's or “Virtual Ship-To's”.

The organizations participating in the pilot include ACT Health, The Alfred, Abbott Australia, Cook Australia, and Smith & Nephew Surgical.

For further information about the pilot, or if you are interested in participating in the pilot, please contact Kirk Kikirekov on 02 9797 0883, Mobile 0417 238 430 or by email: kirk.kikirekov@hibcc-au.com.au

New Member Profile

HIBCC AU would like to welcome John James Memorial Hospital (JJMH) in Canberra as a member and subscriber to the UPN Repository.

John James Memorial is the ACT's largest private hospital, servicing a regional population of 518,000. JJMH also owns the adjacent Lidia Perin Memorial Hospital (LPMH).

The hospital admits over 17,000 patients per year, and maintains a unique position in that it is completely self-sufficient, with its own maintenance, laundry, catering, CSSD, landscaping and cleaning services.

John James Memorial Hospital offers a range of medical

specialities including: Dental; Ear, Nose and Throat; Eyes; Gastro-enterology; General medicine; General surgery; Gynaecology; Intensive Care; Obstetrics; Neurosurgery; Oncology; Orthopaedics; Paediatrics; Plastic surgery; Thoracics; Urology; Vascular.

The hospital has:

- eight operating theatres
- a procedure room
- five main wards
- Pre-Admission Clinic
- Canberra Cancer Care Centre providing oncology, counselling support and palliative care
- a six bed Level II Intensive Care Unit staffed on a 24 hour basis, with a 24/7 Intensivist Care
- Specialist roster and 24/7 on site Resident Medical Officer cover.

HIBCC AU Members

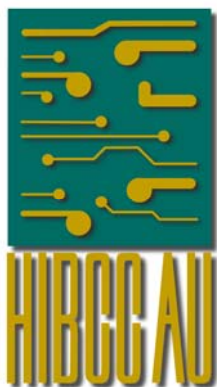
The current Supplier members of HIBCC AU include:

- Abbott Vascular Devices
- Cook Australia
- DB Health
- DePuy Australia
- Edwards Lifesciences
- Guidant Australia
- Johnson & Johnson Medical
- Linvatec Australia
- Medical & Surgical Requisites
- Smith & Nephew Surgical
- St Jude Medical Australia
- Stryker Australia
- Thermo Electron Corporation
- Welch Allyn
- Zimmer

Our Hospital Members include:

- ACT Health
- The Alfred Hospital, Melbourne
- The Epworth Hospital (Richmond)
- The Epworth Eastern Hospital (Box Hill)
- Holy Spirit Northside
- John James Memorial Hospital
- St Vincents Private Hospital Toowoomba

For further information about membership, please contact as by phone on 02 9797 0883 or by email at enquiries@hibcc-au.com.au



HIBCC AU Incorporated

PO Box 613

Haberfield NSW 2045



02 9797 0883



02 9797 8441



enquiries@hibcc-au.com.au

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