

# Proven Success in Healthcare

To understand the problems acute care facilities and other healthcare providers face, and the return on investment (ROI) they might reasonably expect from solutions that Awarepoint or its partners might provide, Awarepoint has engaged the assistance of a number of experts including board member Harold M. Koenig, MD, whose vast experience includes having served as Surgeon General of the Navy, and Robert Konishi who has served in Chief Technology Officer roles at UCLA Medical Centre, UCLA Ronald Reagan Medical Centre and UCLA Santa Monica Orthopedic Hospital Replacement Project.

Working with these and other experts, Awarepoint uncovered some startling statistics that exemplify the need for better data and more efficient asset management, including:

- Approximately 15% of equipment is missing or misplaced at any given time.
- Organizations spend approximately 5% to 15% of their equipment budgets on rentals just to replace misplaced equipment.
- Operating rooms operate at less than 68% capacity partly due to poor equipment workflow.
- Employee time spent looking for lost equipment has been estimated up to 30 minutes per shift per employee.
- Biomedical Engineering personnel spend up to 40% of their time looking for equipment, and cannot find equipment up to 20% of the time.
- Hospitals accrue over \$213,000 annually in unnecessary rental costs due to misplaced and lost rental equipment.
- Between 44,000 and 98,000 people die in U.S. hospitals each year as the result of lapses in patient safety.
- Hospitals face on-going equipment maintenance, testing, inspection, and compliance challenges that can be costly, even deadly, if not managed properly.

## **Thornton Hospital at UCSDM Medical Centre Early Application of Active RFID Solved Process and Workflow Problems**

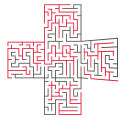
### **BACKGROUND:**

For years, Thornton Hospital had investigated RFID technology for various applications, but was put-off by factors such as patient care disruption during installation, infrastructure cost and scalability. In 2005, Tom Hamelin, Director of Perioperative Services specifically sought an RFID solution to address several persistent problems relating to asset management. Problems related to asset management included:

- Lowering equipment rental costs
- Reducing staff time spent searching for equipment
- Minimizing equipment theft and loss
- Reducing equipment inventory requirements
- Improving equipment maintenance process.
- Improving responsiveness to JCAHO and FDA requirements.

### **OUTCOMES:**

- **Savings** in capital expenditures for IV pumps for 2008 of **\$450,000**.
- Infusion Pump **Rental Fees** show an immediate downward trend, from nearly \$8,000 in March to \$2,000 in June. Without any further improvement, **savings will exceed \$72,000 per year**.
- Perioperative Services estimates a more appropriate target for rental should be \$500 per month and expects to hit this goal in 2007, **bringing expected total savings to \$90,000 annually**.



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## University of California San Francisco (UCSF) Medical Centre Tacking Assets to Improve OR Efficiency

### BACKGROUND:

In mid 2007, Mr. James Bennan, Administrative Director for Perioperative Services, and Dr. John Kulli, Medical Director, felt the Operating Room could especially benefit from a real-time location system (RTLS). A task team was formed to collect information about available technology, services and cost. UCSF Medical Centre's task team reviewed active RFID options from 6 in-depth proposals presented by vendors representing numerous RFID technologies. After a rigorous process, the Awarepoint Real-time Awareness Solution was chosen.

### OUTCOMES:

In just 3 months of system use, UCSF Medical Centre is reaping the rewards of its real-time location system in a number of areas. This study outlines some of the early findings, and illustrates an already impressive return on investment.

- **Time savings** searching for equipment among OR staff is significant, equating to **nearly 1,600 hours**.
- Computer on Wheels (COW) log and inventory spot checking have been eliminated.
- **Capital redundancy savings** equal **\$248,000** for only 2 inventory items in the OR.

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