

# Entry Form

## YOUR DETAILS

Name of organisation: Mercy Health

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Address: 678 Victoria Street Suburb: Richmond State: Victoria Postcode: 3121

Nature of Business: Health Annual Turnover: \$240 million

Total number of staff: 3300 Number of staff in procurement: 10

Entry deadline is  
15 August 2008

## CIPS AUSTRALIA TEAM CATEGORIES AWARDS

(Each entry can only be submitted for one category)

- Best Example of Socially Responsible Procurement
- Best Process Improvement Initiative
- Best Cross-Functional Teamwork Project
- Best Supplier Partnership
- Best People Development Initiative
- Most Improved Procurement Operation
- Young Procurement Professional of the Year

### Important

- Each entry will only be considered in ONE category.
- If you do not select a category, one will be allocated for you.
- The judges reserve the right to move an entry to an alternative category if they deem it more appropriate.
- **Entries must be received by no later than COB Friday 15 August 2008.**

**Award winners will be featured in *Procurement Professional* magazine.**

CIPS Australia may also wish to use shortlisted and winning entries as case studies in its efforts to develop and promote the procurement profession. However, confidential information will not be released into the public domain.

If you do not agree to CIPS Australia using your entry in this way, please tick this box.

**CIPS Australia**



**Please submit this as the cover page with your entry. Return to:**

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Mercy Health

Care first

**CIPS Australia Procurement Professional Awards 2008**  
Category: Best Cross – Functional Teamwork Project

**Mercy Health**  
*Group Supply Services*

Mercy Health Corporate Services

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*Compassion Respect Innovation Stewardship Teamwork*

# 1.0 Introduction

## 1.1 Preamble

Mercy Health is a Catholic community benefit organisation founded by the Sisters of Mercy. Our services include acute hospital care, aged care, mental health services, maternity and specialist women's health, early parenting, community and palliative care. Each year Mercy Health cares for over 365,000, people from across Victoria and into New South Wales.

In Healthcare like any other business, product recalls are a reality, and the consequence of not managing and reporting on product recall and safety alerts has the potential, to result in life threatening outcomes. This may also result in litigation.

Traditionally Australian health and aged care facilities receive product recall and safety alerts from three sources: Therapeutic Goods Administration (TGA) - a unit of the Australian Government Department of Health and Ageing; manufacturers / distributors; and Mercy Health staff. These alerts are paper based and depending on the urgency are either facsimiled or delivered by post. These paper based systems all suffer the same problems - namely: reaction time, limited tracking and recording.

Mercy Health operating over 20 facilities, employing approximately 4,000 staff, located across metropolitan and country Victoria and country NSW, relying on a paper based system was exposed to significant potential for error. We needed to streamline the process and significantly improve our tracking and recording capabilities.

## 2.0 Project Outline

### 2.1 Product recall and safety alerts

The number of product recall and safety alerts naturally varies, however over the last three years the average is three to four recalls a month, or up to 48 per annum.

### 2.2 Automating the Process

#### Consultation

In November 2004, following a product recall that had the potential to cause a major health problem, the Group Director Supply Services of Mercy Health arranged a meeting with the organisation's Risk Manager, Clinical Director - Pharmacy Manager, General Manager Werribee Mercy Hospital and Organisational Development Manager to discuss how we could minimise our risk in this area and investigate a better management process for product recalls.

The outcome of this meeting was a proposal to automate the current system. The members engaged our Information & Communication Technology Department (ICT) to assist with the development of an automated solution using the Mercy Health intranet site and the e-mail system. The system needed to issue product recall / safety alert notifications, record the staff who received the notification, identify if the product was found, and when the product was returned for credit or replacement.

#### Development and testing

Between December 2004 and February 2005, and following intense assessment, additional requirements were identified - i.e. layout, requirement that all clinical areas would receive the product recall information (not just the areas we assumed would have the product) and the requirement that all were to reply, not just those staff who found the product on the system. System testing was carried out from February to May 2005.

Policy and procedures were developed, and following endorsement by Mercy Health executive, these were issued to facility managers and posted on the Mercy Health intranet. The system was released June 2005 and is used for all recalls including medical, pharmaceuticals and general products.

To ensure the system was user friendly, the Mercy Health intranet site was modified to add a red shortcut button - this button provides a direct link from the front page of the Mercy Health intranet site to the product recall history and policy & procedures documents. This allowed the users to more efficiently review product recall notifications.

## **3.0 Reviews**

### **3.1 Policy & Procedures**

Mercy Health routinely reviews policy & procedures - any new ones are continually reviewed and updated as systems are developed or processes are changed.

### **3.2 System Reviews**

In 2005 & 2006 - following feedback by Mercy Health end users, the following functions were improved:

- Product recall/alert email appearance updated to provide more detailed information in subject field, and colour email body
- Option created to separate active product recall members/sites from inactive product recall members/sites
- Option created to be able to recreate a product recall notification/alert that can then be emailed to other Mercy Health staff for response in absence of particular product recall members, specified as responding 'on behalf of'
- Option created to be able to choose which product recall/alert is reissued
- Option created to distinguish between a product recall notification and a safety alert notification
- Option created to allow new product recall members to be added directly from Mercy Health domain
- Option created to allow non-Mercy Health email addresses to be added to product recall members list
- Option created to enable product recall members listing to be exported to Microsoft Excel

A further review process highlighted that the manual system of closing off the product recall / safety alert was somewhat time consuming and open to error. By working with the Mercy Health Risk team, ICT and the users, we were able to automate the system of following up staff who had not replied to the product recall. This enhancement was released in September 2007.

### **3.3 Peer review**

In September 2007, a peer review was conducted by another major health network. They commented that their procedure relied on paper-based systems and that the Mercy Health system was well in advance of any other system or process that they had seen.

#### **The Australian Council on Healthcare Standards**

Mercy Health participates in a voluntary and regular survey for Corporate Evaluation and Quality Improvement Program (EQuIP) by the Australian Council on Healthcare Standards (ACHS). The results of these surveys have been very commendable regarding the automated product recall and safety alert system with the following comments:

- 2005 Periodic Review

"This is a comprehensive product recall system, which has an alert mechanism in place. This not only enables notifications to be tracked but also responses to recall notices by the Mercy Health site managers. The Group Supply Director is commended for his innovations in the development of an effective Group Supply management system".

Awarded a MA (moderate achievement) rating

- 2007 Full Survey

"Since the last Period Review the product recall system has been reviewed, and now, as the result of collaboration with the Mercy Health ICT and the Risk Management team, the system features an automated system for follow-up of staff who have not replied to the recall. The Director, Supply and Contracts Manager from a major health network reviewed the system in September 2007 and commented that the Mercy Health system **"was well in advance of any other system or process they had seen"**. The surveyors have adjusted Mercy Health self rating Moderate Achievement (MA) to Extensive Achievement (EA)".

## 4.0 Outcome

The business benefits of this system are considerable. This automated function means Mercy Health can now reach all areas of our hospitals and aged care facilities within minutes, advising them of the need to action a particular issue associated with product recall or product alert. The system also maintains a log so we know which areas have actioned the request. With auto follow up we have a robust system that ensures that when urgent product recall or action is required for a particular product, this can occur instantly. As a consequence, Mercy Health has markedly reduced what in the past was a high risk to our organisation. At the same time we have automated a flawed and time-consuming, laborious manual process. By challenging the standard practice and procedures, we have been able to cut the time it took to put a product recall into practice from between 5 and 10 days to 48 hours. Refer flow charts attached.

## Comments

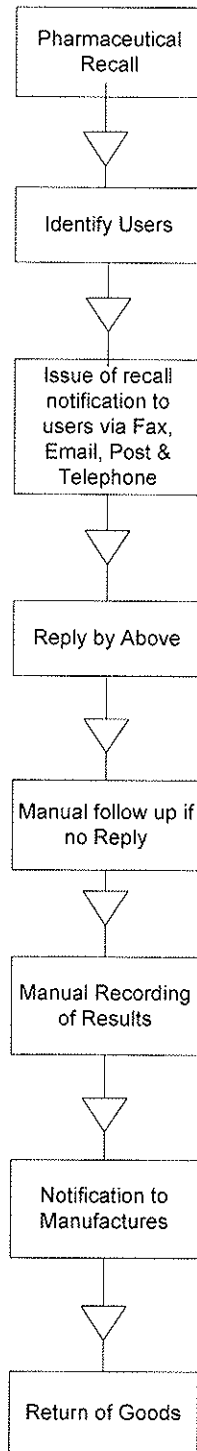
*"Compliance with the system is high and we have a high level of assurance that our products are safe and effective for their intended use."* Stephen Cornelissen, Chief Operating Officer, Health Services Division.

*"The development of this system has provided an important control in the management of clinical risk. It also evidenced the excellent teamwork in Mercy Health with participation from various parts of our organisation."* Kerry Shearer, Group Risk Manager.

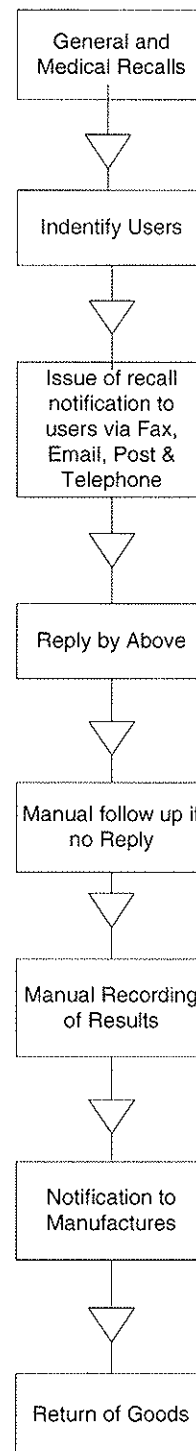
## 5.0 Conclusion

Mercy Health is confident that the product recall system is meeting the organisation's needs in the issuing of product recall notices, tracking and recording all known product recalls. The major benefits to patients, residents, staff and Mercy Health is reduced risk increased regulatory compliance and reduced potential litigation.

## Product Recall System Prior to Automation



Note: Pharmaceutical recalls were undertaken by two Hospital Pharmacy Departments and several Private Pharmacy companies for Aged Care.



Note: General and Medical recalls by central Supply Department.

# Mercy Health Automated Product Recall System

