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Greg Piatek of B. Braun presents during a meeting with St. Luke's to discuss the hospital network's objectives.

Aligning Objectives

B. Braun and St. Luke's broke the transactional model to create a bond between supplier and healthcare provider.

As the status quo for how the healthcare industry operated began to change earlier this decade, St. Luke's University Health Network understood it had to be ahead of that transition. The six-hospital network, based in Pennsylvania, began looking for ways to reduce the overall cost of procedures, cut the number of patient infections and improve patient outcomes. To accomplish those goals, the hospital network needed a supplier who could align itself with St. Luke's vision and provide the required support and services. It needed a vendor willing to move away from the traditional transactional approach to a more collaborative relationship. St. Luke's found that vendor in B. Braun with Enterprise Initiatives, which combines the offerings of Aesculap, B. Braun and CAPS.

In B. Braun, the 10th largest medical device manufacturer in the world, St. Luke's recognized a vendor who understood the current healthcare model was unsustainable and that suppliers and healthcare providers needed to work closer together to improve patient care, quality and outcomes. "Both parties were willing to bend and change processes and communications to make this work," says Kevin Hines, associate vice president of network materials management for St. Luke's.

Others within the St. Luke's organization recognized the same need. "B. Braun's Enterprise Initiatives team was one of the first groups we worked with who figured that out

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and knew it was in everyone's best interest, specifically our patients, to form a partnership and get away from that transactional side," says Dr. Marc Granson, chief of surgery for St. Luke's.

Moving away from that transactional relationship was a philosophical shift for B. Braun. To support St. Luke's, the company had to consider not only the price of an item, but its specific role in addressing outcomes. "You really can't just impact the price of a widget but need to focus on how that widget will be used and its impact within the health system," says Greg Piatek, vice president of health systems at B. Braun Medical.

St. Luke's viewed a more robust offering from B. Braun with Enterprise Initiatives and saw where the companies could benefit each other and the health of patients. The alliance between healthcare provider and device manufacturer supported a number of St. Luke's efforts focused on improving patient outcomes within its health system.

Implementation of a Regional Anesthesia program, moving away from general anesthesia including narcotics, helped St. Luke's to decrease patient length of stay while also reducing opioid use post surgery. Throughout, B. Braun is going beyond simply supplying the anesthesia products, and providing education for St. Luke's anesthesiologists to ease the transition. It is programs like these where St. Luke's has seen the full value across the enterprise. Says Hines, "Over a two year period we have documented savings of over \$3 million dollars."



Joe Pinto, vice president of network operations at St. Luke's University Health Network

Redefining Relationship

The "enterprise" agreement defining the relationship between St. Luke's and B. Braun went into effect three years ago. Prior to then, St. Luke's independently coordinated its needs with all 14 of B. Braun's sales divisions. There was little synergy in the relationship.

That changed with B. Braun's innovative approach. B. Braun Enterprise Initiatives created

"It's become the model that we use for all of our corporate partnerships," says Joe Pinto, vice president of network operations at St. Luke's. "Where there's mutual benefit there's collaboration. And that's certainly worked with B. Braun."

– Joe Pinto





St. Luke's Anderson campus is one of the six – soon to be seven – hospitals benefiting from the collaboration with B. Braun.

a single point of contact to B. Braun's 14 divisions. Business reviews are held quarterly between St. Luke's and B. Braun to review the hospital network's goals and suggest ways B. Braun can help them reach those goals through new products and educational offerings.

Hines says what sets B. Braun Enterprise Initiatives apart is that now there is one clear message throughout the entire organization on how St. Luke's wants to work with each division and how to implement initiatives going forward. "That consistency between that many divisions is huge for materials management," Hines adds.

"The results speak for themselves," Piatek says. Consider Aesculap, a B. Braun affiliate with U.S. headquarters in Center Valley, Pa.,

"Everybody's in lock step building a relationship with St. Luke's that ultimately benefits the patients."

– **Greg Piatek, vice president, health systems, B. Braun Medical.**

Hines says of the infusion pump rollout.

The benefits of the new pumps go beyond the quality of the physical equipment. The pumps also allowed St. Luke's to implement DoseTrac[®] Infusion Management Software, an analytical tool mixing real-time information and retrospective reporting to help reach the highest level of patient safety. DoseTrac[®] provides insight that can inform protocol changes to reduce alerts, educate staff to drive 100 percent drug library compliance, and virtually eliminate adverse drug events (ADE) due to misprogrammed infusion pumps.

that manufactures surgical instruments. Aesculap worked with St. Luke's to improve efficiencies in the network's sterile processing department, which sterilizes equipment for use in the operating room.

Other advantages come through equipment standardization across the network's six hospitals. B. Braun worked with St. Luke's to develop an implementation strategy to replace 1,400 infusion pumps over a two-week period. "We worked as a team to accomplish this,"



B. Braun's enterprise approach created one point of contact to align its 14 divisions with St. Luke's goals.



After finding success with B. Braun, St. Luke's is eager to implement similar relationships with other vendors.

Replicating Success

Using the successful B. Braun model, St. Luke's is eager to implement similar strategies with its other vendors. "It's become the model that we use for all of our corporate partnerships," says Joe Pinto, vice president of network operations at St. Luke's. "Where there's mutual benefit there's collaboration. And that's certainly worked with B. Braun."

Unfortunately, St. Luke's has found that not all vendors are as willing to change their culture. The health network has had difficulty replicating the model with other vendors.

"They just can't seem to get beyond the transactional to the collaborative," Pinto explains.

"When we meet with other potential strategic partners we talk about the B. Braun Enterprise model and give examples so they have a framework for what expectations are," Hines adds. "Often, they're surprised with what they hear because their culture does not currently allow for that type of partnership." But the health network is beginning to experience movement toward similar agreements and is in discussions with another major vendor to implement a similar agreement focusing on aligned objectives.

It takes cooperation from both sides to make the relationship work. Prior to Enterprise Initiatives, Piatek says B. Braun had a strong transactional focus but lacked coordination between all 14 different areas of the company. At one of the first meetings with St. Luke's, many of the B. Braun representatives were meeting each other for the first time. Now



they work together as one voice focused on the health system. "We've come a long way and everybody's in lock step building a relationship with St. Luke's that ultimately benefits the patients," Piatek says.

The seventh hospital in St. Luke's University Health Network will open in Bartonsville, Pa., in fall 2016. Outfitting that facility represents another point of cooperation between the hospital network and one of the world's leading medical device manufacturers. "We don't have to go back to the drawing board in Bartonsville," Pinto says. "The relationship with B. Braun's Enterprise Initiatives has set the stage." **JHC**

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