

Create a Cost-Effective Environment of Care Through an Accurate Inventory

A Report for the Healthcare Industry

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The cornerstone to every solid compliance program is a clear-cut hazardous materials inventory. In an ideal world, there would be an Environmental Health & Safety (EH&S) staff to conduct an annual evaluation of their master inventory per location or department, be responsible for the inventory and track new purchases, disposal and inventory modifications throughout the year. EH&S supervisors at each facility would have pre-purchase review and approval rights for any new product or chemical, and inventories from separate locations within an organization would be combined at the corporate level for analysis and to ensure consistency in the process and purchasing of chemicals.

Living in a less than ideal world, many healthcare organizations instead find themselves having to get by with inaccurate chemical or hazardous product data as they grapple with other concerns for employee and patient safety. Internal staff members may perform chemical inventories sporadically or pass out-dated information along year after year. Organizations such as 3E Company have found that, when analyzed, the size and diversity of hazardous products within an organization is almost always different than reported on a self-inventory.

How important is an accurate inventory? The result of an inaccurate inventory can be misguided compliance programs, misleading reporting, insufficient training and poor decision-making. Many healthcare providers are being faced with mergers, downsizing and limited funds; and are still faced with the traditional challenges of the U.S. healthcare: doing more with less. Healthcare providers are being asked to create an environment that offers more cost-effective care while maintaining the highest quality patient care outcome. These are especially crucial areas for healthcare organizations that stretch to make dollars, time and energy go as far as possible for superior patient care.

Some of the problems encountered in a typical self-inventory that are not seen in a third-party inventory may include:

- * As many as one-third of the products listed on the inventory do not exist in the actual facility.
- * Many of the items listed have no associated supporting data, such as Material Safety Data Sheets (MSDS), quantities, storage locations and containers data. Of the items that have supporting information, almost half of the information is out of date.
- * Drastic variations across locations, sites or departments within the same organization.
- * Changing inventories occur where products are used, disposed, shifted from one site to another or are newly incorporated. This affects site-specific usage numbers and related reporting.

* Typically half of the inventories contain more carcinogens than expected, such as Aflatoxins, Arsenic Compounds (Inorganic), Asbestos, Benzene, Beryllium and Beryllium Compounds, Coal Tar and Coal Tar Pitches, Coke Oven Emissions, Ethylene Oxide, Vinyl Chloride, Wood Dust, Lead and Mercury.

"It's difficult to incorporate effective safety measures for employees without a proper inventory," said Gary Marston, Healthcare Consultant. "You need a precise and accurate list of what hazardous materials reside at your organization."

Not a Do-It-Yourself Job

Some healthcare organizations turn to internal resources and have a wide range of skilled and unskilled staff members perform hazardous materials inventories. But having an already duty-strained staff count and assess materials can lead to problems in accuracy and timeliness. It also takes staff members away from attending to patient care, which creates less efficient use of resources. "It's not the best use of staff skills and resources to have members off the floor and conducting an inventory of hazardous materials," said Marston. "Nursing staff and others' priorities are to take care of patients and handle different patient and employee safety priorities."

In addition, staff members don't possess the training to identify all the hazardous products that may be present. Hazards are sometimes misrepresented and data compilation is difficult. In fact, 3E has found that inventories performed by hospital staff have been 30 to 40 percent inaccurate when reconciled with what chemicals actually exist in the facility and are represented with MSDSs.

How complicated can obtaining an accurate inventory be? Consider glass cleaner. Every manufacturer can have a different MSDS for its product. If a facility switches vendors or obtains some glass cleaner from elsewhere without a new MSDS for the product, the result is inaccurate information if treatment is needed. The same manufacturer can provide multiple versions of an MSDS for the various glass cleaners it makes. Windex[®] for example, provides a different MSDS for the different versions of its product, such as original, orange scent and ammonia free. If a company doesn't have the appropriate MSDS for the specific formula, it may be considered out of compliance.

The Benefits of a Third Party Assessor

An onsite inventory assessment conducted by a third party can furnish an accurate, independent inventory completed by experts well versed in healthcare operations. 3E Company has a team specializing in inventory assessments for healthcare organizations. The team works with internal directors and staff to help uncover issues and potential problems. "An independent third party with EH&S expertise understands what to look for and can create a true classification of products," said Marston. "You get independent outside validation from an experienced third party, and a comprehensive picture of what actually exists."

Independent inventory specialists can do a thorough search for items to inventory – items in-house personnel might overlook for any number of reasons, such as lack of hazardous materials knowledge,

distractions of other job duties or pressure to complete the inventory in a timely manner. Independent inventory specialists can work quickly to complete their findings and present a true and accurate picture of the hazardous materials on site.

The specialists concentrate on propelling the organization towards chemical control and quality improvement, without exposing it to regulatory inconsistencies. An inventory assessment is a record of specific materials taken for accuracy and knowledge – not an audit of amounts or types. It is the first and vital step for an accurate assessment and better decision-making.

An accurate inventory is required to better administer a hospital's compliance as well as ensure inventory matching for MSDS management. Capturing an accurate snapshot of current inventory enables managers to make informed decisions about material acquisition, use and disposal across the entire enterprise. An inventory assessment is also an effective approach to identifying product procurement improvement opportunities. In addition, an assessment completed by a third party meets inventory requirements established by OSHA and supported in the accreditation standards of the Joint Commission on the Accreditation of Healthcare Organizations (JCAHO).

Outsourcing the inventory assessment can save a facility time and money while ensuring an accurate evaluation of onsite materials. The assessment links actual inventory to MSDS resources which can lead to a higher level of safety for employees and patients. It provides hospitals with a complete picture of onsite hazardous materials and provides a base of compliancy for the future.

3E Company Offerings

3E's technical specialists have performed more than 300 Onsite Inventory Assessments for customers. "3E professionals know how to efficiently plan and flow through a facility and work within a hospital system succinctly without interrupting operations," said Marston. "They do it with speed, expertise, consistency and more efficiently than hospitals themselves." The frequency with which an inventory should be reviewed depends on the size of the healthcare organization, the number of locations/departments that contain hazardous materials, the sophistication of purchasing and approval processes and the expected turnover of chemicals and other materials.

3E's Inventory Assessment services are provided in addition to 3E Online® - MSDS or 3E MSDS Inventory Management service. Gaining an accurate third party inventory helps manage all issues associated with proper acquisition, usage and disposal. It helps meet regulatory requirements and streamlines purchasing. Most of all, it ensures greater safety for employees who can then concentrate on patient care.