KAISER PERMANENTE®

Northern California Stress Test System Trade-in and Bulk Buy Program

Environmental and Human Health Impact: Responsible disposal of 4.5 **tons** of stress test equipment from NCAL Kaiser Permanente facilities.
Business Impact: NCAL's bulk buy and supplier trade-in program will generate about **$58,501 in savings** for the region.

Challenge

Kaiser Permanente's Northern California Region (NCAL), which is made up of 22 hospitals and 37 medical office buildings, is in the final stages of upgrading stress test monitoring systems. NCAL is replacing the last 19 systems or 30 percent of their installed base of Quinton Stress Test Systems (average age is 10 years) with the new Cardiac Science Q-Stress System. This will be complete by the end of 2011.

What is a stress test monitoring system? This is a system designed to evaluate the cardiac response of a person to physical stress, while the individual is performing exercise on a treadmill. These systems include an exercise treadmill, an electrocardiograph with appropriate electrodes, a computer, a display monitor, a recorder, and a printer. **The approximate weight of the entire system is about 520 pounds.**

The sourcing team, with the support of the NCAL region, negotiated a bulk buy with Cardiac Science (their preferred supplier) with a trade-in condition in order to help the local facilities properly dispose of the old Quinton systems.

Aim/Goal

- Trade-in and recycle 19 old Quinton stress test systems for new Cardiac Science Q-stress systems.

Team

Scott Adelman MD, Chair - Cardiology Core Group/National Product Council and Chair -NCAL Cardiovascular Technology Committee
Eddie Acosta, Clinical Systems Engineer NCAL
Ilir Kullolli, Clinical Systems Engineer NCAL
Vincent Paguia, Associate Sourcing Manager Cardiology
Chris Wojcik, Service Line Director Cardiology, MedAssets

Actions Taken

- ✓ The sourcing team partnered with NCAL clinical systems engineers to get detailed data on NCAL's stress test installed base (i.e. system's age, location, serial numbers, and hardware components).
- ✓ The team researched the existing process for disposing of old equipment in NCAL facilities when equipment is deemed to be at its "end of life". They found the process was:
  - o Clinical tech engineers decommission the machine and send it to local materials management department.
  - o If the machine is operational, it is normally donated to charity. If it's determined that it is not functional, KP finds a third party to recycle the machines; however it is not always clear if machines are recycled responsibly or not.
  - o Due to workloads, this process may take a long time to execute.
- ✓ In order to reduce KP workload and ensure proper end of life management, KP negotiated a trade-in and bulk buy. Now, when new machines are delivered, the supplier picks up the old machines to be re-sold, used for spare parts, or recycled responsibly regardless of working condition.

Results

- o NCAL received **$58,501 in savings** for the bulk buy and trade-in of the old systems.
- o **NCAL ensured the swift and proper disposal of 4.5 tons of medical equipment.**
- o Universal Recycling Technology (URT) is the third party recycler that Cardiac Science is using to recycle NCAL's stress test systems. URT was the first glass process in the U.S. to become e-Stewards approved under the e-Stewards Pledge Program.

Lessons Learned

- ✓ Partnering with strategic suppliers that have e-Steward certifications for recycling guaranties KP and the communities we serve that medical equipment is recycled properly.

Next Steps

- ✓ The sourcing team will continue to have open discussions with regions about the option of supplier trade-ins.

For More Information Contact: Environmental-Supply-Chain@kp.org