



Canberra Health Services Consultation Paper;

Intravenous Fluid Procurement Project

Procurement and Supply Branch

Finance and Business Intelligence Division

Work Area	Author(s)	Contact Details
Procurement and Supply	Andrew Murphy	5124 2786 chs.procurement@act.gov.au

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1. Introduction

Canberra Health Services (CHS) is focussed on the delivery of high quality, effective, person centred care. It provides acute, sub-acute, primary and community-based health services to the Australian Capital Territory (ACT)—a catchment of approximately 400,000 people. It also services the surrounding Southern New South Wales region which includes the Bega Valley, Bombala, Cooma-Monaro, Eurobodalla, Goulburn, Mulwaree, Palerang, Queanbeyan, Snowy River, Upper Lachlan Shire and the Yass Valley.

CHS administers a range of publicly funded health facilities, programs and services including but not limited to:

- **The Canberra Hospital:** a modern 600-bed tertiary hospital providing trauma services and most major medical and surgical sub-specialty services.
- **University of Canberra Hospital Specialist Centre for Rehabilitation, Recovery and Research:** a dedicated and purpose-built rehabilitation facility, with 140 inpatient beds, 75-day places and additional outpatient services.
- **Mental Health, Justice Health, Alcohol and Drug Services:** provide a range of health services from prevention and treatment through to recovery and maintenance at a number of locations and in varied environments for people suffering from mental health issues.
- **Dhulwa Secure Mental Health Unit:** a purpose designed and built facility providing clinical programs and treatment options for people suffering from acute mental health issues.
- **Six community health centres:** providing a range of general and specialist health services to people of all ages.
- **Five Walk-in Centres:** which provide free treatment for minor illness and injury.
- A range of **community-based** health services including early childhood services, youth and women's health, dental health, mental health and alcohol and drug services.

CHS is a partner in teaching with the Australian National University, the University of Canberra and the Australian Catholic University.

On 1 October 2018 ACT Health transitioned into two separate organisations being the ACT Health Directorate (ACTHD) and Canberra Health Services (CHS).

To enable CHS to have a strong focus on operational effectiveness, efficiency and accountability in the health services we provide, CHS is proposing a realignment of functions.

The [current organisational chart](#) and the recent [Annual Report](#) and the ACT Government [Budget Papers](#) provide more detail about CHS.

2. Purpose

The purpose of this paper is to describe the concepts of the Intravenous (IV) Fluid Procurement Project and the associated design implications for Supply staff within Procurement and Supply Branch of the Finance and Business Intelligence Division. The following document outlines the IV Fluid Procurement Project.

The IV Fluid Procurement Project will streamline product delivery to the end user, maximise product value for money, remove double / triple handling of product, increasing certainty of supply, enhance business continuity, whilst also improve CHS sustainability and recycling profile and reduce the risks of manual handling injuries to CHS Supply staff.

3. Current model

Currently, CHS source IV fluids from their primary vendor which delivers to the main Mitchell warehouse. Upon receipt Supply staff transfer the pallets to a suitable storage bay, remove transport packaging and prepare individual cartons for distribution to individual Ward imprest stores. At the same time as the warehouse stock is received, an invoice is received from the supplier and is processed onto the stock control and finance systems.

When individual Ward imprest stocks become low, material requisitions are raised within the stock system (PICS). The system then generates an instruction order for Mitchell Supply staff (Health Service Officer (HSO) 4 and HSO 5) to pick stock. This requires the Supply staff to identify the location, access the materials, manually handle pallets and boxes to obtain the correct order quantity.

The stock is then moved to the dispatch dock for consolidation, loading and vehicle transporting to the relevant delivery locations. Supply staff (HSO4 and HSO5) located at the Canberra Hospital then deliver and unbox product into individual Ward imprest stores ready for use.

Upon reaching a minimum stock level in the Mitchell warehouse, a recommender order is generated by PICS and Supply staff (ASO3 – ASO5) raise purchase orders for the supply of further materials, ready to be delivered, receipted and manually handled again. This cycle is visualised in Figure 1.

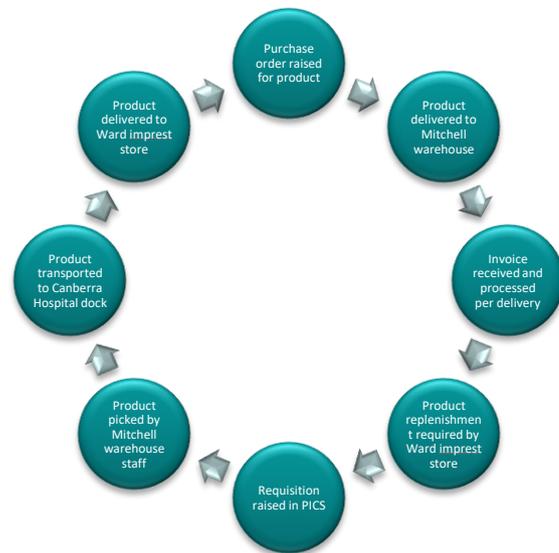


Figure 1: Current Process

4. Rationale for change

The intent of the proposed change is to improve efficiencies across the supply chain of IV fluids to CHS, which will in turn increase business continuity assurance and reduce manual handling risks.

The high frequency of utilisation within the hospital requires multiple ordering, storage handling, and transport management which, when combined with the volume and weight of the materials, results in high levels of manual handling and administrative support services.

The volume of the materials is significant and occupies up to 40 bulk pallet bays within the Mitchell warehouse. Additionally, when transported from the warehouse to the hospital campus a significant area of the transport vehicle is occupied by the IV fluid materials.

IV fluids are high in volume and weight and represent a higher manual handling risk than the majority of product in the supply chain. This risk is currently mitigated with good manual handling techniques and the use of manual handling equipment such as forklift, electronic pallet jacks and maximum box weight.

Discussions have been held with senior clinical staff to identify any specific requirements that need to be considered as part of the scope of this proposal.

5. Future model

5.1. Scope of the future model

It is proposed that the vendor will deliver IV fluids directly to Ward Imprest stores at Canberra Hospital and directly to the receiving dock of Calvary Public Hospital Bruce and University of Canberra Hospital, based on requisitions placed on the vendor directly to be determined post consultation. The resulting service outcome will be improved for staff and clients once implemented. Supply staff will continue to manage deliveries and distribution for all other stock as usual.

There will be a reduction in workload and manual handling of IV fluid, however, this will not result in any impact to current Supply staffing numbers. There will be no effect on other CHS teams or services or any other areas of the ACT Public Service.

The proposed change to the delivery model will not result in changes to Supply staff working duties or require additional training. All regular warehouse and administrative support services remain unchanged.

Additionally, there is no change in the operational structure or reporting lines within Supply as a result of this proposal.

The outcome of the proposal will be a simplified and optimised supply chain of IV fluids to CHS as outlined in Figure 2.

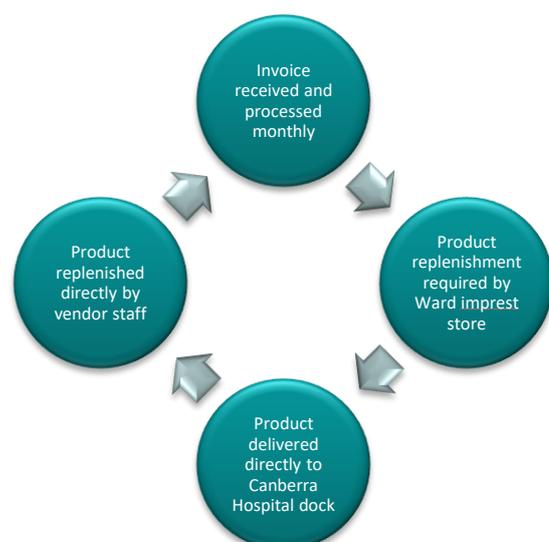


Figure 2: Future Process

5.2. Benefits of the future model

The IV Fluid Procurement Project has been developed to enhance the efficiency of product delivery to the end user, minimising multiple manual handling requirements and as a result, reducing the risk of manual handling injuries to CHS Supply staff.

Further benefits include reduced administrative support costs associated with order processing and invoice processing.

The supply and distribution of the material on site by the vendor will also increase certainty of supply and support enhanced business continuity, whilst reducing the cost of material handling and storage costs for CHS.

Finally, it is proposed that the vendor will implement a capture and recycle of packaging and used materials, which will increase CHS's contribution to recycling efforts and ongoing sustainability.

5.3. Implementation of the future model

The timeframe for the implementation of the proposed change will rely on feedback received, and if supported, will require further discussion with Infrastructure and Support Services to identify a suitable on campus storage location.

The proposed procurement methodology is in line with legislative requirements. Should the CHS proposal be supported, CHS will commence procurement negotiations with the vendor, and develop an implementation and communication plan.

The proposed change does not have a material impact on day-to-day staffing operations within the Warehouse, therefore no project team implementation group will be required.

5.4. Related change processes

No other change processes related to this project are envisaged.

5.5. Implications for not undertaking the change

Without progressing this change, CHS will not be able to realise supply chain efficiencies and will continue to operate with multiple handling and increased administrative costs. Warehouse storage space will continue to be used up and Supply staff will remain at increased risk of exposure to manual handling injuries from the frequent movement of the product.

6. Consultation methodology

This proposal provides details in relation to the IV Procurement Project. There are still details that need to be determined and your feedback, suggestions and questions will assist in further refining the project.

CHS will conduct a number of face-to-face information discussion sessions with effected staff in the second week of July, including documenting verbal feedback. Additionally, feedback can be provided via email to chs.procurement@act.gov.au.

Further consultation session will be held directly with external key stakeholders, including Calvary and University of Canberra Hospitals, during the consultation period.

Feedback is due by close of business Friday 6 August 2021.

In particular we are seeking responses to the following questions:

1. Do you have any concerns about the proposal so far, if so, what are they?
2. Do you have any other feedback you would like considered in relation to the IV Fluid Procurement Project?

For any further information relating to the project and subsequent consultation process, please contact Andrew Murphy, Senior Director Procurement and Supply on chs.procurement@act.gov.au.

7. References

Document	Author
Canberra Health Services Strategic Plan	CEO, Canberra Health Services
Consultation Guideline for Managers	People & Culture, Canberra Health Services