

A Case Study ...

How One Facility Saved Money and Created Value

Jill Schlabig Williams

When Tom Borowiak and his colleagues in the radiology services unit received a call from the radiology department at St. John Hospital and Medical Center in Detroit, MI, they knew they were dealing with a potentially costly repair.

An error message on a portable fluoroscopy device—a c-arm, basically an x-ray machine on wheels—was stopping its boot-up procedure.

Two technicians responded, and found the iris control feedback potentiometer, a resistor used to regulate the device, was not functioning.

Solution

They disassembled the unit and discovered the motor that controls the iris had a broken shaft. The technicians contacted the manufacturer and were told that since the manufacturer did not break down the system into its components, the entire iris assembly would have to be replaced at a cost of \$5,880. The same assembly was available from a third party for \$3,800. Not satisfied, the technicians researched the parts further and discovered that the Italian-made motor was available from a distributor on the East Coast.

Outcome

With the help of a centralized parts sourcing department that helps technicians track down, evaluate, and acquire parts, the motor was replaced within a few days at a cost of \$125. Total labor and parts on this project did not exceed \$800. The technicians' persistence and the help of the centralized parts sourcing department paid off in huge savings for the hospital.

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St. John Hospital and Medical Center

Subject: St. John Hospital and Medical Center

Location: Detroit, Michigan

Beds: 607

Staff: 700-member medical staff; 4 engineers, 1 manager in the radiology services department.

Borowiak, manager of radiology services at the hospital, says that it's department policy to be aggressive in saving money on parts. "It's our job to save the hospital money, and we get the biggest bang for our buck from labor and parts. We try to beat every price we can, and document the savings," he says. He estimates that over the last six months, his department has saved more than \$73,000 on parts by being aggressive in finding alternate sources.

Background

Borowiak is employed by TriMedx, a health care equipment services company owned by Ascension Health Ventures that provides service to more than 35 hospitals. TriMedx is in its second year of a three-year contract to manage the imaging equipment at St. John

Hospital. “We want to find quick, reliable sources for parts so that we are not dependent on just one source,” says Borowiak. “For all large-scale parts purchases, we go through the TriMedx parts sourcing department. That service keeps my techs off the phone researching parts and in the field where they’re needed.”

Ron Tocco, director of materials management for TriMedx, oversees the centralized parts sourcing group. He has a staff of six buyers and parts sourcing specialists dedicated to supporting 200 field service technicians. “The parts market is dynamic, and we have to keep up with that market,” says Tocco. “Our sole purpose is to be aware of the best places to buy parts. We build relationships with parts suppliers so that we know the best sources and get the best prices from the start.” Tocco launched the centralized service in May 2001. His parts sourcing team is able to fill 90% of the parts

requests they receive, and save an average of 55% off the list price.

In June last year, his group opened its services to groups not affiliated with TriMedx. “We consider price, availability, and whether the part should be new, used, or refurbished. We also help the technicians break down a module into its subcomponents, which can save significant money in repairs.” Tocco and his team have built up a database of vendors, use specialized Internet searches, and rely on the TriMedx network of technicians to stay on top of the parts market.

His parts sourcing staff has a background in radiology, biomedical engineering, or laboratory engineering, so they are able to advise the technicians in the field on repairs as well as find parts.

“This is not an exact science, it’s an art form,” says Tocco. “That’s why we put trained biomed and radiology engineers in these roles.” ■

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