A surgeon comes to your supply coordinator and says, “I need this new type of disposable stapler.” Another surgeon hands a nurse a brochure and says, “I just saw this at a meeting. We need to get one.” A sales rep has been talking to your staff about trying his company’s new product.

There’s a way to bring order to the tough-to-control process of supply and equipment purchasing.

Value analysis, used in business for more than 50 years, can help ambulatory surgery centers (ASCs) make purchasing decisions in a systematic, objective way, says Dawn Q. McLane, RN, MSA, CASC, CNOR. McLane, who is vice president for operations for Aspen Healthcare, a Niwot, Colo-based consulting firm, developed a value analysis process when she was director of a surgery center that performed 10,000 procedures a year.

The value analysis process is guided by a value analysis team (VAT) that:
• sets purchasing objectives and priorities
• receives and analyzes requests
• makes decisions based on whether products meet the ASC’s clinical and financial objectives.

Classic value analysis determines the customer’s requirements and matches them with products, services, and technologies that meet those requirements. It entails not only acquiring new products but also eliminating current ones that don’t meet requirements. Value analysis goes beyond the usual purchasing tasks of reviewing GPO contracts, negotiating prices, and approving product requests, notes Robert T. Yokl of the HCP Group, Skippack, Pa, an expert in health care value analysis.

Typically, says McLane, a VAT in an ASC includes the clinical and business managers as well as physicians representing key specialties who operate at the center. (For more on VATs, see pp 13-16.)

The primary advantage of value analysis is that the physician owners become actively involved in decisions about supplies and equipment, she notes.

“Having physicians on the committee adds to the credibility of decisions. It also means the management team doesn’t always have to be the bad guy if requests are denied,” she says. “I never saw the board go against a decision of the value analysis committee.”

Examples of issues an ASC’s VAT might consider are:
• the purchase of capital equipment
• a change in brands of suture or endomechanical devices
• the selection of a distributor or group purchasing organization
• whether to engage a company that reprocesses single-use devices
• monitoring results of purchasing decisions to see that products provide the intended outcomes and pricing.

The team also authorizes product trials. McLane advises having a policy that does not permit trials unless they are authorized by the VAT. That prevents products from being brought in for an informal trial and ending up on the shelf without a thorough review.
Value analysis steps

Value analysis in an ASC typically includes the following steps, McLane says:

1. **Products are selected for review.**
   - Items to be addressed by the committee are selected by the center’s executive director, clinical director, or materials manager. These may be based on physician requests or opportunities managers are exploring to reduce expenses.

2. **Information is gathered.**
   - The materials manager or another designated person researches the options by meeting with company representatives, searching the literature, interviewing physicians, and gathering other information.

3. **A financial analysis is conducted.**
   - A financial analysis is performed to examine:
     - the item’s purchase price
     - the volume of procedures in which the item will be used
     - whether disposable products or accessories are required and their cost
     - indirect costs, such as additional labor and supplies for reprocessing
     - reimbursement for the procedure
     - payback time for capital equipment.
   - The analysis should include an analysis of whether the ASC’s reimbursement for the procedure in which the new product will be used is sufficient to cover the added cost.

4. **A proposal is prepared.**
   - The materials manager meets with the ASC’s executive and clinical director to prepare an agenda and proposals for presentation to the VAT.
   - “The information should be presented as thoroughly and succinctly as possible to keep the meetings short and the physicians interested in participating,” McLane says.
   - Physicians are reminded of the meeting 2 to 3 days beforehand. Physicians who have privileges at the center may attend as guests if an item they are interested in is on the agenda. Physicians may also be invited to make a presentation if the committee needs more information.

5. **The VAT considers the proposal.**
   - At the VAT meetings, the agenda is followed and minutes are taken. The team votes on the proposals that are up for consideration. Examples of criteria for evaluating purchases include:
     - performance of the product
     - efficiency (eg, setup and reprocessing time)
     - safety
     - consistency with the ASC’s standardization efforts
     - whether the product is covered by a group purchasing contract
     - cost, but only after quality standards are met.
   - Essentially, says McLane, the question is: “Is this a clinically and financially responsible purchase for the center?”
   - The VAT may recommend purchasing or not purchasing the item, table the request, or request more information. Minutes are prepared, reviewed by the
executive or clinical director, approved by the VAT, and presented to the ASC’s governing board.

The board considers the VAT’s recommendations and either approves or asks for additional information. The decision is not implemented until the board approves the decision.

Sample ASC value analysis guidelines and policies and procedures are in the OR Manager Toolbox at www.ormanager.com

Value analysis: Sample policies and procedures

Title
Product Evaluation and Selection for Patient Care

Purpose
To provide guidelines for the evaluation and selection of products and equipment used for perioperative patient care.

Guidelines
1. Products to be evaluated for use in the patient care setting should be safe, meet identified needs, and promote quality patient care.
   a. Product evaluation and selection are based on a collaborative approach.
   b. The role of the clinical director includes initiating, coordinating, and/or participating in the clinical evaluation of a product.
   c. The materials specialist, clinical engineering, and manufacturer representatives should be resources for information concerning new or existing products to meet identified clinical needs.
2. A mechanism for product standardization evaluation should be implemented through a committee with clearly defined responsibility and authority.
   a. The objective of this group is to facilitate the acquisition of standardized, quality, cost-effective products to promote quality patient care.
3. Product evaluation is based on objective criteria specific to the product, its functions, and its use in the practice setting.
   a. Evaluation criteria include but are not limited to:
      • performance
      • efficiency
      • cost, only after quality standards are met
      • safety
      • standardization.
   b. Products to be evaluated have an evaluation tool designed with criteria specific to the product.
   c. The individual using the product should complete the evaluation tool or be interviewed immediately after the trial.
   d. Baseline clinical acceptability of a product is determined on comparison to the preset standard or desired level of performance.
4. A trial clinical evaluation is conducted prior to selection of a product.
   a. Trial evaluations should be initiated because of an identified need or concern.
b. Literature should be reviewed and products screened prior to conducting a clinical evaluation.

c. The executive director or designee should be notified in a timely manner when a specific trial is requested and will arrange an appropriate trial with the manufacturer’s representative. Unauthorized trials will not be permitted.

d. All clinical areas that are affected (in a substantial way) should be represented in the trial evaluation.

e. Limits should be placed on the scope of the clinical trial, including but not limited to:
   • the number of products to be evaluated
   • time span
   • the number of clinical units involved.

f. Instruction and demonstration of a product for all involved personnel should be conducted before a clinical trial evaluation is begun.