GS1 Healthcare Conference

March 2012

David Melbourne

Health Corporate Network
WA Department of Health

NeHTA

National e-Health Transition Authority

- Established and funded by all Australian Health jurisdictions

- Governed by a Board comprised of the CEO/DG from each health jurisdiction

- Mission – to set the standards, specifications and infrastructure requirements for secure, interoperable electronic health information systems.

# NEHTA eProcurement solution

- Standards based
  - Australian Standard 5023, Health Supply Chain Messaging
  - GS1 XML
- Supply Chain messages:
  - Multi Shipment Purchase Order
  - Purchase Order Response
  - Advanced Shipping Notice (or Despatch Advice)
  - Invoice

National Product Catalogue

- Established by NEHTA in 2006
- GS1net is a GDSN compliant data pool
- NPC is a Healthcare specific subset of GS1net.
- For all items used in health care – medicines, devices, consumables
- Uses Global Trade Item Number (GTIN) as identifier
- Uses standard data set
- Suppliers populate data once and publish to many

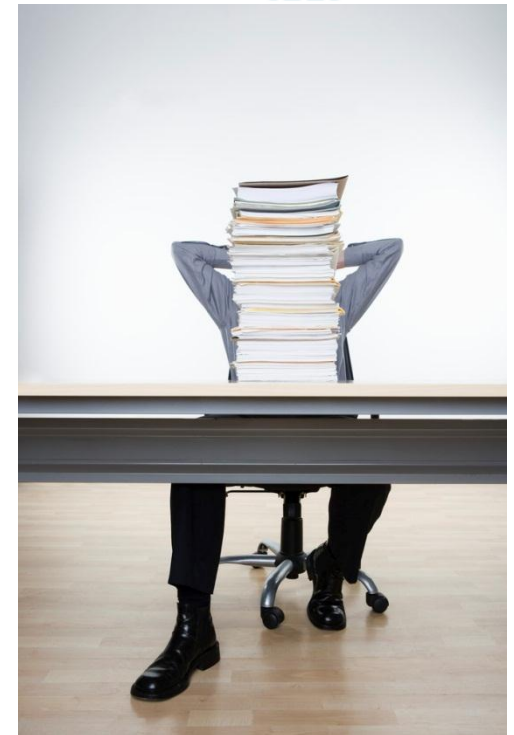# The National Product Catalogue (NPC)
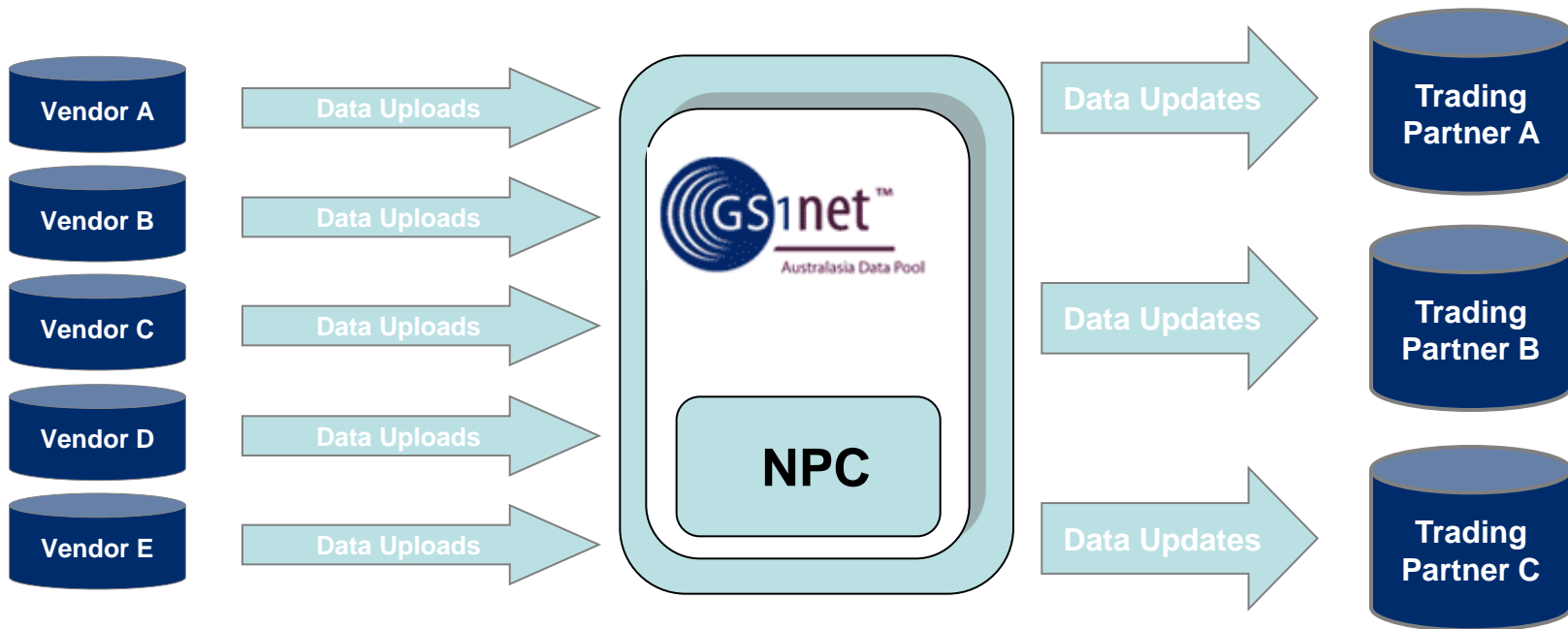
# Health Corporate Network – Shared Service

- Health Corporate Network provides :
  - Reporting and Business Systems,
  - Human Resources,
  - Finance,
  - Supply services

Paperless work environment:
  - i-Procurement requisitioning
  - Objective work flow and records
  - Electronic forms
  - Online HR system

Government of Western Australia

Department of Health

Western Australia

Hospital Locations Country
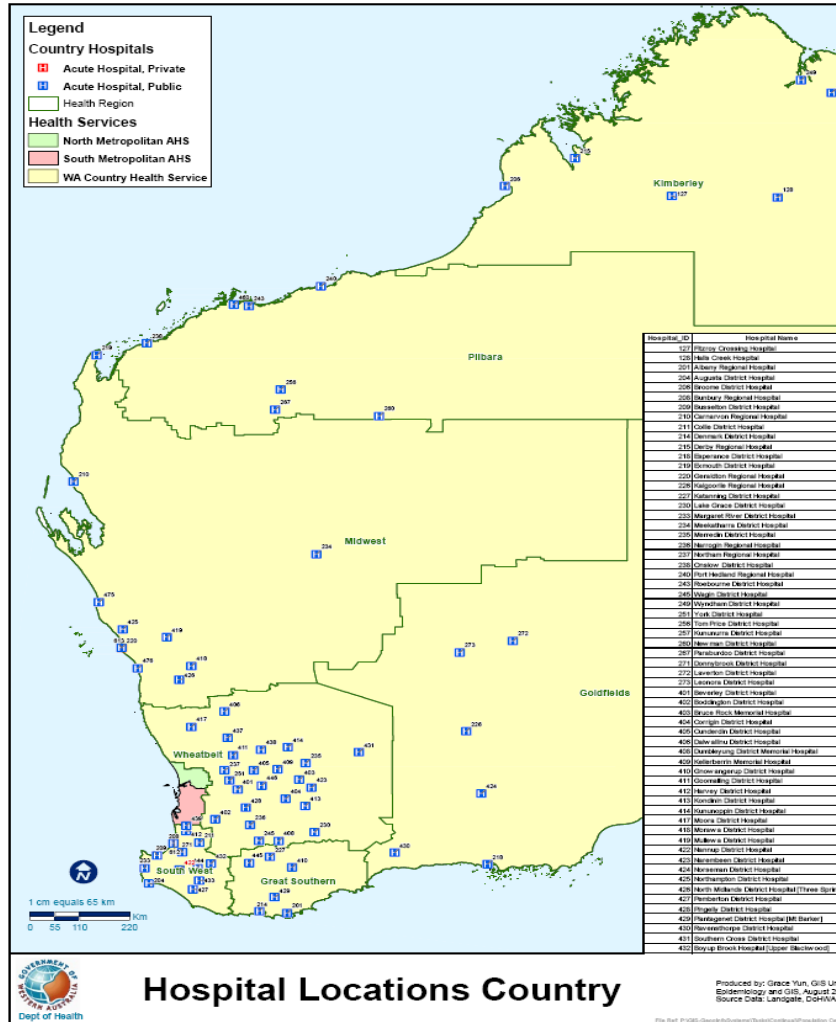
Business Drivers for e-Procurement

- Creation of a shared service coincided with a 30% increase in purchasing and payment transactions.

- Difficulty attracting and retaining skilled purchasing and accounts payable staff

- Best practice – reduction in transaction costs; focus on value added services; pay on time

- Reduction in supply chain costs, ordering errors, product recalls

- Commitment to NEHTA e-Health projects

System statistics

- **24,000 approved products – pick and buy**

- **5,000 (approx) contracted inventory lines**

- **60,000 (approx) purchase order lines per month – approx 20,000 sourced from managed procurement data**

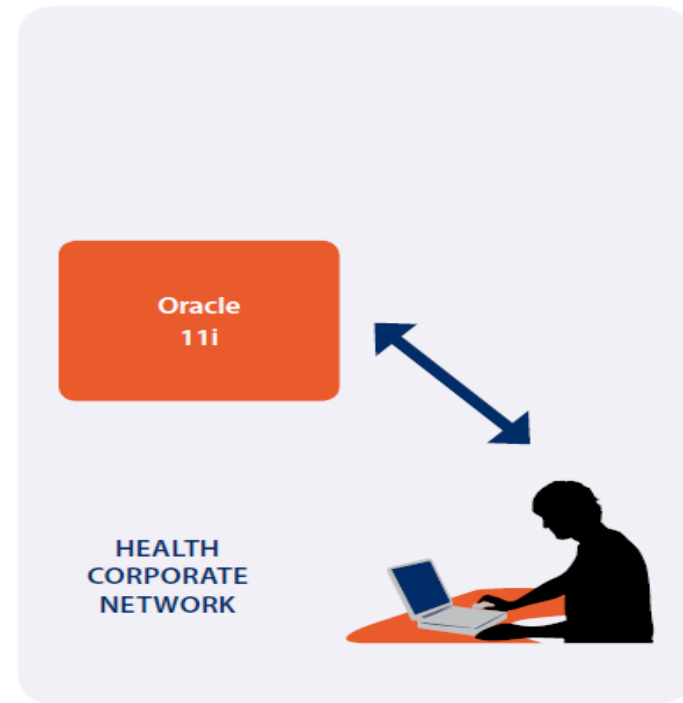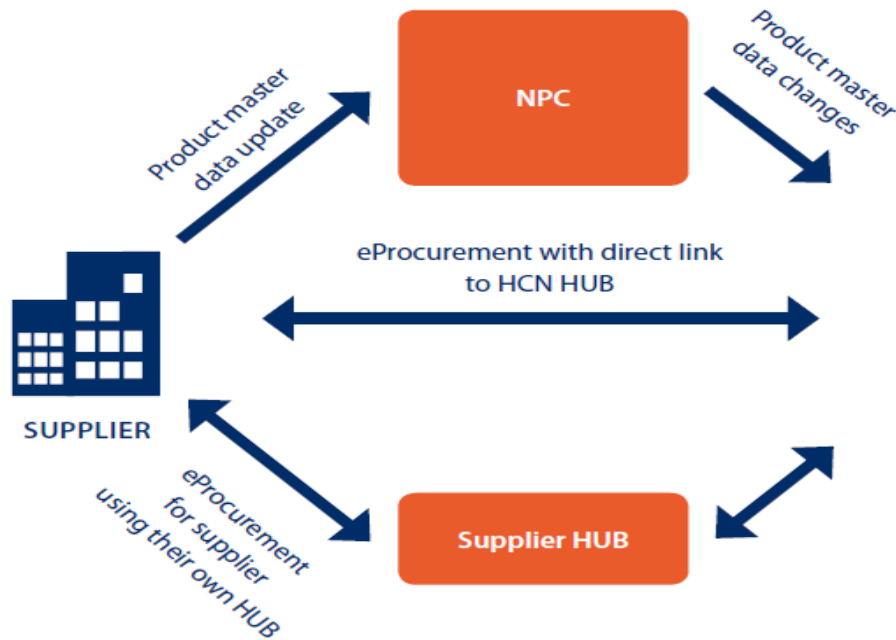- **45,000 (approx) invoices per month**

Proof of Concept

Objectives

•Implement an outbound XML purchase order

•Receive an inbound XML invoice

•Establish communications as per the NEHTA standard

HCN Data Flow Model

- Central data management.
- Data synchronised with suppliers.
- System to system transactions.

Faxed Purchase Order

Purchase Order

Department of Health
Government of Western Australia
ABN 13 093 250 769

Order:	441015
Revision:	0
Order Date:	24-JUL-2007
Enquiries To:	Hutton, MRS. Melissa
Contact Phone:	1300 367 524(08) 6444 5199
Contact Fax:	N/A

Supplier: ANSELL INTERNATIONAL
Victoria Gardens
Level 3/678 Victoria Street
RICHMOND, VIC 3121
Australia
GLN: 9377778073095

Ship To: ROYAL PERTH HOSPITAL
SUPPLY DEPARTMENT WAREHOUSE
MOORE STREET
PERTH, Western Australia 6000
Australia
GLN: 9337718000253

Bill To: *** Please Note ***
Invoices are to be sent to the SHIP TO address
as displayed on this Purchase Order

Note to Supplier: PLEASE ADVISE OF ANY PRICE/DELIVERY ISSUES - melissa.hutton@health.wa.gov.au

Line	Part Number / Description	Delivery Date/Time	Quantity	UOM	Unit Price GST Exclusive	Extension GST Exclusive
1		Promised:	60	Crtn 10	42.70	2562.00
	Supplier Item: 4574	27-JUL-2007				
	GLOVE,EXAMINING/TREATMENT:AMBIDEXTROUS;LATEX;TEXTURED GR;POWDER FREE;MEDIUM;24CM CUFF;SINGLE;NON-STERILE					
	Contract Number: HCNS 415606 Contract Ref:3 GTIN: 39310201045741					

Total: $ 2562.00 (AUD)

Government of Western Australia
Department of **Health**

Automated Purchasing

✓ Approved products catalogued and inventory centrally maintained in Oracle core (blankets)

Catalogue uploads from Oracle core into i-procurement at least daily
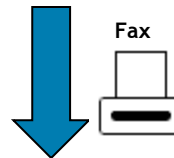
End users search on approved product list

Purchase requisition approval is work-flowed

Oracle

Lines consolidated into PO's based on "ship to" and supplier

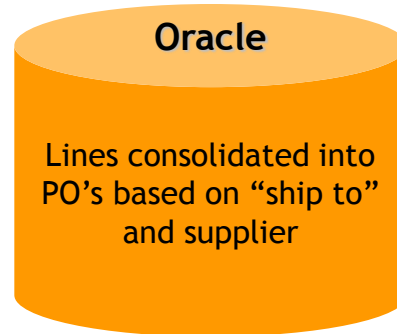Approved requisitions

Min/Max runs against inventory daily to create purchase requisitions

PO's transmitted electronically to supplier system using NEHTA standards
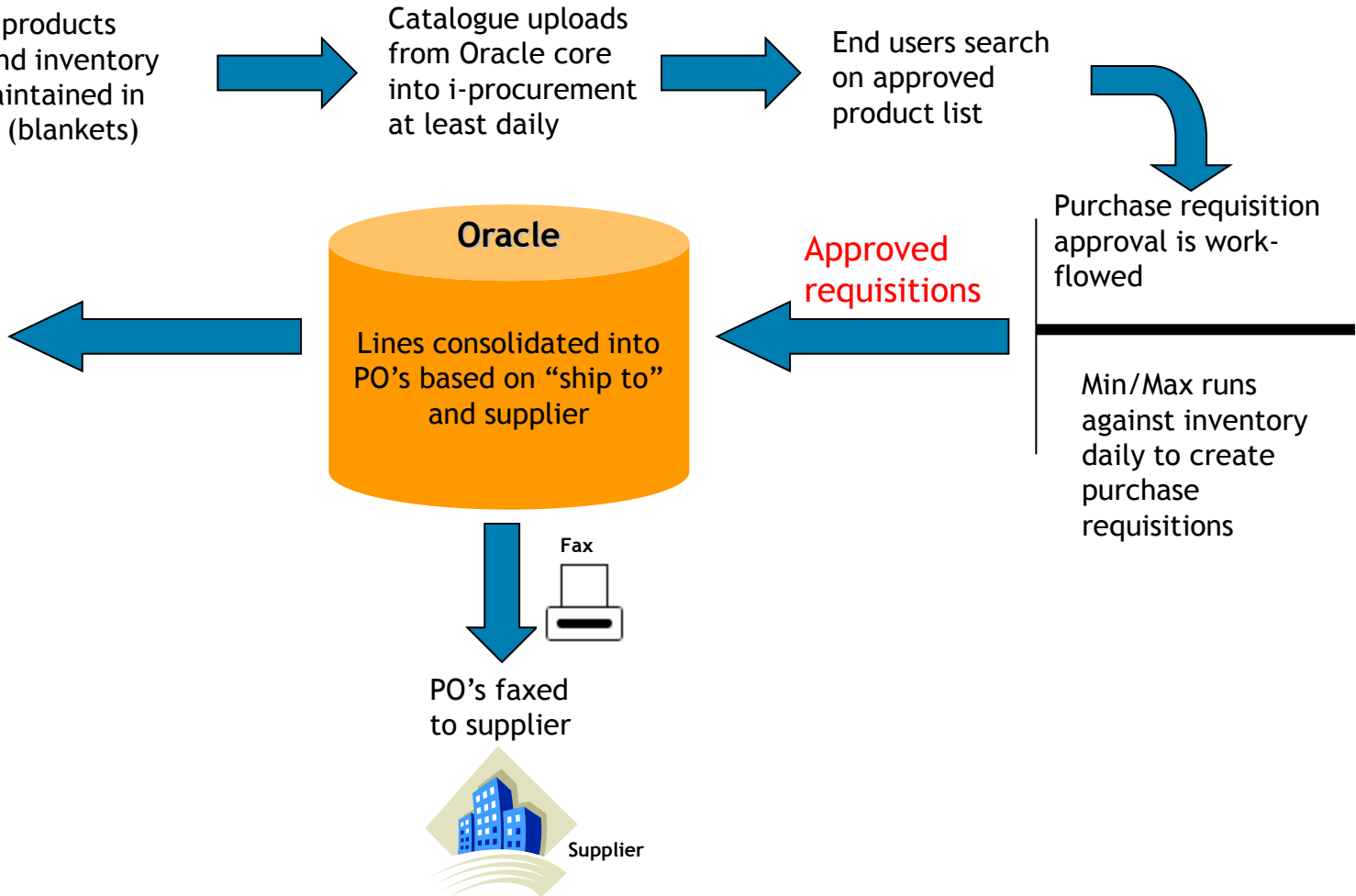
Supplier

Fax

PO's faxed to supplier

Supplier

Current Status

- Purchase Order (GS1 XML standard)

- Purchase Order Response (GS1 XML standard)

- Invoice (GS1 XML standard)

- Ongoing liaison with our top suppliers

- Centralised statewide purchasing and data management

eProcurement - Order Response Line Status

Por No	2636159
Por Date	10-Sep-2010
Po Number	810670-0
Buyer Name	Whittaker, Mr. Rory
Supplier Name	BUNZL OUTSOURCING SERVICES LIMITED
Supplier Site	B2B BUY

Response Status	MODIFIED
Document Status	ORIGINAL
Po Delivery Date	
Reason Code	
Msg Id	9377778020433-C0B5604D-36F3-416B-9AA6-3501AA768917

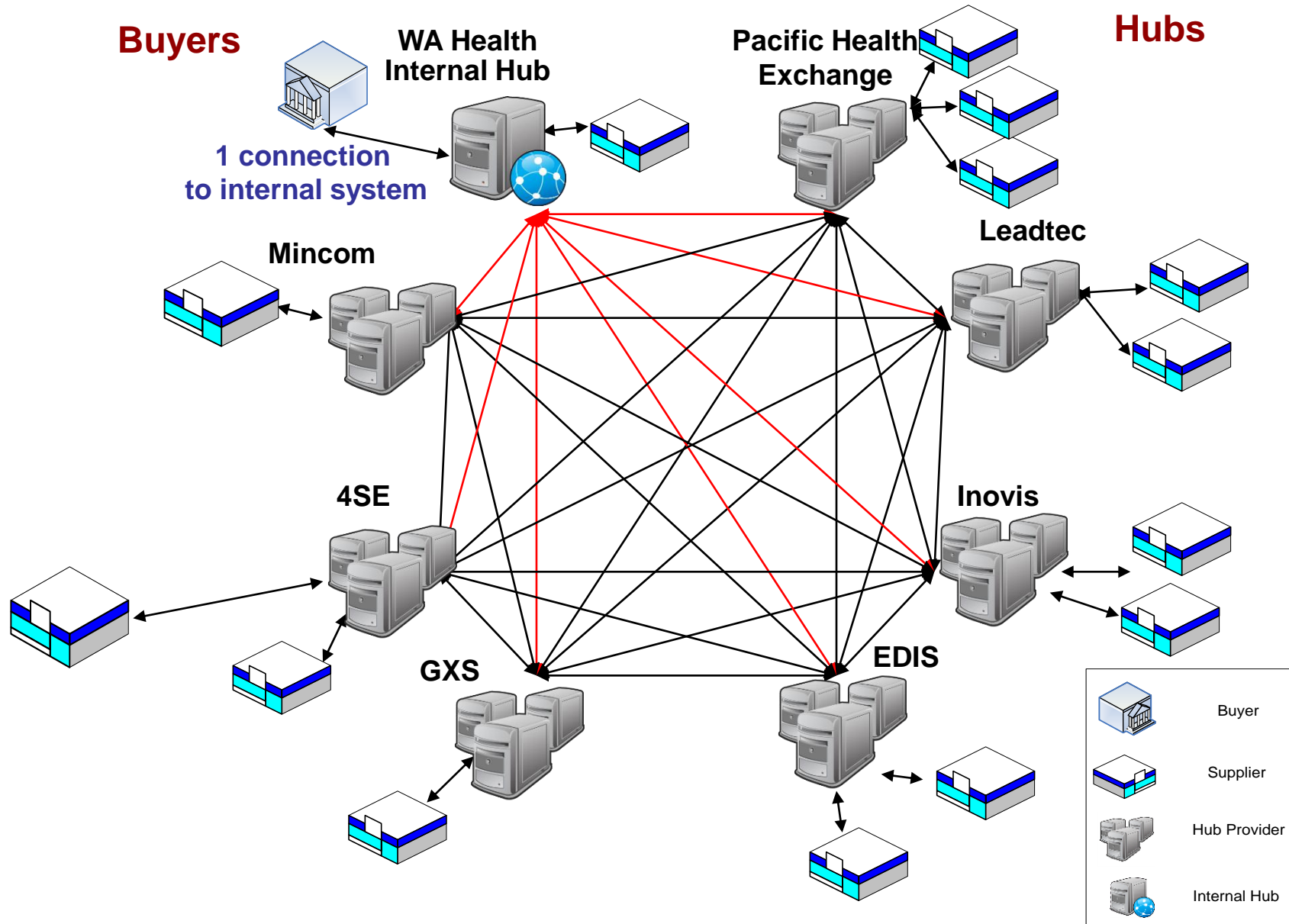| Line	Ship	Type	GTIN	Price	Qty	Delivery	Item	VendorCode	Description	UOM	ShipTo	LineItemChangeIndicator	ReasonCode	Additional
1	1	DELIVER	19310096010004	173.61	10 (0)*	16-SEP-2010	8134H	HVLB260	CUP,DENTURE:PLASTIC;PRINTED "DENTURES"{D3031009}	Crtn 990	RPH WAREHOUSE	MODIFIED	PRODUCT_OUT_OF_STOCK	Backord qty:10.0(Date mo
1	1	BACKORDER	19310096010004	173.61	10	16-SEP-2010 (18-SEP-2010)	8134H	HVLB260	CUP,DENTURE:PLASTIC;PRINTED "DENTURES"{D3031009}	Crtn 990	RPH WAREHOUSE	MODIFIED	PRODUCT_OUT_OF_STOCK	Backord qty:10.0(Date mo

Action History

Sequence Num	Action	Action Date	Comments	User Name	Employee Name
2	CLOSED	05-Oct-2010 14:09:54		HE09201	Melbourne, Mr. David Gerard
1	REVIEW	22-Sep-2010 08:17:36		BPELIMPORT	BPELIMPORT, Interface Import

Add Action

Return to Order Response Search

A Federated Marketplace

Buyers

WA Health Internal Hub

Pacific Health Exchange

Hubs

1 connection to internal system

Mincom

Leadtec

4SE

Inovis

GXS

EDIS

Buyer

Supplier

Hub Provider

Internal Hub

eProcurement Issues

- NPC data
  - Difficulty obtaining GTIN's
  - Lack of understanding of Trade_Item_Hierarchy
- Only for managed inventory items
- Supplier take-up

eProcurement Benefits

- Accurate product identification using GTIN

- Purchase Order Response enables prompt resolution of discrepancies.

- Reduced intervention by Accounts Payable staff.

- Invoice payment is expedited

Future Implementation

- Advanced Shipping Notice (also known as Despatch Advice)

- Investigating ways of including non-inventory lines into the B2B process

- Developing a workflow process for the NPC notification messages to update our ERP

Department of Health

System driven procurement and payment