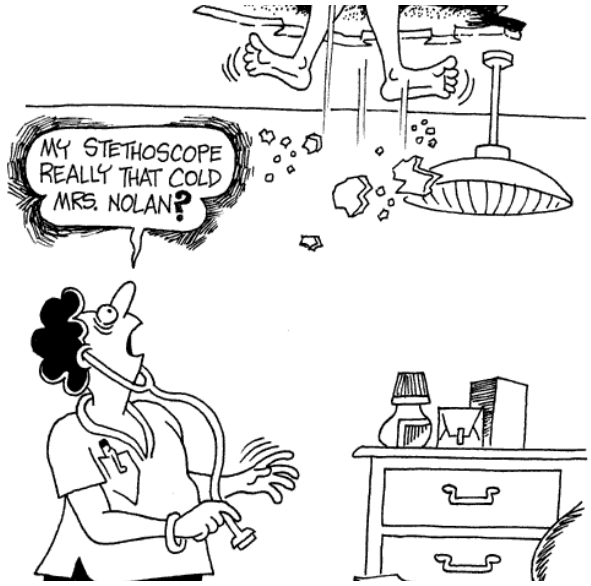
GET MORE BANG FOR YOUR BUCK OUT OF YOUR MEDICAL EQUIPMENT

Making a plan now could cut the price you pay and also extend your equipment's life.



Every NHS accountant knows the on-going squeeze on healthcare resources means that Trusts need to look for cost savings wherever they can find them. But in our experience working with over 100 NHS organisations **the capital budget is often overlooked**, even though it can be an area with great potential to cut waste.

Rigorous medical equipment management can also extend asset lives, leading to **an increased capacity to treat patients** for the same amount of financial resource.

In order to achieve the greatest efficiency medical equipment needs to be managed through **a five-stage lifecycle**:

(1) Capital equipment planning

There is a tension in buying capital equipment between **equipment manufacturers** who obviously want to sell their stuff on the one hand and **doctors** who like to buy brands that they recognise on the other. Employing an **experienced medical equipment consultant** in the middle should negate this bias. Someone with extensive manufacturer knowledge should also be able to advise on which devices might cause problem, requiring repairs or expensive replacement parts.

Equally as crucial a medical equipment consultant should be able to identify the absolute **total cost of ownership of an asset**, including all the additional costs on top of the actual purchase price - warranties, training and software upgrades etc.

(2) Selection and procurement

At this stage of the process you need to focus in on the details to make sure that you get the right deal.

Post purchase service contracts should be **limited as much as possible**, ideally to less than two years. If you anticipate an on-going flow of repair work you may even want to consider using in-house staff to carry them out. This will give you a much greater control and flexibility and also avoid possible substantial overtime charges from manufacturers should equipment break down outside of business hours.

Any existing maintenance contracts that you have in place should be considered for termination, even if this does lead to penalty charges. **Taking a hit in the short term can often save money in the long run** if you decide to take repairs in-house.

It's also important to prepare clinical areas in advance for the commission of new equipment. Will your new kit interact with your existing medical equipment? Will you need new electrical points? Will there be an issue with patient access?

③ Implementation

Installation goes hand in hand with staff training in order to ensure a smooth implementation and the next step is to get **clinical acceptance**. Is the equipment adhering to the standards promised by the manufacturer? Is it working in accordance with your governance process? These questions should be the responsibility of your clinical engineering department. This is a **critical function** and it should have an opinion on what future equipment trends are likely to be. They should also be involved in training staff on how to use equipment correctly, in order to prevent damage.

④ On-going management and monitoring

As a piece of equipment moves into regular use it's still important to continue to **manage and monitor it**, in order to ensure that it delivers on it's investment.

The first step is to set up a **performance assurance schedule**. This is very much a governance issue, ensuring that the equipment is performing within acceptable ranges for patient safety.

A maintenance plan and associated policies are also critical. As is planning for downtime, equipment failure and disaster recovery.

⑤ End-of-life management

The **life of your equipment can be extended** in many different ways

You could have it refurbished or even buy refurbished equipment instead of new equipment. You can redeploy the equipment into different settings or retire it over a period of time.

There are also other cost saving measures that hospitals can think about to get the **most out of their investment**.

Focus on your contract management; make sure clinical engineering and IT work as team. Many pieces of equipment integrate software and patient information, so it's vital that **both departments communicate clearly** on what their respective responsibilities are.

Make sure you establish, in writing, what constitutes a software update and upgrade **prior to the purchase** of any software. Broadly an update is an improvement of the current software whereas an upgrade is a completely new development.

Lastly it's important that your IT department takes a view on what future plans manufacturers have for their software and how this will effect your organisation.

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P.S. if you're at the North west Contact Conference this morning (a fab event run by David Ellcock and the FSD) the first person to come to our exhibition stand and say "NICE WAISTCOAT, JOHN!" will win a very drinkable bottle of wine - Sauvingnon Blanc or Wolf Blass – your choice!

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