

Moving in one direction

...and working together to synchronize data using GS1 standards

Joe Dudas is a man on a mission. For several years, Mayo Clinic's Vice Chair of Category Management—along with Cardinal Health—has been a strong proponent of the GS1 system's standards adoption within the healthcare industry.

But healthcare is unique, with fragmented markets and a lack of infrastructure to integrate the multiple clinical data and inventory management systems currently in use. "There is so much information out there that physicians want, with real potential to be game-changing," says Dudas. "But right now, it's not accessible or understandable for a variety of reasons."

The GS1 system is the most widely used supply chain standards system in the world. It seeks to improve supply chain efficiency across markets, such as retail, grocery, and healthcare.

GS1 System foundational standards:

- » **Global Trade Item Number® (GTIN)®:** 14-digit codes assigned to individually manufactured products and different packaging configurations.
- » **Global Location Number (GLN):** 13-digit codes used to identify healthcare supplier and provider locations.
- » **Global Data Synchronization Network® (GDSN)®:** A certified data pools network that enables supply chain product data synchronization and standardization between partners.

Dudas thinks that implementation of GS1 is the one of the most important and logical areas for industry-wide adoption. "It was imperative that we identify our ship-to locations so we could track our ordered products, conduct data and trends analyses, and ultimately understand how our supply chain works," Dudas says. "Illustrating potential problems within your supply chain not only addresses inventory management priorities, but patient safety priorities as well."

Mayo Clinic was already automating much of its supply chain prior to its GS1 collaboration with Cardinal. Since implementing GLN standards, however, its realized benefits have multiplied. "Our pricing accuracy is currently very high," Dudas notes. "We've eliminated location identification errors, minimized potential losses of discount eligibility, and avoided tier qualification and rebate disputes."

In 2010, Mayo Clinic joined four other health systems to form the Healthcare Transformation Group to share best practices and drive needed positive change across the supply chain. Their first initiative: promote GS1 standards adoption as a transformative and necessary process for healthcare providers. Not surprisingly, all five members are consistently ranked among Gartner, Inc.'s annual Healthcare Supply Chain Top 25 organizations leading the way in transforming the healthcare value chain.

Dudas is quick to point out, however, that this investment serves a broader purpose. "Providers often ask, 'What is the ROI for adopting GS1 standards?' but that's the wrong question to ask. If you're implementing GS1 standards with no intention of addressing other operations areas, like staff and technology, you may end up adding more costs to your supply chain. But if you use industry data standards to enable process improvements and efficiencies, it will more than pay for itself."



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Mayo Clinic