

Hospitals test shared-services model for procurement

A pilot project by a group of southwest Ontario hospitals to share diagnostic imaging services could lead to a new shared-services model for procurement generating significant savings for area hospitals.

There are 22 separate hospital corporations in Southwestern Ontario, but eight hospitals in the Thames Valley area around London will be initially involved in the pilot. If successful, it is expected to be expanded across the region. The goal is to develop a shared services model for the sharing of diagnostic images, like x-rays, online amongst the member facilities.

Delivering images electronically should be more effective and efficient, as well as improve patient care by allowing for a quicker diagnosis, allowing a patient to get a scan done at one hospital and their doctor to immediately access it from another via the Internet, without film having to be processed and couriered across town.

“When you look at the costs of technology in hospitals, particularly with diagnostic imaging, for the smaller hospitals to put in a picture archiving system would be cost prohibitive,” says Diane Beattie, chief information officer and integrated vice president, St. Joseph's Health Centre and the London Health Sciences Centre. “But when you group hospitals together you can get enough critical mass to make a project viable for the smaller hospitals as well as the larger ones.”

Since Ontario doesn't have regional health authorities to spread those costs across, the hospitals in the Thames Valley region have had to create informal relationships, and Beattie says this diagnostic imaging shared services project, if successful, could lead to even greater procurement collaboration down the road. In fact, a group of local hospitals have already created a joint venture for their laundry services.

“We're beginning to look at using shared services for other purchases, and how that may work,” says Beattie. “There's a group of hospitals looking to do their actual procurement process together, and we're looking at buying computer software across our area as well.”

Beattie says she sees significant potential for savings in volume purchasing, and good value in intellectual capital as well by leveraging projects from individual hospitals across the region. While one facility might invest 12 to 14 months in launching a project, it can then be duplicated across the region in four months since all the up-front work has been done.

However, while greater collaboration around procurement is likely for southwestern Ontario hospitals down the road, Beattie says he sees the relationships continuing to be informal and each hospital continuing to operate independently with separate boards of directors.

Part of the funding for the diagnostic imaging project is coming from Canada Health Infoway, formed in 2000 by the federal and provincial governments to strengthen Canada-wide health infrastructure.

Myrna Francis, Canada Health Infoway's CEO, says they hope to gather information from this project and another in British Columbia to allow them to roll out a shared services model for diagnostic imaging across the country.

"We were looking for groups of hospitals we could work with to try the solution, share the technology among several facilities, and then work out the business metrics of how to reduce the cost and increase the speed of implementation," says Francis. –*Jeff Jedras*

Government counts the cost to recycle computers

Alberta already has classy mountains of sandstone and limestone. It doesn't want to add trashy mountains built of computer monitors, hard drives, laptops, printers, scanners – the toxic detritus of the Information Age, or "e-waste."

On one hand, it's a source of pride that 63 percent of households in the province have a personal computer, and many more are about to hop on the bandwagon as rural Alberta gets wired (See "Alberta SuperNet," *Summit, Focus on IT*, Fall 2003). But on the other hand, obsolete electronics equipment has to be managed carefully. You may get myopic, have repetitive strain injuries and broken-down posture, but computers aren't actually considered bad for your health until the end-of-life stage when products in landfills begin to break down. Leachate in landfills – garbage juice – can contain lead from the glass in monitors; mercury from batteries and switches, and beryllium from motherboards.

Environment Canada has predicted Canadians will dispose of approximately 67,324 tonnes of e-waste (excluding mainframes and other large equipment) in 2005. Of that 47,791 tonnes will be reused, 11,948 tonnes will be stored and 43,428 tonnes will be recycled. While 16 manufacturing heavyweights are currently planning a partnership, "Electronics Product Stewardship Canada," to build in life-cycle planning, communities aren't waiting for them to control e-waste. In the largest e-cycle day ever held in North America, May 10, 2003, Calgarians diverted at least 7,320 kilograms of lead from the landfill – not to mention mercury, plastic and metal totalling another 220,000 kilograms. But that only scratches the surface.

For two years, the provincial government has had a voluntary program to increase e-waste recycling. Besides its annual collection day, the City of Calgary collects e-waste and household hazardous waste at fire halls. The City of Edmonton collects fluorescent bulbs and computers at two Eco Stations. "But the voluntary program hasn't worked as well as it could," says Val Mellesmoen, Ministry of Environment spokeswoman. "The city or collecting body has to pay for transportation to the recycler. You have to pay the companies to do the recycling. There's no way to offset the costs or guarantee they're going to be transported or recycled effectively."

That's why the province is stepping in as part of a serious move to reverse the current overall 80 percent waste to 20 percent recycling ratio. Funding municipalities directly to collect, sort and transport materials to waste management facilities "is not the best way," Mellesmoen says. "We're looking at waste management practices, at how we regulate and approve landfills, government waste management and procurement policies, looking at all of the different issues and stewardship programs."

By spring, Alberta Environment plans to establish a board to collect e-waste and transport it directly to recyclers. "The will and the momentum are there," Mellesmoen says. Oddly the plan is not tied to the \$193-million SuperNet, which is wiring 395 rural communities. "It would be nice to be able to say it's a conscious connection," Mellesmoen admits. –

Melanie Collison

Movin' on: SourceCAN becomes part of Government On-Line

SourceCAN, the Industry Canada online database that matches Canadian businesses with opportunities around the world, continues to evolve. Whether it is negotiating with the Federation of Canadian Municipalities to create a national e-catalogue of services, or becoming the first western country to host tenders from the People's Republic of China, or acquiring the North American rights to host business opportunities from World Bank international financial institutions, this innovative and entrepreneurial service is constantly extending the value it offers Canadian businesses.

David Chase, SourceCAN's managing director said, "Last year we had 2.58 million visitors come to the site. We matched 1.68 million business opportunities to Canadian companies." In 2002, SourceCAN posted 98,000 tenders open to Canadian companies.

SourceCAN began operations in 2001, as a joint venture of Industry Canada, the Canadian Commercial Corporation and Ottawa-based HyperNet, a private sector company, but as Chase explained, the governance structure has changed along with the services SourceCAN offers.

"Everything is back within the government now, and what that allows us to do is bring other partners on like Export Development Canada and other federal departments and agencies," he said. "Now we are moving it into a governance model so that we can be part of a common service under GoL [Government On-Line]."

Linking together disparate feeds from different national and international sources is no easy task. SourceCAN uses Oracle database technology to solve today's puzzles as well as anticipate tomorrow's challenges.

Jim Stonehouse is Oracle's national solutions leader for government. "We made the effort to understand the business, and I don't think that is any magical sales effort," he said. "I think that all too often, though, sales organizations don't get the opportunity to get to know and appreciate the business that others are trying to deliver."

Stonehouse said Oracle's relationship with SourceCAN breaks out of the usual confines of the public sector procurement world, where vendors are often left in a response mode to the requirements of the Crown. "I think the true differentiator here is that we took the time and SourceCAN has taken the time to get to know the industry, what the industry is going to offer, in terms of how to deliver service to their clientele," he said. "We have just collectively made the effort to understand each other's business."

David Chase agreed. "I know the types of tools that I want and I know what my clients require, and my clients are the provinces and also Canadian businesses."

Along with growth and flexibility, continuity must rank high among SourceCAN's priorities because many of the services it offers its clients extend a long way into the future. "We are in discussions with the BC government on the delivery of 2010 Olympic bids. That is seven years away," Chase said. "*—Richard Bray*