

Equip Your Facility on a Budget

Cost constraints don't have to keep you from getting what you want.

[Nathan Hall](#)

After gathering all of the big-ticket capital equipment requests from your physicians, you might think it's impossible to equip your surgical center without imploding your budget. Here's advice from some experts for doing just that.

Navigating with a steering committee

This sounds obvious, but the first thing to do is decide what types of surgery your facility will offer, says Kelly Spivey, vice president and managing director of Equipment Collaborative in Dallas. "You can't be everything to everybody," she says. "Buy what you need to serve your physicians, not what you want, because that might not be a good match. Dig deep into understanding what is a 'want' versus a 'need.' Buy the needs and put the wants in future capital budgets. The consensus at a new facility more than likely won't be 100 percent on opening day. Phase in purchases accordingly to support the ORs at perhaps 50 percent on day one, and then increase that percentage down the road."

When it comes to differentiating needs and wants, Larry Hampton, CEO of HELP International in Plano, Texas, says, "We all want a Mercedes, but we all need a Honda, and maybe something in between is what you get."

He says physicians and clinicians need to be objective about what they really need, given their procedures, and suggests they write their own performance specifications. That way, you can look at what they need and find the most appropriate vendor with the best prices. "You can buy all the equipment to do everything you need in the PACU for \$3,500 or you can buy all the equipment to do everything you need in the PACU for \$35,000," he says.

Getting all the information you need to equip your facility means having a steering committee, says Ms. Spivey, consisting of personnel from the administration, the surgical department head and other key players.

The only way to get such a diverse group on the same page is to get them all in the same room, says Owen Owens, PhD, director of operations for Sovereign Health Care Arizona in Scottsdale. "If you can't get them there, you have to talk to them where they are," he says. "This could mean visiting the surgeons in their offices to see what they need."

For Lori Donovan, RN, MSN, CNOR, administrative director of surgical services at Arlington Memorial Hospital in Arlington, Texas, an important part of the process is to keep excellent records of the decisions made at the initial meetings. "This would be helpful to remind people of why certain decisions were made," she says.

You can prioritize your equipment needs by creating a list with the most expensive item on the top and the rest in

descending order, says David Sawchuck, a partner with Korbel Associates, medical equipment planners in Minneapolis. "We all have big-ticket items, and there can be a hundred things to purchase, but you need to focus on the main ones," he says.

Some facilities, particularly hospitals, often try to determine what their items will be over time to figure how their priorities will work through the years, says Mr. Sawchuck. "Some hospitals try to manage equipment by figuring out when they bought something and factoring in how many years of expected life it has," he says. "They make sure it has the full functional life, and if it doesn't they find out why not."

What if your budget doesn't cover everything? No problem, says Dr. Owens. "Keep the big picture in mind and remember that the money you have today isn't the money you'll have tomorrow," he says. "You don't have to do it all at once, you just have to get the facility off the ground."

Hiring equipment planners can also help you to find the best prices, which can vary widely, says Mr. Hampton. "Equipment consultants are constantly exposed to pricing nationwide, and we see all the variances in that pricing," he says. "We've got a pretty good handle on where pricing should be, and can take a quick look at a price and determine if better terms or prices are available."

Work with the vendors

You should also work closely with equipment reps, says Ms. Donovan. "I had each of the vendors take me to another location, if possible, to show me exactly what we were purchasing for this project," she says. "I didn't want any surprises and I didn't want to purchase anything that I thought was unnecessary. Some of the vendors were nervous with this process, but I insisted and I did not approve the purchase orders until I was clear on what I was buying."

Vendor support is also crucial when you're orienting staffers to the new equipment, says Dr. Owens. "If they don't have the right training, staffers may break equipment by pressing the wrong buttons or rewiring something incorrectly," he says. "Whoever's giving you maintenance support will only be able to do it for so long."

If you're buying one or two items, says Mr. Hampton, your GPO will probably give you a good deal, but if you're looking for larger quantities he suggests putting the purchase up for bid. To do this, specify what you need in writing, send it to multiple vendors and ask for a bid by a particular date. From there, he says, you can analyze the bids to get the best option for your needs.

Outfitting Your Reprocessing Room

The central sterile department is sometimes seen as low man on the surgical totem pole, but you can't dispute the essential role that reprocessors play. Here's advice on building and equipping them a productive workspace in your ASC.

Given the biohazardous nature of the reprocessing room, air exchange is critical to address. Any architect specializing in healthcare will be able to refer to the American Institute of Architects' guidelines on the issue and plan a compliant ventilation system.

Just as important as the room's air is its water. Since the mineral content of water can wear down instruments and sterilizers, and since water quality differs from location to location, water testing is advised. Most equipment manufacturers can arrange for testing experts to visit your facility for a sample, analysis and recommendation as to whether a water conditioning system or the use of distilled or de-ionized water is required.

There is a trend in ASC construction to build small decontamination and sterilization rooms. But the efficiency of your reprocessing staff directly impacts the efficiency of your OR personnel. Without adequate space to soak, scrub and store instruments; to supply personal protective equipment and dispose of refuse; and to maneuver, load and unload carts, workflow may be compromised.

Keep staff ergonomics in mind as well. Good lighting is necessary for manual inspection of instruments. Countertops, tables and other work surfaces and furniture should be at proper standing or sitting heights to prevent fatigue. For busy ASCs, an automated tracking system that etches instruments with bar codes and scans them through central sterile can save time in seeking items while also documenting their use and cleaning.

The process of equipping a reprocessing room is in many ways similar to that of buying OR lights or equipment booms. In both cases, vendor selection is driven primarily by how well their equipment works, cost and availability of technical service. As always, pricing depends on the equipment's size and options as well as your center's contracts and vendor dealings. Washer-disinfectors tend to range from \$80,000 to \$160,000, with most ASC-worthy models on the lower end. Steam sterilizers are similar in price, but since most ASCs won't be connected to a hospital boiler's house steam, they'll need to factor in a smaller boiler or a device's self-generated steam.

The disinfection and sterilization market is a relatively small field with only a handful of manufacturers, many of whom also have an OR equipment presence. If you're equipping a startup ASC, you may be able to bundle your purchases for a better price. Likewise, if you're satisfied with the service plans offered on OR technology, you can probably expect reliable service on your sterile equipment.

Given the plumbing and connections required for proper use, it's not entirely possible to trial reprocessing equipment at your facility, but unlike with booms or lights, you won't see a great difference in operation if you try them out at a showroom or another facility.

Other sterilization methods exist as alternatives to steam's high temperatures. Liquid sterilization is an option for immersible items, and gas sterilization can provide low temperature reprocessing. Be sure to research each method's requirements, though. The products used in liquid sterilization represent a continuing expense, while gas methods can take much longer to complete and require the exhaust of fumes.

Stainless steel sinks in a laminate or stainless countertop are another decontamination room necessity. You'll want the sinks large enough to be able to submerge an entire instrument tray, but not so deep that they'll hide sharps dangers at the bottom. Your subcontractor or plumber should be able to guide you through the choices. Installing two sinks and a cleanup counter generally costs about \$11,000, and three sinks about \$13,000.

— Lynne Ingle, RN, MHA, CNOR

Ms. Ingle (lynne.ingle@gbainc.com) is a medical equipment planner for Nashville, Tenn.-based Gene Burton & Associates (www.gbainc.com).

"Chances are, the responses will be as different as apples and oranges, and you'll need to look at the bid's specs to ensure that the machine that appears to be the best buy really does meet your requirements," he says. "You might have to call in the vendor."

Should it come to this, he advises you have the vendor come to your facility for a demonstration and tell the representative that his company is one of your final two choices. "I wouldn't tell them at that point that they're the first choice," says Mr. Hampton. "Make them think it's competitive, so that they'll come back to offer incentives, better pricing and payment options."

What to look for in used equipment

When considering used equipment, seek out companies that are credentialed by organizations such as the International Association of Medical Equipment Remarketers and Servicers to be sure they're following an ethical protocol when preparing the devices for sale, says Mr. Sawchuck. You should also look for vendors that offer "remanufactured" equipment, says Mr. Hampton, because this is a legal term indicating that the equipment has parts from the original manufacturers.

Resellers and refurbishers don't always use parts from the original manufacturer, says Dr. Owens, which can hurt you if you go back to the original manufacturers for support. "Once you rely on a third-party vendor, you may have to stick

with them, so be sure it's a solid relationship," he says. Since most third-party vendors offer a one-year warranty, Dr. Owens says you can use this time to decide if you want to stay with them or consider someone else if your equipment has after-market parts added to it.

So although refurbished equipment can save you money in the short term, Dr. Owens says it can end up being more expensive if you're not careful about what you buy. "We found that some third-party vendors cut more corners than we're comfortable with," he says. "One example was when we bought our sterilizer from a refurbisher. When they bought it from a closed hospital, they refurbished it to what they felt was an appropriate standard, but they cut a lot of corners to cut costs. They drilled extra holes in it and jury-rigged the equipment."

This sterilizer was in operation for about a year, but Dr. Owens said the vendor had to come in two to three times a month to repair it. Since this was the facility's only sterilizer, Dr. Owens says it backed up the caseload for physicians and caused several other problems. Finally, the facility made a deal with the original manufacturer to bring the equipment back up to its original specifications. They haven't had trouble with it since.

"What we thought was saving a buck ended up costing us much more in intangible costs," he says. "We lost the good faith of the physicians when they had their cases backed up and we had to pay staffers for the lost time. There truly was a trickle-down effect."

To avoid being in such predicaments, Dr. Owens advises that you stick to vendors you've had lasting relationships with when considering refurbished equipment and get all the terms of the deal in writing. Mr. Hampton advises against buying equipment sight-unseen over the Internet. "I've had clients do that, and I've never seen a piece come in that works," he says.

After all the planning is done, you may want to get something else added to the purchases. If it's a large expenditure, making this happen could mean petitioning the board for extra funding while judiciously cutting smaller items from larger purchases.

When Ms. Donovan saw her facility's plans for equipment, she saw that only two of the ORs were slated to have high-definition monitors. "I didn't like that idea, given that it would have required us to micromanage the schedule for those rooms and keep two different type of cameras," she says — meaning she'd have to keep track of who needed to use those two rooms with the high-def monitors and make sure they were ready for them.

When Ms. Donovan presented her idea of installing high-definition monitors in all of the OR rooms at a meeting with the surgeons, they were in favor of the idea. "I asked for their support and they said they would give it in whatever manner that I needed to make this happen," she says. "It was not a tough sell to get them on board, nor was it a tough sell to our administration when I asked for the additional funds. The staff was on board because they didn't want to keep track of two types of cameras and they also didn't want to listen to surgeons express their discontent with working in a non-high-definition room."

Although her petitioning won her support for the \$200,000 it would cost for the high-def monitors, Ms. Donovan had to find a way to get the technology without asking for too much additional funding. "I told the sales representative that I wanted high-definition in all of the ORs, but with minimal additional cost," she says. "We looked at the numbers of adding high-definition without eliminating anything from the original project. But I felt that the cost was too much with this option, so then we looked at the possibility of eliminating or downsizing other equipment related to this project."

Ms. Donovan agreed to have her facility use three monitors instead of the four suggested by the rep. "Given that the surgeons were used to having two monitors in the room, we suggested three would be adequate for their needs. The surgeons agreed," she says. "Plus, by having one less monitor, we were able to go with slightly larger-sized monitors for the other three."

"In terms of dollar amounts, there is no way for me to assess the financial impact of the physician and staff satisfaction and the quality of care that we could provide our patients," says Ms. Donovan. "However, given that the additional cost was reasonable, I believe everyone felt as I did — that this was the way that we needed to go."

How to Make a Petition Work

When Lori Donovan, RN, MSN, CNOR, administrative director of surgical services at Arlington Memorial Hospital in Arlington, Texas, petitioned for more funding to get her ORs equipped with high-definition monitors, she sold the idea to the steering committee on a number of factors:

- **Surgeon satisfaction.** "If all rooms were equipped with high-definition technology, then all surgeons would have the same access or opportunity to use it," she says. "If not, we'd have to establish a criteria, which would have to be approved by the surgeons, about who takes precedent over its usage — and that would eventually lead to some disgruntled surgeons."
- **Easy for the staff.** "If all the equipment's the same, the same staff doesn't have to worry about finding a high-definition camera versus a non-high-definition camera or hooking up the high-definition-camera in a non-high-definition connection and vice versa," she says. "In addition, having only one type of camera would eliminate any mislabeling of the camera by the sterile processing personnel."
- **The need for state-of-the-art equipment.** "High definition is the technology of today, and so having it let us offer the surgeons a technology that is not offered at any other facility," she says. "And installing the wiring and equipment while building a new facility would be less disruptive than trying to do it at a later date, which we would need to do to remain competitive."
- **Competition.** "Other facilities are looking to install high-definition monitors," she says, "so this let us be the first in our area to have it in all of our rooms."

— Nathan Hall