AWESOME PRODUCT V2 (AP-V2) BUSINESS CASE

Prepared for: My Hospital Ward

EXECUTIVE SUMMARY

- Proposal to switch to AP-V2 - now considered best practice
- The current product is labour intensive and difficult to use, requiring high technical proficiency
- AP-V2 represents a 50% saving in time and one third less applications required per week
- Time required will reduce from 9 hours across the ward per week to 3 – a saving of 6 staff hours per week
- Staff absenteeism is rising and above industry averages – attributed to stress and Mental Health Days (MHD)
- AP-V2 would have an additional annual cost of $15,000
- Annual cost of absences totals $55,000
- The time saving will have a positive impact on staff time pressures and hence workplace stress
- Additional cost offset by:
    - Potential subsequent reduction in absenteeism cost
    - Safer and better patient outcomes
- Product performance – 2-week trial has been completed confirming product claims

CURRENT SITUATION

- We are a 20 bed ward
- Current product is no longer considered the benchmark
- Involves a manually intensive process which is time consuming with inconsistent outcomes
- All levels of staff are time poor leading to mistakes and omissions, impacting on:
    - Patient outcomes
    - Potential for extended recovery times = more bed days
    - Staff stress and absenteeism
    - Perception of the facility

Time

- Current process takes on average 10 minutes per patient, 3 times per week
- Equates to 9 hours per week across all beds = 468 hours per year (58 shifts worth of time)

CURRENT SITUATION

Staff

- 15 staff covering 3 shifts per day = 120 staff hours per 24 period = 840 staff hours per week
- Time poor situation contributing to staff fatigue and subsequent increase in absenteeism
    - Mental Health days
    - Stress related
- Average of 3.3 absent days per week – above the national average of 2.3[1]

Cost impact of absences	Data	Calculation
Number of staff	15	
Average days absent per annum	10	
Total absent days		150
Number work days per year (less A/L and P/H)	322	
Average shifts per week		3.3
Absent hours per week		26.1
Weekly*		$ 1,060
Annualised cost		**$ 55,143**

1 – ABS (2019)

- - Calculated using avg hourly rate for ward

THE PROPOSAL

What

- Introduction of AP-V2 into the facility as best practice
- Clinical evidence shows application time is half that of current product[2]
    - Confirmed by recent evaluation
- Cost impact of $15,000 per annum

Justification

- Less time burden and less technical skill to use
- Greater efficacy than existing product[3]
- Better, safer and less disruptive patient outcomes[4]
- Twice weekly changes compared to 3 times for current product
- Time to apply is 5 minutes per patient as apposed to 10 minutes
- Equates to 3 hours per week across all beds = 156 hours per year
- Represents a saving of 6 hours per week = 312 hours per year or 39 shifts worth of time

References
2 – White paper - Head to head comparison AP-V2 and CP1 – Jones et al (2019)
3 – ANMJ Vol. 37 Dec 2019 - Critical factors for product selection – Miller and Simons
4 – AMAJ Vol. 18 June 2020 – Safe and efficacious outcomes for treating X – Brandt, Mason & Tims

THE PROPOSAL

Cost Calculator	Existing Product		New Product	
Site Name	**My Hospital**			
Number of beds	20			
Occupancy rate	90%	**18**		
Patients requiring product	80%	**14**		
Product use per week	3		2	
Total		**43**		**29**
Annualised usage	52	**2,246**		**1,498**
Products per box	8	**281**	5	**300**
Cost per box	$ 85		$ 130	
Product training hours required			1	
Number of staff to train			32	
One-off Training Costs				**$ 1,301**
Cost product cost per annum		**$ 23,868**		**$ 38,938**
First year total cost				**$ 40,238**

PROPOSAL SUMMARY

- The proposal is that we switch from the existing product to AP-V2 to align with best practice
- Additional product cost of $15,000 p/a
- AP-V2 represents a time saving of 6 hours across the ward per week
- Better and more consistent patient outcomes
- Reduced costs in terms of time, staff fatigue and potential errors
- Potential for reduction in stress related absent days

THE WHY

What is our end goal?

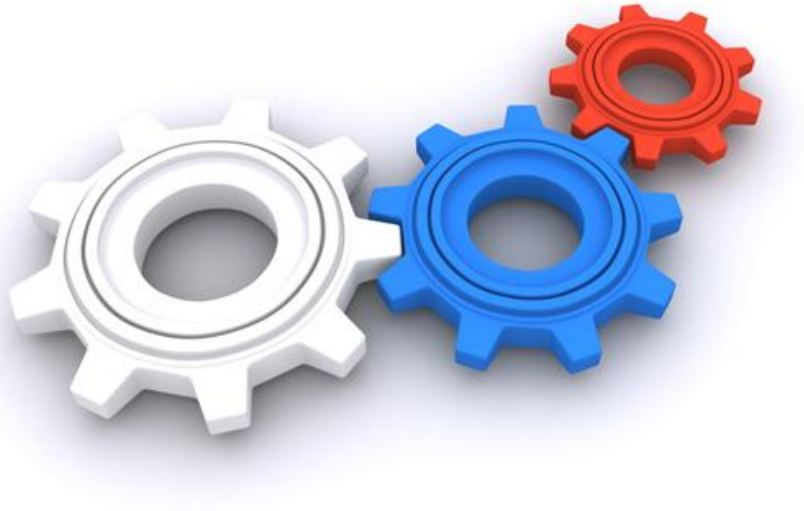
Objectives:

- To transition to a product that will save time, decrease complexity and increase patient safety and comfort
- Ease the burden and subsequent stress on staff by:
  - Reclaiming more time to assign to other tasks
  - Reduce workload
  - Less reliance on technical proficiency for staff and reduce errors
- Potential for savings on stress / fatigue related absences
- Align with best practice in other similar facilities

IMPLEMENTATION PLAN

Resources Required

- Supplier support with:
  - Education
  - Training materials and posters
  - Sample products
  - Protocol development
- 1 hour education per staff member
- Nurse educator trained to deliver refresher education on a six-monthly basis



Proposed Rollout – Post approvals

- June 6 – Order stock
- June 13-24 Staff Training with supplier
- June 27-July 2 Product implementation with supplier support
- 25 July – Product review with supplier and clinical products

NEXT STEPS

1. Product Evaluation for a period of 2 weeks ☑
2. Present to managers for review and approval ☑
3. Approvals TBC
    - Management
    - Clinical Products
    - Procurement
    - Other key stakeholders
4. Cost Sign-off TBC
5. Implementation as per plan TBC

SUMMARY

Your business case should include…

1. Executive Summary
2. Current Situation
3. The Proposal
4. Proposal Summary
5. The Why
6. Implementation Plan
7. Next Steps

Thank you.

gama healthcare