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## NEWS RELEASE

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Ministry of Health Services

### **CARDIAC SUPPLY CONTRACT TO SAVE HEALTH SYSTEM \$21M**

VICTORIA – B.C.’s health-care system will save \$21 million on cardiac supplies over the next three years as a result of a new contract between Medtronic of Canada and Health Shared Services BC (HSSBC), announced Health Services Minister Colin Hansen.

“The number one priority of our health-care system is making sure that patients get the very best care possible, and that’s why it’s important that we continue to seek ways of getting the most out of every health-care dollar,” said Hansen. “Finalization of this contract brings Health Shared Services BC’s savings from already completed contracts to \$153 million. That means that after only 21 months of operation, HSSBC has already surpassed its five-year savings target of \$150 million. This is \$153 million in savings that will be channelled directly into front-line patient care.”

The three-year contract with Medtronic is estimated to provide price savings of \$7 million annually. The total of \$21 million in savings surpasses the \$14 million projection for this contract, meaning an additional \$7 million in savings will be achieved over the three years.

“The fact that HSSBC has already surpassed its original savings goal shows that this organization is meeting its mandate to create enhanced value to the health system through effective and efficient delivery of specified support services, increased process efficiency, standardization, capital avoidance and leveraging of buying power,” said Lynda Cranston, chair of the HSSBC board and president and CEO of the Provincial Health Services Authority.

The new contract covers cardiac stents and balloons, which are used in angioplasties. The products will be used in the five cardiac catheterization labs located at St. Paul’s Hospital, Vancouver General Hospital, Royal Columbian Hospital, Royal Jubilee Hospital and Kelowna General Hospital. A small volume of balloons will also be used at BC Children’s Hospital.

“Our medical technologies help make it possible for millions of people to resume everyday activities, return to work, and live better, longer lives,” said Neil Fraser, president, Medtronic of Canada Ltd. “Medtronic is proud to partner with HSSBC to provide a cost effective method of procuring devices that will improve the lives of British Columbians in the need of cardiac treatment.”

Common symptoms for patients who may require an angioplasty are shortness of breath, angina, and heart attack. These patients will undergo diagnostic testing, and if a narrowing of the coronary arteries is confirmed, an angioplasty may be performed. The angioplasty will open up the narrowed artery to improve blood flow to the heart.

One result of HSSBC's work is that Cardiac Services BC, which is responsible for planning, co-ordinating, monitoring and evaluating cardiac services across the province, has already established a Cardiac Innovation and Development Fund. The fund manages and allocates rebates and value-added savings from provincial tenders for cardiac devices, supplies and equipment.

During 2010, the Cardiac Innovation and Development Fund approved health authority requests totalling \$1.8 million. Requests included funding a chair to lead program development in the prevention and reduction of cardiovascular disease in the South Asian community, development of a fully integrated quality-management system (including indicators, data collection systems, reporting systems, improvement planning and education), funding for eight cardiac electrophysiology fellows, and education programs and packages for patients and nurses across the province.

HSSBC has also negotiated a number of significant provincewide contracts to provide computer software and related services, home oxygen, renal dialysis and operating room supplies to health authorities. The total cumulative savings for HSSBC's first five years of operation (until March 2014) are now projected to reach \$188 million, which surpasses the \$150 million in savings initially identified by the HSSBC.

Formerly known as the BC Health Authority Shared Services Organization, HSSBC assumed accountability for supply-chain services for all six health authorities in February 2009.

HSSBC combines the buying power of the Province's health authorities by amalgamating several purchasing processes into contracts with larger volumes of standardized products. The keys to its business approach are increased process efficiency, standardization, capital avoidance and combining the buying power of its members.

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